

**DISCLOSURE STATEMENT  
FOR PHASES 8 AND 10 OF  
PETROGLYPH PLACE AT  
PETROGLYPH TRAILS SUBDIVISION**

PLEASE READ THIS DISCLOSURE STATEMENT  
BEFORE YOU  
SIGN ANY DOCUMENTS OR AGREE TO ANYTHING

This disclosure statement is intended to provide you with enough information to permit you to make an informed decision on the purchase, lease or acquisition of property described in this statement. You should read carefully all of the information contained in this statement before you decide to purchase, lease or otherwise acquire the described property.

Various public agencies may have issued opinions on both the subdivision proposal and the information contained in this disclosure statement. Summaries of these opinions are contained in this disclosure statement. They may be favorable or unfavorable. You should read them closely.

The Board of County Commissioners has examined this disclosure statement to determine whether the subdivider can fulfill what the subdivider has said in this disclosure statement. However, the Board of County Commissioners does not vouch for the accuracy of what is said in this disclosure statement. In addition, this disclosure statement is not a recommendation or endorsement of the subdivision by either the County or the State. It is informative only.

The Board of County Commissioners recommends that you inspect the property before purchasing, leasing or otherwise acquiring it. If you have not inspected the parcel before purchasing, leasing or otherwise acquiring it, you have six (6) months from the time of purchase, lease or other acquisition to personally inspect the property. After inspecting the parcel within the six (6) month period, you have three (3) days to rescind the transaction and receive all your money back from the subdivider when merchantable title is revested in the subdivider. To rescind the transaction you must give the subdivider written notice of your intent to rescind within three (3) days after the date of your inspection of the property.

County regulations require that any deed, real estate contract, lease or other instrument conveying an interest in a parcel in the subdivision be recorded with the County Clerk. Building permits, wastewater permits or other use permits must be issued by state or county officials before Improvements are constructed. You should investigate the availability of such permits before you purchase, lease or otherwise acquire an interest in the land. You should also determine whether such permits are requirements for construction of additional improvements before you occupy the property.

1. **NAME OF SUBDIVISION, MASTER DISCLOSURE STATEMENT AND DESCRIPTION OF ENTIRE SUBDIVISION AND OF PHASES 8 AND 10 THEREOF:**

A. **NAME OF SUBDIVISION:** Petroglyph Place at Petroglyph Trails Subdivision, Phases 8 & 10, Felipe Gutierrez Grant, Projected Sections 28 & 33, T.13N., R.4E., N.M.P.M., Sandoval County, New Mexico

B. **MASTER DISCLOSURE STATEMENT:** There is a Master Disclosure statement (the "Master Disclosure Statement") which covers all of Petroglyph Trails, and which was recorded on December 16, 2011, in Book 414 at Page 29796, records of the Sandoval County Clerk. Purchasers of lots in Phases 8 and 10 of Petroglyph Trails should read not only this disclosure statement but also the master disclosure statement since portions thereof are referenced herein.

C. **DESCRIPTION OF ENTIRE SUBDIVISION AND OF PHASES 8 AND 10 THEREOF:** Petroglyph Trails is a subdivision consisting of approximately 217 acres located North of N.M. Highway 165 in Placitas, Sandoval County, New Mexico. It is anticipated that Petroglyph Trails will be developed in thirteen (13) phases. The 36 lots in Phases 8 and 10 of Petroglyph Trails constitute approximately 43.38 acres and are being developed by Placitas Development, LLC. A copy of the final plat for Petroglyph Place at Petroglyph Trails, Phases 8 and 10, is attached hereto as **Exhibit A** (the "final plat"). The lots within the other phases have been or will be developed by Trails Investors, LLC, the master developer for all of Petroglyph Trails, or by such persons or entities as may acquire one or more of the phases.

2. **NAME AND ADDRESS OF YOUR SUBDIVIDER/ DEVELOPER:**

PLACITAS DEVELOPMENT, LLC  
01 Ridge Court  
Placitas, New Mexico 87043

3. **NAME AND ADDRESS OF PERSON IN CHARGE OF SALES OR LEASES IN NEW MEXICO FOR PHASES 8 AND 10:**

Steven M. Gudelj and/or Thomas J. Ashe  
01 Ridge Court  
Placitas, New Mexico 87043

4. **SIZE OF PHASES 8 AND 10 OF PETROGLYPH TRAILS:**

43.3857 acres containing 35 lots

5. **SIZE OF LARGEST LOT OFFERED FOR SALE OR LEASE WITHIN PHASES 8 AND 10 OF PETROGLYPH TRAILS:**

APPROX. 3.1290 ACRES.

