

# **READ THIS PROPERTY REPORT BEFORE SIGNING ANYTHING.**

This Report is prepared and issued by the developer of this land divisions. It is not prepared or issued by the Federal Government.

Federal Law requires that you receive this Report prior to your signing a contract or agreement to buy a parcel of land in these developments. However, NO FEDERAL AGENCY HAS JUDGED THE MERITS OR VALUE, IF ANY, OF THIS PROPERTY.

If you received this Report prior to signing a contract or agreement, you may cancel your contract or agreement by giving notice to the seller any time before midnight of the seventh day following the signing of the contract or agreement.

If you did not receive this Report before you signed a contract or agreement, you may cancel the contract or agreement any time within two years from the date of signing.

Name of Development: Dysfunctional Pines

Name of Developer: Woods & Waters Inc.

Date of this Report: 08/22/2007

ILS: 32021

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Note: in this Property Report, the words "you" and "your" refer to the Buyer. The words "we" and "us" refer to the developer.

## **RISKS OF BUYING LAND**

The future value of land is uncertain and dependent on many factors. DO NOT expect all land to increase in value. Resale of your parcel may be difficult or impossible since you may face the competition of our own sales program and local real estate brokers may not be interested in listing your parcel.

Any land division will have an impact on the surrounding environment. Whether or not the impact is adverse, and the degree of impact, will depend on location, size, planning and extent of development.

Land divisions which adversely affect the environment may cause governmental agencies to impose restrictions on the use of the land. Changes in plant and animal life, air and water quality, and noise levels may affect your use and enjoyment of your parcel and your ability to sell it.

In the purchase of real estate, many technical requirements must be met to assure that you receive proper title. Since this purchase involves a major expenditure of money, it is recommended that you seek professional advice before you obligate yourself.

THROUGHOUT THIS PROPERTY REPORT THERE ARE SPECIFIC WARNINGS CONCERNING THE DEVELOPER, THE SUBDIVISION OR INDIVIDUAL LOTS. BE SURE TO READ ALL WARNINGS CAREFULLY BEFORE SIGNING ANY CONTRACT OR AGREEMENT.

## **GENERAL INFORMATION**

This report covers 6 parcels located in Texas County, MO. See Page 18 for a listing of these parcels. No additional parcels are planned for this site.

The developer of this land is:

Woods & Waters Inc.  
P.O. Box One  
Willow Springs, Mo. 65793

Neil@OzarkLand.com  
Phone (417)932-4873  
FAX (417)469-2354

THE LOTS BEING SOLD IN THIS REGISTRATION HAVE NOT BEEN IMPROVED. WE MAKE NO PROMISE TO DEVELOP OR IMPROVE THE LAND IN ANY WAY. THE PURCHASER IS SOLELY RESPONSIBLE FOR COMPLETION AND/OR MAINTENANCE AND INSTALLATION OF WATER, SEWER, ELECTRIC, AND GAS LINES. YOU SHOULD CAREFULLY CONSIDER YOUR PURCHASE OF A LOT IF IT IS BASED ON THE ASSUMPTION THAT ALL OF THESE IMPROVEMENTS ARE ALREADY AVAILABLE OR WILL BE PROVIDED BY THE DEVELOPER.

Answers to questions and information about these land divisions may be obtained by telephoning the developer at the number listed above.

# **TITLE TO THE PROPERTY AND LAND USE**

## **GENERAL INSTRUCTIONS**

A person with legal title to property generally has the right to own, use and enjoy the property. A contract for sale agreement to buy a parcel of land may give you possession, but does not give you legal title. You do not have legal title until you receive a valid deed. A restriction or an encumbrance on your parcel, or on the land division, could adversely affect your title.

Here, we will discuss the Sale Agreement (contract) you will sign, and the deed you will receive. We will also provide you with information about any land use restrictions and encumbrances, mortgages, underlying contracts or liens affecting your parcel, and some important facts about payments, recordings, and title insurance.

## **METHOD OF SALE**

### **Sales Contract and Delivery of Deed**

Here we discuss our method of selling and financing property: Each property is offered for a set price and monthly payment based on a fifteen-year amortization (unless otherwise stated). Upon receipt of your first monthly payment we will enter into a Contract for Warranty Deed with you. Within 180 days from that date, we will deliver the Corporation Warranty Deed and record your Deed of Trust. We will also hold a Quit Claim Deed to be used only in the event of your default. Your Contract for Warranty Deed and Deed of Trust will both show the actual sale price, initial payment, remaining balance, rate of interest and number of installment payments required. When your Corporation Warranty Deed is issued to you, it will be free and clear of all other liens and encumbrances except for easements and reservations referred to herein.

If you fail to make the installment payments on your Contract for Warranty Deed or Deed of Trust, or fail to make other arrangements agreeable to us, you may lose your land and all monies paid.

Because notification of your purchase will be placed on record by way of your Deed of Trust neither we, nor our creditors, nor any underlying owners of record, can encumber your parcel after the Deed of Trust has been signed and recorded (See Method and Purpose of Recording, p. 6).

### **Type of Deed**

All deeds given by us will be Corporation Warranty Deeds conveying fee-simple title to the property free of all liens and encumbrances at the time of generation.

### **Oil, Gas, and Mineral Rights**

The oil, gas and mineral rights to all of the parcels covered in this Report will be passed on to the purchasers.

## **ENCUMBRANCES, MORTGAGES AND LIENS**

### **In General**

We are fee simple owners of all the land in this subdivision. There are no outstanding encumbrances, mortgages or liens against any part of the property.

