

DEPARTMENT OF REAL ESTATE  
OF THE  
STATE OF CALIFORNIA

In the matter of the application of  
WALTER RON KEMPER

FINAL SUBDIVISION PUBLIC REPORT

FILE NO: 078392LA-EOO

ISSUED: JUNE 15, 1999

for a Final Subdivision Public Report on

EXPIRES: JUNE 14, 2004

Parcel Map 15135  
"Lake Erwin Estates"

San Bernardino County, California

Real Estate Commissioner

by April Pham  
Deputy Commissioner

CONSUMER INFORMATION

V THIS REPORT IS NOT A RECOMMENDATION OR ENDORSEMENT OF THE SUBDIVISION;  
IT IS INFORMATIVE ONLY.

V BUYER OR LESSEE MUST SIGN THAT (S)HE HAS RECEIVED AND READ THIS REPORT.

V A copy of this subdivision public report along with a statement advising that a copy of the public report may be obtained from the owner, subdivider, or agent at any time, upon oral or written request, must be posted in a conspicuous place at any office where sales or leases or offers to sell or lease interests in this subdivision are regularly made. [Reference Business and Professions (B&P) Code Section 11018.1(b)]

This report expires on the date shown above. All material changes must be reported to the Department of Real Estate. (Refer to Section 11012 of the B&P Code; and Chapter 6, Title 10 of the California Administrative Code, Regulation 2800.) Some material changes may require amendment of the Public Report; which Amendment must be obtained and used in lieu of this report.

Section 12920 of the California Government Code provides that the practice of discrimination in housing accommodations on the basis of race, color, religion, sex, marital status, national origin, physical handicap or ancestry, is against public policy.

Under Section 125.6 of the B&P Code, California real estate licensees are subject to disciplinary action by the Real Estate Commissioner if they discriminate or make any distinction or restriction in negotiating the sale or lease of real property because of the race, color, sex, religion, ancestry, national origin, or physical handicap of the client. If any prospective buyer or lessee believes that a licensee is guilty of such conduct, (s)he should contact the Department of Real Estate.

**READ THE ENTIRE REPORT ON THE FOLLOWING PAGES BEFORE CONTRACTING TO BUY OR LEASE AN INTEREST IN THIS SUBDIVISION.**

RE 618 (rev. 6-93)

SPECIAL NOTES

THIS REPORT COVERS ONLY LOTS 1 - 32 AND LOT "A" OF F PARCEL MAP 15135.

IF YOU HAVE RECEIVED A PRELIMINARY PUBLIC REPORT FOR THIS SUBDIVISION, YOU ARE ADVISED TO CAREFULLY READ THIS FINAL PUBLIC REPORT SINCE IT CONTAINS INFORMATION THAT IS MORE CURRENT AND PROBABLY DIFFERENT FROM THAT INCLUDED IN THE PRELIMINARY REPORT.

YOUR ATTENTION IS ESPECIALLY DIRECTED TO THE PARAGRAPH(S) BELOW ENTITLED: WATER, FIRE PROTECTION, STREETS AND ROADS, RESTRICTIONS.

IF YOU PURCHASE FIVE OR MORE SUBDIVISION INTERESTS (LOTS/UNITS, OR MEMBERSHIPS) FROM THE SUBDIVIDER, THE SUBDIVIDER IS REQUIRED TO NOTIFY THE REAL ESTATE COMMISSIONER OF THE SALE. IF YOU INTEND TO SELL YOUR INTERESTS OR LEASE THEM FOR TERMS LONGER THAN ONE YEAR, YOU ARE REQUIRED TO OBTAIN AN AMENDED SUBDIVISION PUBLIC REPORT BEFORE YOU CAN OFFER THE INTERESTS FOR SALE OR LEASE.

LOCATION AND SIZE: This subdivision contains approximately 283 acres divided into 32 lots in San Bernardino County at 3rd Street and Erwin Road approximately 5 miles from Big Bear.

EASEMENTS: Easements for utilities, drainage, road and other purposes are shown on the Title Report and Subdivision Map recorded in the Office of the San Bernardino County Recorder, in Book 185 of Parcel Maps, Pages 9 to 14 of Maps.

An Easement for equestrian purposes set forth in the CC&R's.

RESTRICTIONS: This subdivision is subject to Restrictions recorded in the Office of the San Bernardino County Recorder, on June 7, 1999 as Instrument Number 99-240503.

Prior to any construction, you must obtain approval of your plans by the Architectural Control Committee. This committee is appointed by the subdivider.