6. **SIZE OF SMALLEST LOT FOR SALE OR LEASE WITHIN PHASES 8 AND 10 OF PETROGLYPH TRAILS:**

APPROX. 0.75 ACRE

7. **PROPOSED RANGE OF SELLING OR LEASING PRICES FOR LOTS IN PHASES 8 AND 10 OF PETROGLYPH TRAILS:**

\$ 110,000 to \$150,000 for the purchase of a lot. These figures are subject to change without notice.

8. **FINANCING TERMS:**

**A. PLACITAS DEVELOPMENT, LLC'S DISCRETION TO PROVIDE FINANCING:** At its sole discretion. Placitas Development, LLC may offer financing, via a note and mortgage, to a limited number of qualified purchasers. Placitas Development, LLC may also offer to sell lots to builders on a real estate contract. Placitas Development, LLC has no obligation to offer financing and reserves the right to discontinue doing so at any time, to change its financing terms at any time and to deny financing to any person at Placitas Development LLC's sole discretion.

**B. FEES AND COSTS ARE ESTIMATES ONLY:** Any fees and costs stated in this Section 8 are estimates only. Placitas Development, LLC does not represent, warrant or guarantee that such terms or amounts will remain the same and states that such amounts are all subject to rate changes. Moreover, the fees and costs stated below do not include types of fees or costs that Placitas Development, LLC reserves the right to assess as additional fees and costs. Purchaser should review the purchase agreement and the loan and closing documents relating to the purchaser's transaction for specific loan terms and for the specific amounts to be paid by purchaser.

**C. INTEREST RATES:** Placitas Development, LLC may provide financing to a limited number of qualified purchasers. The interest rate charged to any purchaser for whom Placitas Development, LLC agrees to provide financing will be negotiated based on then-existing market conditions.

**D. TERM OF NOTE AND MORTGAGE OR REAL ESTATE CONTRACT:** Placitas Development, LLC may provide financing to a limited number of qualified lot purchasers on a ten (10) or twenty (20) year amortization.

In case of purchasers of an entire phase, the terms of such note and mortgage or real estate contract shall be the subject of negotiation between the parties.

**E. MINIMUM DOWN PAYMENT:** To the extent Placitas Development, LLC decides to provide financing to a qualified lot purchaser, it will be with a minimum down of twenty percent (20%) of the purchase price.

**F. ESCROW FEES:** If Placitas Development, LLC decides to provide financing, payments will be made to Placitas Development, LLC through an escrow company (currently Security Escrow, Inc.). The purchaser will be responsible for the escrow set-up fee due upon closing of the property. All purchasers obtaining financing from Placitas Development, LLC must inquire about the current set-up fee prior to their closing. Each loan or real estate contract payment made by such purchaser will also be subject to an escrow transaction fee in the approximate amount of \$10.00 per month plus tax based on a loan payment of up to \$999.00 for one payee. The escrow transaction fee is due upon the due date of each payment. The escrow transaction fee increases if there is more than one payee making the monthly payment or if the loan payment is over \$1,000.00. Applicable purchasers must consult the latest schedule by Security Escrow, Inc. (or such other escrow company as Placitas Development, LLC may select) regarding such amounts. Such purchasers are also responsible for the escrow closeout fee due upon payoff of the loan. The escrow closeout fee is currently in the approximate amount of \$75.00 plus tax. The rates set forth in this paragraph will change based upon rate changes by Security Escrow, Inc. or if Placitas Development, LLC changes escrow companies. Placitas Development, LLC reserves the right to change escrow companies and move the servicing of purchaser's note and mortgage or real estate contract, if applicable, to another escrow company without purchaser's consent or prior approval but with 30 days advance written notice to purchaser. In such event, Placitas Development, LLC shall pay all costs of such transfer.

