

STATE OF ARIZONA
DEPARTMENT OF REAL ESTATE

**UNSUBDIVIDED LANDS
PUBLIC REPORT**

FOR

CONGRESS CECIL RANCH UNITS I AND II

aka CONGRESS CECIL RANCH

Registration No. DM07-054114

DEVELOPER

SEIBERT LAND CO., LLC, A NEVADA LIMITED LIABILITY COMPANY

C/O OWENS AND SONS, INC.
1136 EAST CAMPBELL AVE.
PHOENIX, ARIZONA 85014

December 4, 2007

Effective Date

STATE PROPERTY REPORT DISCLAIMER

This report is NOT A RECOMMENDATION NOR AN ENDORSEMENT by the State of Arizona of this land but is provided for informational purposes ONLY. This report reflects information provided by the developer and obtained by the Department in its review process in accordance with the provisions of Title 32, Chapter 20, Article 7, of the Arizona Revised Statutes, as amended. NOTE that not all of the information in this document has been verified by the Department; certain information has been accepted by the Department as true and accurate based on attestation of the developer and/or the developer's agents. The purchaser should verify all facts before signing any documents. The Department has not passed upon the quality or quantity of any improvement or structure and does not assume responsibility in either event.

PHOENIX OFFICE:
2910 N. 44th Street
Suite 130
Phoenix, Arizona 85018
(602) 771-7750

TUCSON OFFICE
400 West Congress
Suite 523
Tucson, Arizona 85701
(520) 628-6940

THE ARIZONA DEPARTMENT OF REAL ESTATE

REQUIRES THAT:

1. You BE GIVEN this public report;
2. YOU SIGN A RECEIPT indicating that you received this report;

RECOMMENDS:

1. You DO NOT SIGN ANY AGREEMENT before you have read this report;
2. You see the EXACT PROPERTY you are interested in BEFORE SIGNING any document for lease or purchase.

ARIZONA LAW STATES:

1. THE SALE OR LEASE OF UNSUBDIVIDED LANDS PRIOR TO ISSUANCE OF THIS REPORT OR FAILURE TO DELIVER THIS REPORT TO YOU SHALL RENDER THE SALE OR LEASE RESCINDABLE BY YOU. ACTION TO RESCIND MUST BE BROUGHT WITHIN 3 YEARS FROM DATE OF EXECUTION OF PURCHASE AGREEMENT.
2. CONTRACTS OR AGREEMENTS FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)* MAY BE RESCINDED BY YOU WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF RESCISSION BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE SIGNING.
3. IF YOU HAVE SIGNED A PURCHASE AGREEMENT FOR THE PURCHASE OF AN UNIMPROVED LOT (WITHOUT A BUILDING)* PRIOR TO INSPECTING THE LOT, YOU HAVE SIX MONTHS TO INSPECT AND UPON INSPECTION MAY RESCIND THE PURCHASE AGREEMENT.

* A contract or agreement for purchase of a lot, which includes a building or obligates the seller to complete construction of a building within two years from the contract date, does not constitute the purchase of an unimproved lot. Therefore, if your purchase includes a lot and a building or a building to be built, you are not entitled to the rescission rights described in paragraphs 2 and 3.

GENERAL

This report includes: Parcels 1 through 5, inclusive, Congress Cecil Ranch Unit One, 2nd Amended, according to Book 109 of Land Surveys, page 55; Parcels 1 through 5, inclusive, Congress Cecil Ranch Unit Two, 2nd Amended, according to Book 109 of Land Surveys, page 56;

The map of this development: is recorded as Congress Cecil Ranch Unit One, 2nd Amended Results of Survey in Book 109 of Land Surveys Page 55; Congress Cecil Ranch Unit Two, 2nd Amended Results of Survey in Book 109 of Land Surveys Page 56;

This development is approximately **416.377** acres in size. It has been divided into 10 Parcels. Parcel boundaries are staked with rebar stakes.

YOU ARE ADVISED TO OBTAIN A COPY OF THE RECORDED MAP AND CORRECTION DOCUMENTS, IF ANY, AND NOTE ALL EASEMENTS, RESTRICTIONS AND STATEMENTS CONTAINED THEREIN.

