

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

Conquest Investments, LLC

“Capitan Trading Post, Unit 1 and 2”

DISCLOSURE STATEMENT

This disclosure statement is intended to provide you with enough information to make an informed decision on the purchase, lease or acquisition of the property described in this statement. You should read carefully all of the information contained in this disclosure statement before you decide to buy, 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 Village of Capitan Board of Trustees 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 Trustees 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. This Disclosure Statement may not be amended after its approval by the Village of Capitan without the express written approval of the Board of Trustees.

The Board of Trustees recommends that you inspect the property **before** buying, leasing or otherwise acquiring it.

All deeds, real estate contracts, lease or other instrument conveying an interest in a parcel in the subdivision must be recorded with the Lincoln 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

Name: "Capitan Trading Post, Unit 1 and 2"

2. NAME AND ADDRESS OF SUBDIVIDER

Conquest Investments, LLC
P.O. Box 313
Alto, NM 88312

3. CONDITION OF TITLE

Developer's mortgage on property is through Capital Farm Credit. The debt associated with this mortgage is to be paid as lots are sold. As lots are sold CFC will give a release based on payments being of equivalent proportions to the debt on the acreage being sold.

Capital Farm Credit
151 S. Munday Ave.
Munday, TX 76371

4. STATEMENT OF ALL RESTRICTIONS OR RESERVATIONS OF RECORD THAT SUBJECT THE SUBDIVIDED LAND TO ANY CONDITIONS AFFECTING ITS USE OR OCCUPANCY

The final plat will clearly depict all current easements within the subject property. "The Declaration of Covenants, Conditions, Restrictions, and Easements" for the subdivision will be provided to each potential purchaser of said property. This document will be properly filed at Lincoln County as well as be provided to the Village of Capitan upon filing of the Final Plat for this development.

5. UTILITIES

Electricity-

Otero County Co-op
1135 State Highway 48
Alto, NM 88312
(575) 336-4550

Natural Gas-

Zia Natural Gas
69 Alto Alps Rd.
Alto, NM 88312
(575) 336-4555

Domestic Water Provider-

Village of Capitan
114 Lincoln Ave.

Capitan, NM 88317
(575)354-2247

Liquid Waste-
Village of Capitan
114 Lincoln Ave.
Capitan, NM 88317
(575)354-2247

Solid Waste-
Service Set-up through:
Village of Capitan
114 Lincoln Ave.
Capitan, NM 88317
(575)354-2247

Service Provided by:
Green Tree Solid Waste Authority
(575)378-4697

6. INSTALLATION OF UTILITIES

Primary Electrical distribution will be provided within the Utility easement or the easement directly opposite of the ROW from each lot. The meter and service connection will be the responsibility of the individual lot owners prior to occupying any permanent structure constructed on the property.

Natural Gas stubs will be provided to a location within 5' of the property perimeter for each lot that is to be sold by the developer. The meter and any service connection will be the responsibility of the individual lot owners prior to occupying any permanent structure constructed on the property.

Water stubs will be provided to a location within 5' of the property perimeter for each lot that is to be sold by the developer. The meter and any service connection will be the responsibility of the individual lot owners prior to occupying any permanent structure constructed on the property.

Telephone lines will be available in the utility easement along the ROW. It will be the individual lot owner's responsibility to request and obtain access to such telephone service.

Sewer taps will be provided within 5' of the property perimeter for each lot to be sold by the developer. The service connection will be the responsibility of the individual lot owners prior to occupying any permanent structure constructed on the property.

Solid waste disposal service is available to be set up through the Village of Capitan and provided by Green Tree Solid Waste Authority. It is mandatory that each lot owner utilize this service or similar regularly scheduled solid waste service. Setting up such service will be the responsibility

of each lot owner. All Village of Capitan, Lincoln County State and Federal Laws, Regulations, and guidelines shall apply.

7. UTILITY LOCATION

Electricity distribution will be provided within the Utility easement or the utility easement directly opposite of the ROW from the property. The primary distribution will be either overhead or underground depending on the particular lot location. Reference the Subdivision Construction Drawings for precise location.