**G. CLOSING COSTS:** Purchaser is responsible for the following costs upon the closing of the purchase of a lot within Phases 8 and 10 of Petroglyph Trails from Placitas Development, LLC: (1) property taxes, which vary in amount with the lot purchased and which are prorated from the date of closing through the end of the year; (2) recording fees for deed and mortgage or real estate contract, if applicable, at the county clerk's office, currently at the approximate rate of \$25.00 per document; (3) settlement or closing fee payable to the title company, currently in the approximate amount of \$100.00, plus tax on the settlement or closing fee; (4) title insurance binder, currently in the approximate amount of \$25.00 plus tax; (5) contract purchaser's or owner's title insurance policy and lender's title insurance policy, if applicable, at rates prescribed in state regulations and which vary depending upon the amount of the purchase price of the subject lot; (6) property survey, currently in the approximate amount of \$500.00 plus tax for a lot; (7) attorneys fees for standard legal document preparation, currently in the

approximate amount of \$50.00 plus tax for a cash purchase and \$200.00 plus tax for purchase by real estate contract or note and mortgage.

**H. PROPERTY ASSESSMENTS AND MAINTENANCE FEES:** Purchaser is responsible for having his or her lot assessed in his or her name and for paying all property taxes effective January 1 of the year following closing. Lots shall be subject to assessments, dues, fees and standby charges ("property assessments") imposed or assessed by the Petroglyph Trails Property Owners' Association (the "Association"), the Anasazi Trails Water Cooperative (the "Water Cooperative"), and by any unit of state or local government having jurisdiction over the lots.

**I. REFUNDABLE COMPLETION AND COMPLIANCE FEES:** Prior to commencing of any construction on any lot within Petroglyph Trails, preliminary plans must be approved by the Architectural Control Committee ("ACC") of the Association. See the Master Disclosure Statement and the Petroglyph Trails Master Declaration of Covenants, Conditions and Restrictions ("CCRs") for specific details, including but not limited to the applicable fees associated therewith.

**J. NOTE AND MORTGAGE AND REAL ESTATE CONTRACT PROVISIONS:** The following description is only a summary of some of the principal terms to be incorporated in notes and mortgages or real estate contracts between Placitas Development, LLC and purchasers for the sale of lots in Phases 8 and 10 of Petroglyph Trails. Purchasers must carefully review all purchase and financing documents and consult their own lawyers, accountants and other professionals before signing any document. Installment payments must be made monthly and shall be applied to the unpaid balance of the note and mortgage, or, if applicable, the real estate contract, as of the date of receipt by the escrow agent. The payments shall be applied first to late charges and costs of collection, then to accrued interest and then to the unpaid principal balance. There will be a late charge of \$75.00 for any payment on a lot purchase received after the payment due date. Interest will be charged on past due interest as well as on past due principal. All payments shall be assumed to be regular payments, and not prepayments, unless otherwise specified by purchaser in writing at the time the payment is made. Purchaser may prepay the unpaid balance in whole or in part at any time. Any prepayment shall be credited first to late charges and costs of collection, if any, then to accrued interest, then to the unpaid principal balance. Notwithstanding any prepayments, purchaser shall thereafter make all regularly scheduled payments until all sums due have been paid in full.

The purchaser's breach of the terms in the note or mortgage will constitute grounds for Placitas Development, LLC or its successor to declare the full amount of the loan plus accrued interest due and payable and to foreclose on the purchaser's lot, which would result in a judicial sale of the property. Regardless of whether or not Placitas Development, LLC or its successor exercises its rights

to foreclose on the lot, Purchaser will be personally responsible for all amounts owing under the note and mortgage including any amounts not satisfied by the judicial sale of the lot.

If the purchaser has purchased under a real estate contract rather than a note and mortgage, the purchaser's breach of the terms of the real estate contract will constitute grounds for Placitas Development, LLC or its successor to declare the full amount of the contract plus accrued interest due and payable and to proceed to enforce payment of such amount against the purchaser personally. Alternatively, Placitas Development, LLC or its successor may terminate purchaser's rights in and to the lot and retain all sums paid to that date as liquidated damages and all rights of the purchase in the property shall end.