DEVELOPMENT LOCATION

Location: The project is roughly 2.5 - 3 miles South of Congress West of the Burlington Northern Santa Fe Railroad, Yavapai County, AZ.

DEVELOPMENT CHARACTERISTICS

Topography: The elevation ranges for the Congress Cecil Ranch between 2000 to 3000 feet. The terrain is mostly flat with small hills and small washes running throughout.

YOU ARE CAUTIONED TO ASSURE YOURSELF BY PERSONAL OBSERVATION OR OTHER METHODS OUTSIDE THIS REPORT OF THE USABILITY FOR YOUR NEEDS OF THE PARCEL IN, WHICH YOU MAY BE INTERESTED.

Flooding and Drainage: All parcels have several small washes. During periods of heavy rainfall some flooding will occur. A letter from the Registered Land Surveyor – Jack Johnson Company, dated November 2, 2006 states:

“In accordance with the attached FEMA, Flood Insurance Rate Maps in Yavapai County, Arizona, Map Index #040093-1650 B and 0400931855 B, in respect to any flood zone and the 100 year frequency storm, these units are listed as *non-floodprone. These properties contain small to medium washes that will run with heavy rains however, no flood insurance is required. All structure floor elevations should be verified by a registered engineer. All parcels have several small washes. During periods of heavy rainfall some flooding will occur”.

Soils: There is sandy clay with some gravel and rock with high desert vegetation.

Adjacent Lands: Land in vicinity is currently being developed into 4-acre minimum residential lots. Highway 89 and the Burlington Northern Santa Fe Railroad are adjacent to the development. Across State Route 89 is a mobile home park. To the West and South lies State Trust land currently leased to the Developer for livestock grazing purposes. The development and surrounding area is within the boundary of an active cattle ranch. Purchasers are responsible for fencing out livestock if desired.

AIRPORTS

Public Airport: Wickenburg Municipal Airport
3410 W. Wickenburg Way, Wickenburg, AZ
(928) 684-0754
The Airport is approximately 10-12 miles southeast of the development

UTILITIES

HAS MADE NO PROVISIONS FOR THE INSTALLATION OR EXTENSION OF UTILITIES. YOU WILL BE REQUIRED TO BEAR ALL COSTS FOR INSTALLATION OR EXTENSION OF UTILITIES.

Electricity: Arizona Public Service, Telephone: (800) 253-9405, Website: www.aps.com

The Developer is not responsible for the completion of electric facilities. The lot purchasers will be responsible to run power lines if desired.

The electric facilities are currently located at the East quarter corner of Section 14, Township 9 North, Range 6 West, approximately 1-¼ miles south of the most northern point of the development, and approximately 2 miles north of the most southern point of the development. Other property owners are developing land and bringing in power, thus it may be even closer.

Costs to complete electric facilities will depend on which parcel is purchased. APS will run power 1000 feet at no charge to a single family residence and for the next additional

1000 feet the cost is approximately \$10.00 per foot. If the residence is further than 2000 feet from the existing facilities, a feasibility study will need to be performed.

Upon completion of the facilities, there will be a standard hook up fee of \$25.00. Additional deposit may be required based on credit and payment history. Once service is established, direct user charges will apply.

Because fees are subject to periodical changes, purchaser is advised to contact provider with any questions about fees and/or deposit changes.

Telephone: Table Top Telephone Company, Inc. (520) 387-5600,
Website: www.tabletoptelephone.com

NOT ALL PARCELS ARE IN THE TELEPHONE SERVICE AREA

Table Top Telephone Company service may be available to Parcels 1 through 5 as shown on Congress Cecil Ranch Unit Two, Amended Results of Survey, recorded in Book 109 of Land Surveys, Page 56 records of Yavapai County, Arizona.

Telephone service is NOT available to the remaining parcels in the development at the time of this report.

The Developer is not responsible for the completion of telephone facilities if available. The lot purchasers will be responsible to run lines if desired.

Tabletop currently has facilities located along the east side of State Route 89 in Section 24, Township 9 North, Range 6 West, approximately 3/4 mile East of the farthest lot in Section 24. For placing cable and all construction costs the purchaser will pay approximately \$40,000.00 to \$50,000.00 a mile. A joint trench with APS may reduce costs significantly. Buyer is advised to contact providers directly as prices are subject to change.

