

VACANT LAND/LOT SELLER'S PROPERTY DISCLOSURE STATEMENT (SPDS) (To be completed by Seller)

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MESSAGE TO THE SELLER:

Sellers are obligated by law to disclose all known material (important) facts about the Property to the Buyer. The SPDS is designed to assist you in making these disclosures. If you know something important about the Property that is not addressed on the SPDS, add that information to the form. Prospective Buyers may rely on the information you provide.

INSTRUCTIONS: (1) Complete this form yourself. (2) Answer all questions truthfully and as fully as possible. (3) Attach all available supporting documentation. (4) Use explanation lines as necessary. (5) If you do not have the personal knowledge to answer a question, use the blank lines to explain. *By signing below you acknowledge that the failure to disclose known material information about the Property may result in liability.*

MESSAGE TO THE BUYER:

Although Sellers are obligated to disclose all known material (important) facts about the Property, there are likely facts about the Property that the Sellers do not know. Therefore, it is important that you take an active role in obtaining information about the Property.

INSTRUCTIONS: (1) Review this form and any attachments carefully. (2) Verify all important information. (3) Ask about any incomplete or inadequate responses. (4) Inquire about any concerns not addressed on the SPDS. (5) Review all other applicable documents, such as CC&R's, association bylaws, rules, and the title report or commitment. (6) Obtain professional inspections of the Property. (7) Investigate the surrounding area.

THE FOLLOWING ARE REPRESENTATIONS OF THE SELLER(S) AND ARE NOT VERIFIED BY THE BROKER(S) OR AGENT(S).

PROPERTY AND OWNERSHIP

1. THIS DISCLOSURE CONCERNS THE FOLLOWING REAL PROPERTY: 0000 Florentine
2. Prescott Valley AZ 86314
3. COUNTY: Yavapai TAX PARCEL NUMBER: 402-14-688T
4. ZONING: C-3 DATE PURCHASED OR ACQUIRED: 11/15/06
5. How did you acquire the Property? ☒ Purchase ☐ Inheritance ☐ Foreclosure ☐ Gift ☐ Other: _____
6. LEGAL OWNER OF PROPERTY: DRMJ Land, LLC
7. Is the Property located in an unincorporated area of the county? ☐ Yes ☒ No
8. If yes, and five or fewer parcels of land other than subdivided land are being transferred, the Seller must furnish the Buyer
9. with a written Affidavit of Disclosure in the form required by law.
10. To your knowledge, is the Property within a subdivision approved by the Arizona Department of Real Estate? ☒ Yes ☐ No
11. Is the legal owner(s) of the Property a Foreign Person pursuant to the Foreign Investment in Real Property
12. Tax Act (FIRPTA)? ☐ Yes ☒ No If yes, consult a tax advisor; mandatory withholding may apply.
13. Does the Property include any leased land? ☐ Yes ☒ No
14. If No, skip to line 22
15. If yes, is the land: ☐ State ☐ Federal ☐ Privately owned ☐ Other: _____
16. How many acres are leased? _____
17. Expiration date of current lease? _____ (Attach a copy of the lease.)
18. Is the Property currently leased to a tenant? ☐ Yes ☐ No
19. If yes, expiration date of current lease: _____ (Attach a copy of the lease.)
20. If any refundable deposits or prepaid rents are being held, by whom and how much? Explain: _____
21. _____

- | | YES | NO | |
|-----|-------------------------------------|-------------------------------------|--|
| 22. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Have you entered into any agreement to transfer your interest in the Property in any way, including lease renewals |
| 23. | | | or options to purchase? Explain: _____ |
| 24. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | To your knowledge, is the Property subject to Covenants, Conditions and Restrictions or deed restrictions? |
| 25. | | | Explain: <u>By Fain Signature Group - Available upon request</u> |