If purchaser breaches the terms of the note or mortgage or, if applicable, the real estate contract, purchaser will be liable for Placitas Development, LLC's or its successor's costs and attorneys' fees, and interest on such costs and fees, for enforcing purchaser's obligations. Such costs and fees shall include without limitation a minimum fee of \$100.00 for each default notice mailed to purchaser. Unless otherwise specifically agreed in writing by Placitas Development, LLC, if a purchaser is purchasing under a note and mortgage or a real estate contract, the full amount of the note or real estate contract must be paid prior to the commencement of construction of any improvements on the lot and construction of any improvements on the lot prior to such full payment shall constitute a breach of the terms of the note and mortgage or real estate contract. Placitas Development, LLC shall have the right to assign or otherwise convey any or all of its rights in the note and mortgage or in the real estate contract to another person or entity without purchaser's consent. This shall include the right to use the real estate contract for collateral. Purchaser should review documents relating to the purchaser's transaction for specific loan terms.

9. **NAME AND ADDRESS OF HOLDER OF LEGAL TITLE:**

Placitas Development, LLC  
01 Ridge Court  
Placitas, New Mexico 87043  
Members: Thomas J. Ashe, Steven M. Gudelj

10. **NAME AND ADDRESS OF ENTITY HAVING EQUITABLE TITLE:**

Placitas Development, LLC  
01 Ridge Court  
Placitas, New Mexico 87043  
Members: Thomas J. Ashe, Steven M. Gudelj

11. **CONDITION OF TITLE:**

**A. PRIOR ENCUMBRANCES AND RELEASE TERMS:** Trails Investors, LLC currently holds a first mortgage against the property constituting Phases 8 and 10 of Petroglyph Trails. If a purchaser is buying a lot on a cash basis or on a note and mortgage with Placitas Development, LLC, then Placitas Development, LLC will obtain a release of the lot by paying the release amount at closing with the down payment for the lot. If a purchaser is buying a lot on a real estate contract with Placitas Development, LLC, then the purchaser's real estate contract will be subject to Placitas Development, LLC's financing with Trails Investors, LLC. Under such circumstances, Placitas Development, LLC will only obtain a release of the lot from Trails Investors, LLC upon full payment by the purchaser of the real estate contract. The terms of Placitas Development, LLC's financing may change over time, and a purchaser who is purchasing under a real estate contract with Placitas Development, LLC should inquire at the time of purchase regarding the liens or contracts that attach to the purchaser's lot.

**B. PURCHASER'S TITLE POLICY:** Purchaser will receive a purchaser's title insurance policy at closing, unless purchasing under a real estate contract, in which case the purchaser will receive a contract purchaser's title insurance policy at closing.

12. **STATEMENT OF ALL RESTRICTIONS OF RECORD SUBJECTING THE LOTS TO ANY UNUSUAL CONDITIONS AFFECTING ITS USE OR OCCUPANCY:**

Purchasers should review the Master Disclosure Statement for all of Petroglyph Trails for information regarding plat restrictions, restrictions imposed by the CCRs, the Association, the Water Cooperative and governmental taxes and restrictions.

13. **ESCROW AGENT:**

Security Escrow, Inc. is currently the escrow agent. Security Escrow, Inc.'s address is PO Box 36371, Albuquerque, New Mexico 87176. Placitas Development, LLC has no financial ties with Security Escrow, Inc.

Placitas Development, LLC reserves the right to change the escrow agent to another escrow agent with whom Placitas Development, LLC has no financial ties, without a purchaser's consent or approval so long as it provides 30 days advance written notice to the purchaser. See also section 8(f) above regarding escrow fees associated with any financing.

14. UTILITIES:

**A. ELECTRICITY:** Placitas Development, LLC has contracted or will contract with the Public Service Company of New Mexico (PNM) to provide electric service to the lot line of each lot. Lot purchasers should check with Placitas Development, LLC for the estimated timing of such installation as it may be some time after a purchaser's closing. Further, each lot purchaser should check with the utility company, prior to the purchase of a lot, for information regarding connection costs. Each lot purchaser must make arrangements with his or her own general contractor and the utility company regarding installation of the electric lines from the lot line to the intended dwelling.