Upon completion of facilities, there will be a \$76.00 installation fee. A standard deposit for new service of \$50.00 will also be required. This deposit may be waived with a letter stating good credit from a previous telephone service company. For Internet service an additional \$100.00 deposit is required. A monthly bill for basic telephone service is approximately \$25.00 per month. Internet service is approximately \$25.00 - \$40.00 per month.

Because fees are subject to periodical changes, purchaser is advised to contact provider with any questions about fees and/or deposit changes.

IT IS POSSIBLE THAT YOU MAY NOT HAVE TELEPHONE SERVICE OR BE IN THE TELEPHONE SERVICE AREA AT THE TIME OF CLOSING. YOU ARE ADVISED TO CONTACT YOUR SERVICE PROVIDER TO DETERMINE THE STATUS OF TELEPHONE SERVICE. YOU MAY ALSO WANT TO CONSIDER TEMPORARY ALTERNATIVES, IE. A CELLULAR TELEPHONE.

Gas: Natural gas is not available. Bottled propane gas may be used. AmeriGas, whose district office is located at 5140 W. Bethany Home Road, Glendale, AZ 85301 (928) 301-3928, can provide propane service to the area. AmeriGas would typically set a 250 – 500 gallon tank for homes in this area. The current new customer price is \$1.69 per gallon, with no charge for initial set-up. AmeriGas can install above or underground tanks. Service and delivery vehicles must have access to tank locations. See letter from AmeriGas, Exhibit “B” attached hereto. Because fees are subject to periodical changes, purchaser is advised to contact AmeriGas with any questions about fees and/or deposit changes.

Water: Developer is not responsible for bringing in water to the development. Individual wells may be drilled or water hauled in by purchaser.

Developer advises that C.D.I Drilling, Inc. can provide wells to the Congress area. A typical 1,000-foot well would cost approximately \$37,000 installed, which includes labor, equipment, drilling, etc. See letter from C.D.I. Drilling, Exhibit “C” attached hereto. Because fees are subject to periodical changes, purchaser is advised to contact provider with any questions about fees and/or deposit changes.

C.D.I Drilling, Inc
P.O. Box 3019
Wickenburg, AZ 85358
(928) 684-7546

YOU SHOULD CONTACT A LOCAL WELL DRILLER FOR INFORMATION ABOUT DRILLING A PRIVATE WELL. INVESTIGATE ALL COSTS AND REQUIREMENTS INVOLVED.

Bulk water can be obtained through the Congress Water District at 26540 S. Chittenden, Congress AZ 85332 (928) 427-3456 rates from Congress Water District, Exhibit “D” attached hereto. Because fees are subject to periodical changes, purchaser is advised to contact provider with any questions about fees and/or deposit changes.

AVAILABILITY OF WATER IS UNKNOWN. THE ARIZONA DEPARTMENT OF WATER RESOURCES HAS NOT PREPARED A WATER AVAILABILITY REPORT.

IF DOMESTIC WATER CANNOT BE OBTAINED FROM A PRIVATE WELL, NO REFUND OF THE PURCHASE PRICE WILL BE MADE.

Sewage Disposal: Onsite waste disposal system (septic system)

Individual septic systems to be installed by purchaser.

A basic system for a 2 bedroom, 1 bathroom house would require one 1,060-gallon cement tank along with one 60-foot trench with a 3-foot affective depth. The perk test will cost purchaser approximately \$650.00 and the septic system will cost purchaser approximately \$4,750.00. See proposal from McRann Excavating, LLC, Exhibit "E" attached hereto. Because fees are subject to periodical changes, purchaser is advised to contact McRann Excavating or another contractor with any questions about fees and/or deposit changes.

McRann Excavating, LLC
P.O. Box 1964
Wickenburg, AZ 85358
(928) 684-5948

IF AN INDIVIDUAL SEWAGE DISPOSAL SYSTEM CANNOT BE INSTALLED, NO REFUND OF THE PURCHASE PRICE OF THE LOT WILL BE MADE.