Natural Gas stubs will be located within 5' of the property perimeter for each lot. Gas perimeters will be underground perimeters. Refer to the Subdivision Construction Drawings for location.

Water stubs will be located within 5' of the property perimeter for each lot. Water perimeters will be underground. Refer to the Subdivision Construction Drawings for location.

Main Telephone line will be accessible within the utility easement or the utility easement directly opposite of ROW from the property. Refer to the Subdivision Construction Drawings for location.

Liquid waste disposal will be accessible with sewer stubs located within 5' of the property perimeter for each lot. Sewer perimeters will be buried underground.

Solid waste disposal is available to be set up by the Village of Capitan and is provided by Green Tree Solid Waste Authority. It is the responsibility of each lot owner to obtain service for the containment and removal of solid waste.

8. WATER AVAILABILITY (Municipal Water Supply)

According to the 40-Year Water Plan 2000-2040" that was prepared for the Village of Capitan by Livingston Associates in 1998, there is more than sufficient water supply to support the additional 38 App. ½ acre commercial lots within this subdivision in addition to the existing demand.

The main water supply for this Subdivision will be provided by extending the existing 8" main, owned by the Village of Capitan that exists at the west end of said property along U.S. Highway 380. This extension may decrease in diameter as necessary as it is run through the subdivision in order to achieve appropriate pressure. This water main will be located within the Right of Way, extending underground, and parallel with the centerline of the roadway. The stubs will extend perpendicular from this main water supply to within 5' of the perimeter of each lot.

A copy of the current "Annual Consumer Report on the Quality of your Drinking Water" for the Village of Capitan Municipal Water System is available at the Village Hall. The most recent one at the time of this documents preparation is attached.

In order to meet needed fire-flows, some restrictions on commercial building size may apply. For proposed commercial buildings exceeding 5,000 square feet a preliminary meeting with the fire-chief is advised.

Water use within the subdivision shall meet the restrictions, guidelines, laws, and ordinances provided by the Village of Capitan, Lincoln County, as well as state and federal restrictions. Refer to “The Declaration of Covenants, Conditions, Restrictions, and Easements” for further restrictions based on water conservation strategies that are pertinent to this development.

Due to the availability of access to the municipal water system, the use of individual and/or shared domestic wells is prohibited.

9. LIQUID WASTE DISPOSAL

Sewer will be provided within the Subdivision. It has been deemed by the Village of Capitan personnel that there exists sufficient capacity within the existing Village of Capitan Waste Treatment Facility and the sewer leading thereto to support this commercial development. This sewer main will be located within the Right of Way, extending underground, and parallel with the centerline of the roadway. The stubs will extend perpendicular from this main water supply to within 5’ of the perimeter of each lot. All sewer service lines are gravity flow. Lift stations are located as shown on the Subdivision Plat. Due to the availability of sewer service, individual septic systems shall not be installed within this subdivision.

Refer to state and federal laws and regulations, as well as the Village of Capitan Ordinances for specific restrictions. Due to the availability of this system, no other liquid disposal system may be used in this subdivision than the above described system.

10. SOLID WASTE DISPOSAL

Solid Waste disposal service can be set up through the Village of Capitan and service is provided by the Green Tree Solid Waste Authority. It is mandatory that each lot owner utilize this service or similar regularly scheduled solid waste service. Setting up such service will be the responsibility of each lot owner. All Village of Capitan, Lincoln County State and Federal Laws, Regulations, and guidelines shall apply.

Solid waste pick-up will occur in a pre-approved location deemed sufficient for access by the Green Tree Solid Waste Authority.

11. TERRAIN MANAGEMENT

Refer to the Drainage Report and the Terrain Management Plan prepared by Benchmark Engineering & Surveying on file with the Village of Capitan.