**B. GAS:** Placitas Development, LLC has contracted or will contract with the New Mexico Gas Company to provide gas service to the lot line of each lot. Lot purchasers should check with Placitas Development, LLC for the estimated timing of such installation as it maybe some time after purchaser's closing. Purchaser should also check with the utility company prior to purchase of a lot with regard to current connection costs. Each lot purchaser must make arrangements with his or her own general contractor and the utility company regarding installation of the gas line from the lot line to his/her dwelling.

**C. WATER:** The Master Disclosure Statement should be reviewed for information regarding the water cooperative, which will provide water to the lots. The Master Disclosure Statement also contains information as to the source and availability of that water, the life expectancy of the water supply, limitations and restrictions on water use, the means of water delivery and membership in the water cooperative. The Master Disclosure Statement also contains information as to the New Mexico State Engineer's opinion on water availability and water quality and the New Mexico Environment Department's opinion on water quality and arsenic remediation.

**D. TELEPHONE AND CABLE TV:** The entity currently providing telephone service is Century Link CQ. Placitas Development, LLC will make telephone lines available to each lot line. Subject to future rate changes, each lot purchaser will incur a charge on the initial telephone bill for telephone hook-up assessed by Century Link. Placitas Development, LLC will only contract with Century Link for up to two telephone lines per residential lot. If a lot purchaser desires more than two lines, then such purchaser will have to check with Century Link for availability and will have to pay additional amounts for installation of the additional lines. Each lot purchaser must make arrangements with his or her own general contractor and the utility regarding installation of the telephone lines from his/her lot line to the dwelling. In the past, some new lot owners in the Placitas area have experienced delay in obtaining phone service. To minimize these delays, each purchaser is encouraged to advise Century Link in advance of the purchaser's construction start date and to ask the purchaser's contractor to contact



the company again as soon as the foundation is in place. Placitas Development, LLC is not responsible for any inconvenience a purchaser may experience because of service delays.

The entity currently providing cable TV service is Comcast. Placitas Development, LLC will make cable TV lines available to each lot line of the lots it sells. Subject to future rate changes, each lot purchaser will incur a charge on the initial cable TV bill for cable hook-up assessed by Comcast. Placitas Development, LLC will only contract with Comcast for one cable line per residential lot. If a residential lot purchaser desires more than one cable TV line, then such purchaser will have to check with Comcast for availability and will have to pay additional amounts for installation of the additional lines. Each lot purchaser must make arrangements with his or her own general contractor and the utility regarding installation of the cable TV line from his/her lot line to the dwelling.

**E. SOLID AND LIQUID WASTE (TRASH/SEPTIC):** Placitas Development, LLC is not providing liquid waste (septic) disposal or solid waste (trash) disposal service. The Master Disclosure Statement for all of Petroglyph Trails should be reviewed for information as to obtaining these services. The New Mexico Environment Department's requirements for the installation and maintenance of a septic system and its opinion on liquid waste disposal for Petroglyph Trails is also part of the Disclosure Statement for all of Petroglyph Trails. Lot owners must obtain a permit to install a septic tank. Owners will be required to provide certain information and will be required to pay certain fees in order to obtain such permit. In some cases, New Mexico Environment Department may require a lot owner to install an upgraded liquid waste system. This information is also more fully explained in the Master Disclosure Statement.

**F. EXTRAORDINARY CONDITIONS:** Any costs provided by Placitas Development, LLC with regard to utilities are estimates only and are based on the then-current practices by the utilities. Estimates do not take into account terrain characteristics that may make it difficult to extend the utility lines on a particular lot and/or to install liquid waste disposal systems. Additional amounts may be charged for such conditions. Placitas Development, LLC cannot currently ascertain the difficulty of extending lines to each house because it varies with the house site and the terrain characteristics. Estimated costs, if any, provided by Placitas Development, LLC will be based on the assumption that the electric, gas, cable TV and telephone lines are placed in one trench. The purchaser should refer to the current tariffs and rate schedules filed with the New Mexico Public Regulatory Commission, or call the utilities directly for more information concerning the costs associated with the extension of utility lines. Placitas Development, LLC has no control over whether such public utility companies will remain viable in the future.