STATE/COUNTY/OWNER ADVISES THAT INDIVIDUAL SEWAGE DISPOSAL SYSTEMS ARE TO BE USED FOR SEWAGE DISPOSAL. THERE IS NO ASSURANCE THAT AN INDIVIDUAL SYSTEM CAN BE INSTALLED. PRIOR TO PURCHASE, YOU SHOULD CONTACT THE STATE AND LOCAL HEALTH DEPARTMENTS FOR SPECIFICIATIONS AND REQUIRMENTS. YOU SHOULD SATISFY YOURSELF AS TO THE COST OF INSTALLING THE SYSTEM.

THE ABOVE COSTS ARE SUBJECT TO CHANGE BY SERVICE PROVIDERS. YOU SHOULD CONTACT THE ABOVE PROVIDERS REGARDING EXTENSION RULES AND REGULATIONS, SERVICE CONNECTIONS AND COSTS INVOLVED.

CONTACT THE ABOVE UTILITIES REGARDING EXTENSION RULES AND REGULATIONS, SERVICE CONNECTIONS AND COSTS INVOLVED.

ROADS AND DRAINAGE**Access to the Development:**

The physical access for the development has historically been from State Route 89 to State Route 71 to South on Sunrise Road to South on Old School Road, which connects to the State Right of Way leading to the development. A portion of the Old School Road easement (lying South of Feather Lane) was not granted as public right of way.

Developer advises that while purchasers may be physically using said route, Developer cannot guarantee continued use of the roadway.

Legal and permanent access to the development is as follows:

State Route 71 to South on Sunrise Rd. to South on Chittenden St. to East on Phyllis St. to South on private easement recorded in Book 4502, page 782, which connects to the State Right of Way leading to the development.

NOTE REGARDING ROAD MAINTENANCE:

Yavapai County maintains Sunrise Road. Chittenden Street and Phyllis Street are public easements, which have not been accepted by Yavapai County. Developer does not know of any road maintenance agreement and advises that should the Purchaser desire to improve the condition of the road it will be at the Purchaser's expense. Private easement recorded in Book 4502, page 782 of Official Records was conveyed for the benefit of the current and future owners of Congress Cecil Ranch. No provisions have been made for the ongoing maintenance of said easement. Should the Purchaser desire to improve the condition of the easement it will be at the Purchaser's expense. Developer advises that the maintenance of the State Land right of way is addressed in the joint road agreement recorded in Book 3884 of Official Records, page 820.

Access within the Development: There is legal and permanent access over graded terrain, which may be traversed by 2-wheel automobiles. Once across state land all parcels except Congress Cecil Ranch Unit 1 Parcels 2 and 3 may be accessed through the easement and dirt road along the eastern 50 feet of Sections 12, 13, and 24 and the eastern 50 feet of Section 14, Township 9 North, Range 6 West of Gila and Salt River Base and Meridian. Parcels 2 and 3 of Congress Cecil Ranch Unit 1 can access their property off the dirt road cut through the easement along the south 50 feet of Parcel 1 and the north 50 feet of Parcel 4 of the Congress Cecil Ranch Unit 1.

THE COUNTY WILL NOT MAINTAIN THE STREETS UNTIL THEY HAVE BEEN CONSTRUCTED TO MINIMUM STANDARDS AND THE COUNTY APPROVES AND ACCEPTS THEM FOR MAINTENANCE. IF THE STREETS ARE NOT ACCEPTED FOR MAINTENANCE, THE FUTURE COST OF MAINTENANCE WILL HAVE TO BE PAID BY THE ADJACENT PROPERTY OWNERS. IF THE ADJACENT PROPERTY OWNERS FAIL TO COOPERATE, THEN YOU MAY HAVE TO INDIVIDUALLY BEAR THE ENTIRE COST OF MAINTAINING THE ROAD TO YOUR PARCEL.

Arizona State Trust Land: The Arizona State Land Department administers over 9.3 million acres of State Trust Land. This is not public land. Trust land may be subject to future development and may not be preserved or saved for openspace without compensation.

A person must have prior approval to use State Trust Land. Temporary recreational use is allowed with certain restrictions and conditions through purchase of a recreational permit. Use of State Trust Land without proper approval is a trespass.

MANY ROADS ON RURAL TRUST LANDS ARE NOT LEGAL TRAVEL ROUTES, EXCEPT FOR STATE LESSEES AND HUNTERS, AND DO NOT PROVIDE LEGAL ACCESS TO PRIVATE LAND. STATE TRUST LAND MAY BE SOLD OR LEASED FOR USES WHICH MAY EXCLUDE RECREATION. RECREATION IS A TEMPORARY USE THAT MAY BE TERMINATED AT ANY TIME.