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Initials>

BUYER BUYER

Vacant Land/Lot Seller's Property Disclosure Statement (SPDS) >>

YES	NO	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	26. Are you aware of any association(s) governing this Property?
		27. If yes, membership in the association(s) is <input type="checkbox"/> Mandatory <input type="checkbox"/> Voluntary
		28. Association Name: _____ Contact Person: _____ Phone #: _____
		29. Association Name: _____ Contact Person: _____ Phone #: _____
		30. If yes, are there any fees? How much? \$ _____ How often? _____
		31. How much? \$ _____ How often? _____
<input type="checkbox"/>	<input checked="" type="checkbox"/>	32. Are you aware of any assessments affecting this Property? (Check all that apply):
		33. <input type="checkbox"/> Association assessment <input type="checkbox"/> Road maintenance <input type="checkbox"/> Sewer <input type="checkbox"/> Water <input type="checkbox"/> Electric <input type="checkbox"/> Other _____
		34. If yes, the approximate balance: \$ _____
<input type="checkbox"/>	<input checked="" type="checkbox"/>	35. Are you aware of any proposed assessment(s)?
		36. If yes, explain: _____
<input type="checkbox"/>	<input checked="" type="checkbox"/>	37. Are you aware of any pending or anticipated disputes or litigation regarding the Property or the association(s)?
		38. Explain: _____
<input type="checkbox"/>	<input checked="" type="checkbox"/>	39. Are you aware of any of the following recorded against the Property? (Check all that apply):
		40. <input type="checkbox"/> Judgment liens <input type="checkbox"/> Tax liens <input type="checkbox"/> Other non-consensual liens
		41. Explain: _____
<input type="checkbox"/>	<input checked="" type="checkbox"/>	42. Are you aware of any title issues affecting this Property? (Check all that apply):
		43. <input type="checkbox"/> Recorded easements <input type="checkbox"/> Use restrictions <input type="checkbox"/> Lot line disputes <input type="checkbox"/> Encroachments
		44. <input type="checkbox"/> Unrecorded easements <input type="checkbox"/> Use permits <input type="checkbox"/> Conservation easement <input type="checkbox"/> Other _____
		45. Explain: _____
<input type="checkbox"/>	<input checked="" type="checkbox"/>	46. Are you aware of any pending or anticipated eminent domain or condemnation proceedings regarding the Property?
		47. Explain: _____
<input type="checkbox"/>	<input checked="" type="checkbox"/>	48. Are you aware of any development, impact, or similar fees regarding the Property?
		49. Explain: _____
<input type="checkbox"/>	<input checked="" type="checkbox"/>	50. Are you aware if the Property is located within the boundaries of a Community Facilities District (CFD)?
		51. If yes, provide the name of the CFD: _____

ACCESS

52. There ☒ is ☐ is not...legal access to the Property, as defined in A.R.S. §11-831 ☐ unknown

53. Explain: _____

54. _____

55. There ☒ is ☐ is not...physical access to the Property ☐ unknown

56. Explain: _____

57. _____

58. There ☐ is ☒ is not ...a statement from a licensed surveyor or engineer available stating whether the Property has

59. physical access that is traversable by a two-wheel drive passenger motor vehicle

60. The legal and physical access to the Property ☒ is ☐ is not...the same ☐ unknown ☐ not applicable

61. Explain: _____

62. _____

63. The road(s) ☒ is publicly maintained ☐ privately maintained ☐ not maintained ☐ not applicable. If applicable, there

64. ☐ is ☐ is not...a recorded road maintenance agreement.

65. **If the roads are not publicly maintained, it is the responsibility of the Property owner(s) to maintain the roads and roads that**

66. **are not improved to county standards and accepted for maintenance are not the county's responsibility.**

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USE

67. What is the current use of the Property? Vacant land
68. What prior uses of the Property are you aware of? Open Range

YES NO

69. ☒ ☐ To your knowledge, does the current use conform with current zoning?
70. If no, Explain: _____
71. ☒ ☐ Are you aware of any improvements on the Property?
72. Explain: Natural Gas Stub
73. ☐ ☒ Are you aware of any crops being grown on the Property?
74. If yes, are the crops ☐ Owner operated ☐ Tenant operated
75. If yes, who has the right to harvest the crops and for what period of time? Explain: _____
76. _____
77. ☐ ☒ Are you aware of any livestock on the Property?
78. If yes, are the livestock ☐ Owner operated ☐ Tenant operated ☐ Open range