12. SUBDIVISION ACCESS

Subdivision access will be provided from U.S. Highway 380 per the locations shown on the plat. This subdivision is located east of State Road 246 and north of US Highway 380, east of the pre-existing Village of Capitan. The access roads will consist of paved two lane collector streets, with drainage swales on either side of the road surface. There will be a concrete pedestrian access path on one side of the road surface, within the right of way (ROW). Refer to the typical roadway detail drawing in the construction drawings.

13. MAINTENANCE

The right of way (ROW) within this subdivision will be dedicated to the Village of Capitan for ownership and maintenance upon the completion of the 1 year warranty period. The 1 year warranty period shall begin at the completion of each phase of the ROW construction, as each section is completed. During that 1 year warranty period for each particular section of ROW, maintenance will be the responsibility of the Developer and the contractor of record. Upon the completion of the 1 year warranty period, the Village of Capitan will be responsible for taking care of all maintenance and expense for the ROW surface, to include, but not limited to the paved surface, pedestrian paths/trails, landscaping, street or pedestrian lighting, and Village owned utilities.

Any landscaping located on each particular lot, regardless of whether it is pre-existing or planted by the purchaser, will be the responsibility of the lot owner to maintain in a condition consistent with what is specified in "The Declaration of Covenants, Conditions, Restrictions, and Easements" (Declaration) for the subdivision. Furthermore, refer to the above mentioned Declaration for the allowable course of action in the event that proper maintenance is not being performed in accordance with said Declaration.

14. CONSTRUCTION GUARANTEES (if applicable)

The subdivision improvements will be completed in units or phases per the plat. In the event that lots are sold prior to the roadway and utilities being provided per the above sections, a letter of guarantee or performance bond can be provided, committing to the improvements mentioned in the above sections of this document pertaining to utilities and roadway improvements leading to each subject lot.

**UNLESS THERE IS SUFFICIENT BOND, LETTER OF CREDIT, OR
OTHER ADEQUATE COLLATERAL TO SECURE THE COMPLETION
OF PROPOSED IMPROVEMENTS, IT IS POSSIBLE THAT THE
PROPOSED IMPROVEMENTS WILL NOT BE COMPLETED.
CAUTION IS ADVISED.**

15. ADVERSE OR UNUSUAL CONDITIONS

The developers are not aware of any adverse conditions of this property.

16. FIRE PROTECTION

Capitan Village Fire Department

217 Smokey Bear Blvd.
Capitan, NM 88316
(575) 354-0369

17. POLICE PROTECTION

Capitan Police Department

114 Lincoln Hwy
Capitan, NM 88316
Phone : (505) 354-2154

Lincoln County Sherriff's Department

1207 Mechem Dr.
Ruidoso, NM 88345
(575) 258-5607

New Mexico State Police

District 8 Office

1085 Mechem Drive
Ruidoso, NM 88355
(575) 258-0067

18. PUBLIC SCHOOLS

Capitan Elementary School

150 Forest St.
Capitan, NM 88316
(575) 354-8501

Capitan Middle School

150 Forest St.
Capitan, NM 88316
(575)354-8500

Capitan High School

150 Forest St.
Capitan, NM 88316
(575)354-8500

We the undersigned owners of
“Capitan Trading Post” Lincoln County, New Mexico, do hereby certify that the
foregoing statements are true and correct to the best of our knowledge and belief.

WITNESS our hands and seals on this the ____ day of _____,
2011.

ATTEST:

G. Phil Berryman, Managing Member
Conquest Investments, LLC

THE STATE OF NEW MEXICO)
) SS.
COUNTY OF LINCOLN)

On this ___ day of _____, _____, before me appeared
, to me personally known, who, being by me duly sworn did say that (he/she/they) is (are) the
of _____ (name of subdivision/corporation), and that said instrument
was signed on behalf of said _____ (name of subdivision/corporation).

NOTARY PUBLIC
My Commission Expires:

**BY SIGNING THIS RECEIPT YOU ACKNOWLEDGE THAT YOU HAVE
RECEIVED A COPY OF THIS DISCLOSURE STATEMENT.**

Received by: _____ Date: _____

Address: _____

City: _____

State: _____ Zip Code: _____