15. **TERRAIN MANAGEMENT:**

The Master Disclosure Statement for all of Petroglyph Trails should be reviewed for information as to the soil types within the subdivision and their suitability for building, the limitations on building due to topography, the purchaser's duty to consult independently with a geotechnical engineer, post-development drainage, drainage easements and the flood plain, excessive slopes, surface drainage, subsurface drainage, storm drainage systems and the purchaser's duties regarding erosion control. The Master Disclosure Statement also discusses storm water pollution plans required by the Environmental Protection Agency and each lot owner's responsibilities in connection therewith, along with the Coronado Soil and Water Conservation District's opinion on terrain management.

16. **SUBDIVISION ACCESS:**

The Master Disclosure Statement for all of Petroglyph Trails should be reviewed for information as to the roads that may be used to access Petroglyph Trails, accessibility during severe weather, and the New Mexico Department of Transportation opinion on access. All of the roads within Phases 8 and 10 will be completed before the first lot therein is closed, if they have not already been completed.

17. **MAINTENANCE:**

The Master Disclosure Statement for all of Petroglyph Trails should be reviewed for information as to the maintenance of roads and drainage facilities, off-lot maintenance and on-lot maintenance applicable to all of Petroglyph Trails.

18. **CONSTRUCTION GUARANTEES AND COMPLETION DATES:**

Placitas Development, LLC shall be required to complete all public improvements within Phases 8 and 10 within time limits required by Sandoval County. It is anticipated that construction guarantees will be required by Sandoval County and paid for by Placitas Development, LLC if such construction has not been completed before the recording of the final plat. Placitas Development, LLC shall be required to reseed areas disturbed by the construction of roads with a native seed mixture per New Mexico Department of Transportation specifications.

19. **ADVERSE CONDITIONS:**

**A. UTILITY EASEMENTS:** All lots are or will be subject to underground public utility easements as set forth in the final plat for Phases 8 and 10 of Petroglyph Trails.

**B. SQUARED PRIVATE ACCESS EASEMENTS:** Lot 1119 and Lot 26, will be benefitted by a twenty feet (20') wide private access and public utility easement within Lot 1119. The road within this easement shall be maintained by the owners benefitted therefrom.

**C. OTHER ADVERSE CONDITIONS:** The Master Disclosure Statement for all of Petroglyph Trails should be reviewed for information as to other conditions a purchaser may find adverse, including the gravel operation of Lafarge, electromagnetic fields, arsenic in the water, traffic congestion, property value risks and recreation facilities.

**20. INFORMATION REGARDING VARIOUS SERVICES AND FACILITIES:**

The Master Disclosure Statement for all of Petroglyph Trails should be reviewed for information as to fire protection, police protection, public schools, hospitals, shopping facilities and public transportation.

Placitas Development, LLC has agreed that its interest in Phases 8 and 10 of the Petroglyph Trails subdivision (and the lots created or to be created therein) will be subject to the Master Disclosure Statement for the Petroglyph Trails Subdivision, recorded on December 16, 2011, in Book 4114 at Page 29796 as Document No. 20111029796 in the records of the Sandoval County Clerk.

PLACITAS DEVELOPMENT, LLC:

BY:

Steven M. Gudblj  
Steven M. Gudblj, Member

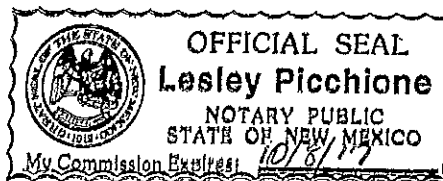
**ACKNOWLEDGMENT**

STATE OF NEW MEXICO ))  
  ))SS  
COUNTY OF SANDOVAL. ))


The foregoing instrument was acknowledged before on August 25th, 2014, by Steven M. Gudblj, a Member of Placitas Development, LLC, a New Mexico limited liability company, on behalf of said company.

Lesley Picchione  
Notary Public

My commission expires: 10/8/17



APPROVAL

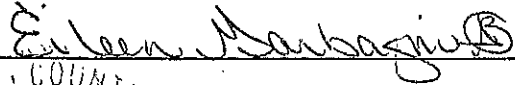
By:  8/21/14  
Darryl Madalena Date

Chairman, Board of County Commissioners,  
Sandoval County, New Mexico.

 8-25-14  
Brad Stebleton Date

County Development Department

ATTEST:

 8/25/14  
Date