USES AND ZONING: Property surrounding subdivision is national forest. Big Bear City Airport is 4 miles North West of subdivision. Parcel A of this subdivision is a natural lake that has the potential at certain times of the year to fill up to as high as 10 feet; depending on the annual snow and/or rain fall.

TAXES: The maximum amount of any tax on real property that can be collected annually by counties is 1% of the full cash value of the property. With the addition of interest and redemption charges on any indebtedness, approved by voters prior to July 1, 1978, the total property tax rate in most counties is approximately 1.25% of the full cash value. In some counties, the total tax rate could be well above 1.25% of the full cash value. For example, an issue of general obligation bonds previously approved by the voters and sold by a county water district, a sanitation district or other such district could increase the total tax.

CONDITIONS OF SALE: Pursuant to Civil Code Sections 2956 through 2967, inclusive, subdivider and purchasers must make certain written disclosures regarding financing terms and related information. The subdivider will advise purchasers of disclosures needed from them, if any.

If your purchase involves financing, a form of deed of trust and note will be used. The provisions of these documents may vary depending upon the lender selected. These documents may contain the following provision(s):

Acceleration Clause. This is a clause in a mortgage or deed of trust which provides that if the borrower (trustor) defaults in repaying the loan, the lender may declare the unpaid balance of the loan immediately due and payable.

Due-On-Sale Clause. If the loan instrument for financing your purchase of an interest in this subdivision includes a due-on-sale clause, the clause will be automatically enforceable by the lender when you sell the property. This means that the loan will not be assumable by a purchaser without the approval of the lender. If the lender does not declare the loan to be all due and payable on transfer of the property by you, the lender is nevertheless likely to insist upon modification of the terms of the instrument as a condition to permitting assumption by the buyer. The lender will almost certainly insist upon an increase in the interest rate if the prevailing interest rate at the time of the proposed sale of property is higher than the interest rate of the promissory note.

A Balloon Payment. This means that your monthly payments are not large enough to pay off the loan, with interest, during the period for which the loan is written and that the end of the loan period you must pay the entire remaining balance in one payment. If you are unable to pay the balance and the remaining balance is a sizeable one, you should be concerned with the possible difficulty in refinancing the balance. If you cannot refinance or sell your property, or pay off the balloon payment, you will lose your property.

A Prepayment Penalty. This means that if you wish to pay off your loan in whole or in part before it is due, you must, in addition pay a penalty.

A Late Charge. This means that if you fail to make your installment payment on or before the due date, you, in addition, must pay a penalty.

BEFORE SIGNING, YOU SHOULD READ AND THOROUGHLY UNDERSTAND ALL LOAN DOCUMENTS.

SPECIAL OR UNUSUAL FINANCING ARRANGEMENTS: Subdivider offers 25% down, 75% carry back at of 10% or more interest or more per month. All due 5 years from the close of escrow.

CONDITIONS OF SALE (Continued)

PURCHASE MONEY HANDLING: The subdivider must impound all funds received from you in an escrow depository until legal title is delivered to you. (Refer to Sections 11013, 11013.1 and 11013.2(a) of the Business and Professions Code).

If the escrow has not closed on your lot within one (1) year of the date of your escrow opening, you may request return of your deposit.

THE FINAL SUBDIVISION PUBLIC REPORT HAS NOT BEEN ISSUED WITHIN (6) MONTHS FROM THE DATE OF THE ISSUANCE OF THIS CONDITIONAL PUBLIC REPORT, YOU MAY REQUEST THE RETURN OF YOUR DEPOSIT. THE TERM OF THE CONDITIONAL PUBLIC REPORT MAY BE EXTENDED FOR AN ADDITIONAL SIX (6) MONTH TERM.

SOILS CONDITIONS: Soils report waived by the County of San Bernardino

GEOLOGIC CONDITIONS: THE UNIFORM BUILDING CODE, CHAPTER 70, PROVIDES FOR LOCAL BUILDING OFFICIALS TO EXERCISE PREVENTIVE MEASURES DURING GRADING TO ELIMINATE OR MINIMIZE DAMAGE FROM GEOLOGIC HAZARDS SUCH AS LANDSLIDES, FAULT MOVEMENTS, EARTHQUAKE SHAKING, RAPID EROSION OR SUBSIDENCE. THIS SUBDIVISION IS LOCATED IN AN AREA WHERE SOME OF THESE HAZARDS MAY EXIST. SOME CALIFORNIA COUNTIES AND CITIES HAVE ADOPTED ORDINANCES THAT MAY OR MAY NOT BE AS EFFECTIVE IN THE CONTROL OF GRADING AND SITE PREPARATION.