UTILITIES

79. **ARE THE FOLLOWING SERVICES AVAILABLE TO THE PROPERTY?**

YES NO

PROVIDER

80. ☒ ☐ Electricity: _____ APS
81. ☒ ☐ Fuel: ☒ Natural gas ☐ Propane ☐ Oil _____ UniSource
82. ☒ ☐ Cable: _____ Century Link or Sparklight
83. ☒ ☐ Internet: _____ "
84. ☒ ☐ Telephone: _____ "
85. ☒ ☐ Garbage Collection: _____ Private (Various)
86. ☒ ☐ Fire: _____ CYFD
87. ☐ ☒ Irrigation: _____
88. ☐ ☒ Are there any alternate power systems serving the Property? (If no, skip to line 99)
89. If yes, indicate type (Check all that apply)
90. ☐ Solar ☐ Wind ☐ Generator ☐ Other _____
91. ☐ ☒ Are you aware of any past or present problems with the alternate power system(s)?
92. Explain: _____
93. ☐ ☒ Are any power systems serving the Property leased?
94. Explain: _____
95. If yes, provide name and phone number of the leasing company (Attach copy of lease if available) _____
96. _____

NOTICE TO BUYER: If the Property is served by a solar system, Buyer is advised to read all pertinent documents and review the cost, insurability, operation, and value of the system, among other items.

WATER

YES NO

99. ☒ ☐ Is there a domestic water source to the Property?
100. If yes, water source is: ☒ Public ☐ Private water company ☐ Private well ☐ Shared well ☐ Hauled water
101. If water source is a private or shared well, or water can be used from springs, streams, lakes, ponds, reservoirs,
102. canyons, or ravines, complete and attach the DOMESTIC WATER WELL/ WATER USE ADDENDUM.
103. If water source is public, a private water company, or hauled water, Provider is: _____

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- YES NO
104. ☐ ☒ Are you aware of any past or present drinking water problems?
105. Explain: _____
106. _____
107. ☐ ☒ To your knowledge, is the Property in one of the following districts or areas? (Check all that apply):
108. ☐ Central Arizona Project (CAP) District ☐ Irrigation Non-Expansion Area ☐ Active Management Area
109. ☐ Central Arizona Groundwater Replenishment District ☐ Other: _____
110. ☐ ☒ Are you aware of any grandfathered water rights associated with the Property?
111. If yes, ☐ Type I ☐ Type II ☐ Irrigation
112. Grandfathered Water Rights Certificate # _____
113. What is the allotment? _____ acre feet
114. Number of irrigated acres _____
115. ☐ ☒ To your knowledge, does the Property have surface water rights? If yes, Certificate # _____

NOTICE TO BUYER: If the Property is served by a well, private water company or a municipal water provider, the Arizona Department of Water Resources may not have made a water supply determination. For more information about water supply, or any of the above services, contact the provider.

SEWER/WASTEWATER TREATMENT

- YES NO
119. Type of sewer: ☒ Public ☐ Private ☐ Planned and approved sewer system, but not connected ☐ None
120. Name of Provider: Town of Prescott Valley
121. ☐ ☒ Is the Property served by an On-Site Wastewater Treatment Facility? (If no, skip to line 136)
122. If yes, the Facility is: ☐ Conventional septic system ☐ Alternative system; type: _____
123. _____ or;
124. Other: _____
125. **NOTICE TO BUYER:** Contact the appropriate governmental or private provider regarding the availability and cost of sewer connection.
126. _____
127. ☐ ☐ If the Facility is an alternative system, is it currently being serviced under a maintenance contract?
128. If yes, name of contractor: _____ Phone #: _____
129. Approximate year Facility installed: _____ (Attach copy of permit)
130. ☐ ☐ Are you aware of any repairs or alterations made to this Facility since original installation?
131. Explain: _____
132. _____
133. Approximate date of last Facility inspection and/or pumping of septic tank: _____
134. _____
135. ☐ ☐ Are you aware of any past or present problems with the Facility? Explain: _____
136. ☒ ☐ Are you aware of any site/soil evaluation (percolation or other tests) having been performed on the Property?
137. If yes, when and by whom? ETC 10/29/21

NOTICE TO SELLER AND BUYER: The Arizona Department of Environmental Quality (ADEQ) requires a pre-transfer inspection of on-site wastewater treatment facilities on re-sale properties.