For additional information, visit the State Land Department web page at www.land.state.az.us, or call (602) 542-4631.

Flood and Drainage: Developer advises that there will be no flood and/or drainage facilities installed within the development. All parcels have several small washes. During periods of heavy rainfall some flooding will occur. Letter from the Registered Land Surveyor states that in respect to any flood zone and the 100-year frequency storm, these units are listed as non-flood prone. These properties contain small to medium washes that will run with heavy rains however, no flood insurance is required. All structure floor elevations should be verified by a registered engineer.

ASSURANCES FOR COMPLETION

Assurances for Completion of Development Facilities: None. Dirt roads are complete. Developer has made no provisions for the installation or extension of utilities. Purchaser will be required to bear all costs for installation or extension of utilities.

Assurances for Maintenance of Development Facilities: Joint Road Agreement recorded in Book 3884 of Official Records, page 820, records of Yavapai County.

LOCAL SERVICES AND FACILITIES

Schools: : Congress Elementary School (K-8), is located at 26400 South Tenderfoot Hill Road, Congress, AZ 85332, (928) 427-9850, approximately 3-5 miles Northerly of the development

Wickenburg High School (9-12), is located at 1090 South Vulture Mine Road, Wickenburg, Arizona 85390, (928) 684-6600, approximately 12-15 miles Southeasterly of the development

School bus transportation is available. See more information at www.congressdistrict.org and www.wickenburg.k12.az.us/hs/IndexHS.htm

SCHOOL FACILITIES AND BUS SERVICE MAY CHANGE. YOU SHOULD CONTACT THE LOCAL SCHOOL BOARD REGARDING THE CURRENT LOCATION OF SCHOOLS AND BUS SERVICE.

Shopping Facilities: Limited shopping can be found in Congress north of the development about 2-4 miles. Wickenburg has more extensive shopping venues south about 10-12 miles, and Phoenix is the largest City in the state is about 50 miles Southeast.

Public Transportation: The Developer is unaware of any known public transportation.

Medical: Wickenburg Community Hospital & Nursing Home is located at 520 Rose LN., Wickenburg AZ 85390 (602) 254-2594, approximately 10 – 12 miles Southeast of the development.

Wickenburg Regional Health Center is located at 520 Rose LN., Wickenburg AZ 85390 (928) 684-5421, approximately 10 – 12 miles Southeast of the development.

Fire Protection: AVAILABLE ONLY TO A PORTION OF THE DEVELOPMENT. Only Parcel 5 of Congress Cecil Ranch Unit 1 and all five Parcels of Congress Cecil Ranch Unit 2 are within the Congress Fire Department coverage area. The Fire service is bound to Sections 12, 13 and 24, Township 9 North, Range 6 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona. See coverage map from the fire department, Exhibit “F”, attached hereto.

Congress Fire Department
(928) 427-3336
26733 Santa Fe Rd.
Congress, AZ 85332

Costs are included in taxes

Police Service: Yavapai County Sheriff, 255 E. Gurley St., Prescott AZ 86301 (928)771-3260. <http://www.co.yavapai.az.us/Sheriff.aspx> Services are available by dialing 911.

Ambulance: Life Line Ambulance, 1155 N. Tegner St., Wickenburg, AZ 85390 (928) 684-5339. www.lifelineaz.com Services are available by dialing 911.

Garbage Services: No provisions have been made for refuse collection. The nearest transfer station is the Congress transfer station located north of Congress, 1/4 mile east of State Route 89 on Stanton Road approximately 4 – 5 miles from the furthest lot in the

development. Phone number (928) 427-3876. Typical household refuse is \$1 per 30-gallon bag or \$6 per cubic yard up to 5 cubic yards. Other items may cost more.

LOCATIONS AND COSTS OF THE ABOVE SERVICES AND FACILITIES MAY CHANGE. YOU SHOULD VERIFY THEIR CURRENT LOCATIONS AND COSTS PRIOR TO PURCHASE.

DEVELOPMENT USE AND RESTRICTIONS

Use: This offering is for unimproved (vacant) parcels and improved parcels for residential use. Property is subject to an existing grazing lease.