PURCHASERS MAY CONTACT THE DEVELOPER, THE DEVELOPER'S ENGINEER, THE ENGINEERING GEOLOGIST AND THE LOCAL BUILDING OFFICIALS TO DETERMINE IF THE ABOVE-MENTIONED HAZARDS HAVE BEEN CONSIDERED AND IF THERE HAS BEEN ADEQUATE COMPLIANCE WITH CHAPTER 70 OR AN EQUIVALENT OR MORE STRINGENT GRADING ORDINANCE DURING THE CONSTRUCTION OF THIS SUBDIVISION.

WATER: There is no regular water service to this subdivision. Private water wells are the only source of water in this subdivision; you will be required to pay all costs to have a well installed on your lot.

the subdivider's well driller has submitted the following information:

Individual wells drilled to an average depth of 120 feet will produce adequate capacity for individual homes. The water quality doesn't meet potability for fluorides. However, the U.S. Department of Housing and Urban Development allows the use of individual water purification equipment to meet water quality standards.

A purchaser of a lot in this subdivision should have water purification system installed to maintain the water treatment units to meet water quality standards.

CONSIDERING THE ABOVE INFORMATION THE COUNTY OF SAN BERNARDINO DEPARTMENT OF PUBLIC HEALTH FINDS THE WATER TO BE POTABLE. ANY QUESTIONS REGARDING THE POTABILITY OF WATER IN THIS SUBDIVISION, CONTACT THE COUNTY OF SAN BERNARDINO DEPARTMENT OF PUBLIC HEALTH AT (909) 387-4666.

The State Water Code requires a Notice of Intention to drill a well and a Report of Completion to be filed with the Department of Water Resources.

FIRE PROTECTION: The Big Bear City Community District, Big Bear City Fire Department advises as follows: a fire assesment fee will be charged to each lot. Unimproved parcels are \$24.10 per year and improved parcels are \$48.78 per year. Sprinklers will be required in new residential construction. Access road is to be improved. this project is within a wildland/urban interface area with moderate slope and fuels. Weed abatement and annual fire prevention inspections will occur on an annual basis.

ELECTRICITY: Subdivider will extend electricity to the subdivision. Electricity provided by Big Bear Electric.

GAS: No gas will be available in this subdivision. Contact local authorities to see what other sources permissible.

**SEWAGE DISPOSAL:** Septic systems will be used for sewage disposal. You must pay for septic system. The subdivider estimates the costs to be \$3,400 - \$4,400

The County of San Bernardino Environmental Health Services has stated that a permit will be issued for a septic system on all lots/parcels in this subdivision. This information is applicable as of the date of issuance of this public report. If there is a change in the requirements for a sewage disposal system permit, the subdivider must amend the public report to disclose the new conditions. Please note that if you do not intend to install a sewage system at this time, there is no guarantee that the lot/parcel will later qualify for use of a septic system. Prior to purchasing a lot/parcel and commencing construction, you should contact the local health department concerning specifications, requirements and any local problems.

**BUILDING PERMIT:** If you purchase a vacant lot within this subdivision, you will be required to obtain a building permit and pay all applicable fees prior to construction. These fees may include, but may not be limited to the following: fees for sewer, water, drainage, traffic mitigation, park fees, infrastructure, etc. Vacant lot purchasers should contact the local building and planning departments for the current list of fees and other requirement prior to purchasing a lot. Purchasers of vacant lots should realize, however, that these fees and requirements could change.

**STREETS AND ROADS:** The roads depicted as exhibit "B" in the CC&R's consist of dirt, graveled roads. Only those roads shall be maintained by the Association. Such maintenance shall consist of scraping or grading and adding gravel as necessary in order to maintain a smooth surface; now removal as necessary to assure access to the lots and maintenance of the manually operated gate at the entrance of the Project. Extraordinary damage to the roads resulting from snow, storm water runoff or earth quake shall be repaired to extent that funds for such repair are collected from the owners.

**SCHOOLS:** This project lies within the Bear Valley Unified School District. The District advises the schools initially available to this subdivision are: Baldwin Elementary School, Big Bear Middle School, Big Bear High School, Chautaugua High School.

This school information was provided prior to the date of issuance of this public report and is subject to change. For the most current information regarding school assignments, facilities and bus service, purchasers are encouraged to contact the above school district at (909) 866-4631.

If you need clarification as to the statements in this Public Report or if you desire to make arrangements to review the documents submitted by the subdivider which the Department of Real Estate used in preparing this Public Report you may contact: Department of Real Estate, Subdivisions South, 320 West Fourth Street, Suite 350, Los Angeles, CA 90013 (213) 897-3908.