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NOTICE TO BUYER: Cesspools have not been approved for use in Arizona since 1976. Current Arizona Department of Environmental Quality regulations on cesspools specifically prohibit their use for sewage disposal [R18-9-A309(A)(4) and R18-5-408(D)].

ENVIRONMENTAL INFORMATION

YES NO

143. ☐ ☒ Are you aware of the presence of any of the following on the Property, past or present? (Check all that apply):
 144. ☐ Asbestos ☐ Radon gas ☐ Mining operations ☐ Pesticides
 145. ☐ Underground storage tanks ☐ Fuel/oil/chemical disposal or storage
 146. Explain: _____
147. ☐ ☒ Are you aware of the presence of any of the following in close proximity to Property, past or present? (Check all that apply):
 148. ☐ Asbestos ☐ Radon gas ☐ Pesticides ☐ Underground storage tanks
 149. ☐ Fuel/oil/chemical disposal or storage ☐ Other: _____
 150. Explain: _____
151. ☐ ☒ Are you aware if the Property is located within any of the following? (Check all that apply):
 152. ☐ Superfund ☐ Water Quality Assurance Revolving Fund ("WQARF")
 153. ☐ Comprehensive Environmental Response Compensation and Liability Act ("CERCLA")
154. ☐ ☒ Are you aware of any environmental assessments or studies having been performed on the Property?
 155. If yes, was the study a (Check all that apply): ☐ Phase I ☐ Phase II ☐ Phase III ☐ Other _____
 156. (Attach copies of the environmental assessment or study.)
157. ☒ ☐ Are you aware of any past or present issues or problems with any of the following on the Property? (Check all that apply):
 158. ☒ Soil settlement/expansion ☐ Drainage/grade ☐ Erosion ☐ Fissures ☐ Other
 159. Explain: Expansive Clay - See Soils Report
160. **NOTICE TO BUYER: The Arizona Department of Real Estate provides earth fissure maps to any member of the public in printed or electronic format upon request and on its website at: www.azre.gov**
162. ☒ ☐ Are you aware of any past or present issues or problems in close proximity to the Property related to any of the following? (Check all that apply):
 163. ☒ Soil settlement/expansion ☐ Drainage/grade ☐ Erosion ☐ Fissures ☐ Other
 164. Explain: Expansive Clay
166. ☐ ☒ Are you aware if the Property is subject to any present or proposed effects of any of the following? (Check all that apply):
 167. ☐ Airport noise ☐ Traffic noise ☐ Rail line noise ☐ Neighborhood noise ☐ Toxic waste disposal
 168. ☐ Odors ☐ Nuisances ☐ Sand/gravel operations ☐ Other _____
 169. Explain: _____
170. ☐ ☒ Are you aware of any portion of the Property being situated on or in close proximity to a closed landfill?
 171. Explain: _____
172. ☐ ☒ Are you aware of any conditions that make the Property subject to any of the following ordinances or regulations? (Check all that apply):
 173. ☐ Hillside ☐ Erosion control ☐ Native plant/animal species preservation ☐ Natural area open space requirements
 174. ☐ Wetlands area ☐ Critical habitat
176. ☐ ☒ Are you aware if the Property is located in the vicinity of an airport (military, public, or private)?
 177. Explain: _____

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178.
179.
180.
181.
182.

NOTICE TO SELLER AND BUYER: Pursuant to Arizona Law a Seller shall provide a written disclosure to the Buyer if the Property is located in territory in the vicinity of a military airport or ancillary military facility as delineated on a map prepared by the State Land Department. The Department of Real Estate also is obligated to record a document at the County Recorder's Office disclosing if the property is under restricted air space and to maintain the State Land Department Military Airport Map on its website at: www.azre.gov.

YES NO

183. ☐ ☒ Are you aware if any portion of the Property is in a flood way or flood plain?

184. Explain: _____

185. ☐ ☒ Are you aware of any portion of the Property ever having been flooded?

186. Explain: _____

187.
188.
189.
190.
191.
192.
193.
194.
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197.
198.
199.
200.