Conditions, Reservations and Restrictions: Recorded CC&Rs, grazing lease and easements limit the use of the property.

DEVELOPER ADVISES THAT THIS DEVELOPMENT IS LOCATED IN AN OPEN RANGE AREA IN WHICH LIVESTOCK MAY ROAM AT LARGE UNDER THE LAWS OF THIS STATE AND THAT NO PROVISIONS HAVE BEEN MADE FOR THE FENCING OF THE DEVELOPMENT TO PRECLUDE LIVESTOCK FROM ROAMING WITHIN THE DEVELOPMENT.

NOTE: PROSPECTIVE PURCHASERS ARE ADVISED THAT ANY SPLITTING, DIVISION, ETC. OF ANY LOT HEREIN MAY COME UNDER JURISDICTION OF YAVAPAI COUNTY AND/OR THE STATE OF ARIZONA. YOU ARE ADVISED TO CONTACT THE ABOVE AND ANY OTHER APPLICABLE AGENCIES PRIOR TO ANY SUCH ACTIVITY TO DETERMINE ANY APPLICABLE JURISDICTION.

Restrictions and Other Matters of Record: Conditions, reservations and restrictions that may run with the land including City or County zoning restrictions should be investigated by you. Copies of those items, which are recorded, may be inspected at the Office of the Yavapai County recorder. Information about zoning may be obtained at the Office of the Yavapai Planning and Zoning Department. Restrictions are recorded as cited in the following title exceptions and per the survey map.

TITLE

Title to this development is vested in Yavapai Title Agency, Inc., an Arizona corporation, as Trustee under Trust No. 377

Developer's interest in the Development is evidenced by Trust Agreement with Yavapai Title Agency, Inc., Trust No. 377 dated January 13, 2006.

Title is subject, among other things, to all taxes, assessments, covenants, conditions, restrictions, limitations, reservations, rights, obligations, powers, easements, rights of way, liens, and charges of record. **YOU SHOULD INVESTIGATE THE TITLE AND SATISFY YOURSELF AS TO WHAT EFFECT, IF ANY; THESE MATTERS MAY HAVE ON THE USE OF THE LAND.** Title exceptions affecting the condition of title are listed in the Preliminary Title Report dated September 27, 2007, issued by Yavapai Title Agency, Inc. As a prospective purchaser, you should obtain a title report and examine the effect of the listed exceptions.

EXCEPTIONS: SEE EXHIBIT "A" ATTACHED

THE MINERAL RIGHTS TO ALL PARCELS IN THIS DEVELOPMENT WILL NOT BELONG TO THE PURCHASERS OF THESE LOTS. THE EXERCISE OF THE RIGHT TO EXTRACT THESE MINERALS COULD AFFECT THE USE, ENJOYMENT AND VALUE OF YOUR LOT.

Liens and encumbrances: Deed of Trust with Farm Credit Services Southwest, FLCA. Lender has Partial Release provisions so that each Parcel will be partially released through escrow.

DEVELOPER HAS ADVISED THAT ARRANGEMENTS HAVE BEEN MADE WITH THE LENDER IN THE AFOREMENTIONED DEED OF TRUST FOR THE RELEASE OF INDIVIDUAL PARCELS.

METHOD OF SALE OR LEASE

Sales: Sales will be made through purchase contract and special warranty deed at close of escrow.

YOUR VESTED INTEREST/OWNERSHIP INTEREST IN THE PROPERTY WILL BE EVIDENCED BY THE DEVELOPER DELIVERING A RECORDED DEED TO YOU AND BY YOUR SIGNING A PROMISSORY NOTE AND MORTGAGE OR DEED OF TRUST FOR THE UNPAID BALANCE, IF ANY. YOU SHOULD READ THESE DOCUMENTS BEFORE SIGNING THEM.

Use and Occupancy: At close of escrow.

THE PURCHASE CONTRACT IS A BINDING AGREEMENT. CONTRARY TO THE TERMS AND PROVISIONS OF THE CONTRACT, YOU MAY HAVE ADDITIONAL RIGHTS, REMEDIES AND WARRANTIES PROVIDED BY

LAW. READ THOROUGHLY BEFORE SIGNING. IF NOT UNDERSTOOD, SEEK COMPETENT ADVICE PRIOR TO COMMITMENT TO PURCHASE.