NOTICE TO BUYER: Your mortgage lender [may] [will] require you to purchase flood insurance in connection with your purchase of this property. The National Flood Insurance Program provides for the availability of flood insurance and establishes flood insurance policy premiums based on the risk of flooding in the area where properties are located. Changes to federal law (The Biggert-Waters Flood Insurance Reform Act of 2012 and the Homeowner Flood Insurance Affordability Act of 2014, in particular) will result in changes to flood insurance premiums that are likely to be higher, and in the future may be substantially higher, than premiums paid for flood insurance prior to or at the time of sale of the property. As a result, purchasers of property should not rely on the premiums paid for flood insurance on this property previously as an indication of the premiums that will apply after completion of the purchase. In considering purchase of this property you should consult with one or more carriers of flood insurance for a better understanding of flood insurance coverage, current and anticipated future flood insurance premiums, whether the prior owner's policy may be assumed by a subsequent purchaser of the property, and other matters related to the purchase of flood insurance for the property. For more information about flood insurance as it relates to this property, you may also wish to contact the Federal Emergency Management Agency (FEMA) at: <https://www.fema.gov/national-flood-insurance-program>.

MISCELLANEOUS

YES NO

201. ☒ ☐ Are you aware of any survey of the Property by a licensed surveyor having been performed? If yes, when and by whom? VH Land Survey 2/25/25 (Attach surveyor's plat map)

203. ☒ ☐ If yes, is the survey recorded?

204. ☐ ☒ Are you aware of any archeological features or artifacts on the Property?

205. Explain: _____

206. ☐ ☒ Are you aware of any archeological study having been performed on the Property?

207. If yes, when and by whom? _____

208. ☐ ☒ Are you aware of any endangered species on the Property? Explain: _____

209.

210. ☐ ☒ Are you aware of any endangered species studies having been performed on the Property? If yes, when and by whom? _____

212. ☐ ☒ Are you aware of any mineral rights that transfer with the title? If yes, explain: _____

213.

214. ☐ ☒ Are you aware of any open mine shafts/tunnels, abandoned wells, or other hazards on the Property?

215. If yes, describe location: _____

216.

217. (Illustrate location on plat map, if attached.)

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ADDITIONAL EXPLANATIONS

YES NO

218. ☒ ☐ Is there any other information concerning the Property that might affect the decision of a buyer to buy, or affect
219. the value of the Property, or affect the Property's use by a buyer? Explain: _____

220. _____
221. ① Topo performed on 2/25/25

222. _____
223. ② Architectural Plans prepared for 12,000 SF +/-
224. Building - Headwater Architects

225. _____

226. _____

227. _____

228. _____

229. _____

230. _____

231. _____

232. _____

233. _____

234. _____

235. _____

236. **SELLER CERTIFICATION:** Seller certifies that the information contained herein is true and complete to the best of Seller's
237. knowledge as of the date signed. Seller agrees that any changes in the information contained herein will be disclosed in writing
238. by Seller to Buyer prior to Close of Escrow, including any information that may be revealed by subsequent inspections.

239.  3/21/25  3/21/25
^ SELLER'S SIGNATURE MO/DA/YR ^ SELLER'S SIGNATURE MO/DA/YR
Dale R. Johnson Diane Johnson

240. Reviewed and updated: Initials: _____ / _____
SELLER SELLER MO/DA/YR

241. **BUYER'S ACKNOWLEDGMENT:** Buyer acknowledges that the information contained herein is based only on the Seller's actual
242. knowledge and is not a warranty of any kind. Buyer acknowledges Buyer's obligation to investigate any material (important) facts in
243. regard to the Property. Buyer is encouraged to obtain Property inspections by professional independent third parties.

244. **NOTICE:** Buyer acknowledges that by law, Sellers, Lessors and Brokers are not obligated to disclose that the Property is or has
245. been: (1) the site of a natural death, suicide, homicide, or any other crime classified as a felony; (2) owned or occupied by a person
246. exposed to HIV, diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real
247. estate; or (3) located in the vicinity of a sex offender.

248. By signing below, Buyer acknowledges receipt only of this SPDS. If Buyer disapproves of any items provided herein, Buyer
249. shall deliver to Seller written notice of the items disapproved as provided in the Contract.

250. _____
^ BUYER'S SIGNATURE MO/DA/YR ^ BUYER'S SIGNATURE MO/DA/YR