TAXES AND ASSESSMENTS

Real Property Taxes: The combined primary and secondary property tax rate for this development for the year 2006 is \$10.46 per \$100.00 assessed valuation. The estimated property tax for an improved parcel (parcel with dwelling), based on the above tax rate and average sales price of \$1,000,000.00, is \$8,891.00. The estimated property tax for an unimproved parcel (vacant), based on the above tax rate and average sales price of \$800,000.00, is \$11,380.00.

AMOUNT OF TAXES AND ASSESSMENTS SET FORTH ABOVE ARE APPROXIMATE ONLY AND SUBJECT TO CHANGE.

EXHIBIT A

1. Reservations contained in the Patent from the United States of America, recorded in Book, reading as follows:
 Subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes, and rights to ditches and reservoirs used in connection with such water rights as may be recognized and acknowledged by the local customs, laws and decisions of courts; and there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States of America.
 (EXCEPTION TO BE DELETED ON INDIVIDUAL LOT SALES)
2. The right of entry to prospect for, mine and remove coal and other minerals in said land as set forth in patent to said land.
 (Affects All)
3. Taxes and assessments collectible by the county Treasurer for the following year:
 Year : 2007
4. Water Rights, claims or title to water, and agreements, covenants, conditions or rights incident thereto, whether or not shown by the public records.
 This exception is not limited by reason of the disclosure of any matter relating to Water Rights as may be set forth elsewhere in Schedule B.
5. Easements and rights incident thereto, as set forth in instrument:
 Recorded in Book : 191 of Deeds
 Page : 295 and 296
 Purpose : Electric lines and poles
 (Affects Parcel 5 of CCR 1 lying within Section 12)
6. The effect of Resolution 500-022, recorded in:
 Book : 2690 of Official Records
 Page : 707
 Concerning : Congress Fire District
 (Affects Parcel 5 of CCR 1 and all of CCR 2)
7. Deed of Trust given to secure the original amount shown below, and any other amount payable under the terms thereof:
 Amount: \$478,725.00
 Dated: April 28, 1999
 Recorded: May 11, 1999
 Book: 3662 of Official Records
 Page: 149
 Trustor Seibert Land Co., L.L.C., a Nevada Limited Liability Company
 Trustee Farm Credit Services Southwest, ACA
 Beneficiary Farm Credit Services Southwest, ACA

Continued

The beneficial interest under said Deed of Trust was assigned by instrument:

Dated: January 1, 2000
 Recorded: May 23, 2000
 Book: 3756 of Official Records
 Page: 453
 Assignee: Farm Credit Services Southwest, FLCA
 (Affects All)

8. Matters Shown on Survey:

Recorded in Book 56 of Land Surveys
 Page 87; as Amended in
 Book 57 of Land Surveys
 Page 28
 Recorded in Book 109 of Land Surveys
 Page 55
 (Affects CCR 1)

9. Matters Shown on Survey:

Recorded in Book 56 of Land Surveys
 Page 86
 Recorded in Book 57 of Land Surveys
 Page 29
 Recorded in Book 109 of Land Surveys
 Page 56
 (Affects CCR 2)

10. Easements and rights incident thereto, as set forth in instrument:

Recorded in Book : 3884 of Official Records
 Page : 820
 Purpose : Ingress, egress; and underground and overhead utilities
 (Affects All)

11. Agreement according to the terms and conditions contained therein:

Purpose : Joint Road Agreement
 Parties : Seibert Land Company, L.L.C.;
 William Fuller;
 Guy Turner and Carol J. Turner, his wife
 Dated : January 19, 2001
 Recorded : December 10, 2001
 Book : 3884 of Official Records
 Page : 820
 (Affects All)

Continued

12. TERMS, CONDITIONS, RULES OR RESTRICTIONS, imposed upon that certain access easement, which provides access to the land described in Schedule A, by the State of Arizona, acting By and Through the State Land Department, as contained in Easement Recorded in:

Book : 3884 of Official Records
Page : 821
(Affects All)

13. Access to the property is subject to terms and conditions governing public roads across State Lands.
(Affects All)

NOTE: There are no further matters of record affecting the land as of the date of this report.