# **RECORDING THE CONTRACT AND DEEDS**

## **Methods and Purpose of Recording**

We will record the Corporate Warranty Deed and Deed of Trust at the appropriate county recorder's office within 180 days of the your signing the sales contract. Your parcel will still be subject to the unpaid balance on your Deed of Trust. We will pay the costs of all recording.

### **Title Insurance**

We will pass title to you by way of a Corporation Warranty Deed wherein we guarantee that the title is free and clear of all but noted restrictions, easements and encumbrances. However, you should obtain a title insurance policy which will describe the rights of ownership which you are acquiring in your parcel. We recommend that an appropriate professional should interpret the opinion or policy.

## **PAYMENTS**

### **Escrow**

During the first six months of your transaction, while the Contract for Warranty Deed is in effect, you may lose your deposit and installment payments if by fraud or bankruptcy we fail to deliver legal title to you as called for in the contract because these installment payments are not held in an escrow account which fully protects you, that is we will hold your first six months' payments in our bank account.

### **Prepayments**

There are no penalties for prepayment. You may pay any amount in excess of your regular installments at any time.

### **Default**

Should you fail to make the payments stipulated in the Contract for Warranty Deed or Deed of Trust, then at our option, we may declare a forfeiture and retake the property. If you are delinquent in your payments more than 30 days, we will give you written notice of your default or breach of contract, then you will have an additional 20 days from receipt of that notice to bring your payments current or make other arrangements agreeable to us. If you do not bring your payments current or make other arrangements, then we may declare a default and retake possession of the property.

In the case of default after title has been transferred to you but before the full balance of you Deed of Trust has been paid, we will, as title protection for ourselves in the event of your default, record the Quit Claim Deed you were required to sign on closing.

# RESTRICTIONS ON THE USE OF YOUR PARCEL

## Restrictive Covenants

Your Contract for Deed or Deed of Trust contains a restriction that no marketable timber (defined as trees of 8" or greater stump diameter) may be cut without our written permission .

Listed below are the recorded restrictions effective on the date of This Report which affect Dysfunctional Pines. Please note that some of these restrictions limit your use of these properties and might cause you an additional expense or detract from your intended use of the land. These covenants as listed below are available from our offices or from the Texas County Recorder's Office.

1. This Property, if occupied, shall not be used for other than private, single family residential purposes. No more than one dwelling may be constructed on any parcel. No commercial or business activities are allowed that require signage larger than 2 square feet in area, such as 1 foot by 2 feet or 6 inches by four feet.
2. All homes constructed on the property shall be of not less than 500 square feet in living area permanently attached to an adequate concrete foundation consisting of poured concrete or mortared concrete block placed in any combination of beams, piers, pilings and/or footings which supports the dwelling sufficiently that no settling greater than one inch in forty lineal feet shall occur. Mobile homes are permitted if greater than 500 s.f. and attached to an adequate concrete foundation.
3. Camping for more than 21 days in a twelve-month period is not permitted. Camping equipment or travel trailers may not be left on the property between uses unless kept within a closed building or otherwise covered.
4. No construction may occur within the boundaries of the 50-foot road and utility easement as defined in the Official Plat of Dysfunctional Pines.
5. No parcel of the Property as the same shall appear on the Official Plat of Dysfunctional Pines as recorded at Texas County Survey Record Book: 17, Page: 18 Texas County Recorder's Office may be further sub-divided.
6. Waste materials must be kept in closed containers at all times. Parcels must be kept free of refuse, debris, and rubbish. No derelict vehicles may be kept on any parcel unless kept in an enclosed garage or covered. Derelict vehicles are defined as those which EITHER do not run, or are not licensed.
7. Any animals kept on this property shall be maintained in such a manner that they do not present a nuisance to owners of neighboring parcels. Kennels greater than five dogs and feedlots are not permitted.
8. All wastewater treatment facilities must be constructed in accordance with all federal, state and local standards.

## **Easements**

The easements of record within the land division included in this report are for roads and utility purposes. They will appear in your title report. Here we will discuss the easements which may affect building or land use in each of these land divisions. Please note that each and every parcel is large enough to accommodate a residence despite the easements. None of the land covered in the report is subject to any type of flood control or flowage easements. No road easements cut across or through parcels. Road and utility easements are 50 feet in width. These things will need to be considered in locating a building site.

## **PLATS, ZONING, SURVEYING, PERMITS AND ENVIRONMENT**

### **Plats**

The layouts of the land division included in this Report has been approved by the Texas County Commission. A complete plat for this subdivisions has been recorded at the Texas County Recorder's Office in Houston, MO Book: 17, Page: 18. The project number is C-6210 in Cabinet A, Page 119.

Further divisions of the parcels in any of these land divisions is not allowed by restrictive covenants and may not be in compliance with the county subdivision ordinances.

### **Zoning**

This subdivision is not subject to any state or local zoning laws, therefore, their use for any purpose is not limited in any way other than specified in the Restrictive Covenants of record. Purposes include residential housing and limited camping. (See Restrictive Covenants, page 7)

### **Surveying**

Each lot in this subdivision has been professionally surveyed and marked for identification.

### **Permits**

No building permits are required by county or state authorities for construction on any of the parcels covered in this Report. A permit is required from the Texas County Department of Health, before locating a septic system.

### **Environment**

No determination has been made as to the possible adverse effects these land divisions may have upon the environment and surrounding area.

# ROADS

Here we will discuss the roads that lead to the scattered sites, those within the land divisions and locations of nearby communities.

## **ACCESS TO THE LAND DIVISION**

DYSFUNCTIONAL PINES is accessed from Missouri Highway AZ, a 20 to 24 foot wide two-lane asphalt road maintained by the Missouri State Highway Department, There are no known improvements contemplated for this road providing access to the subdivision.

## **ACCESS WITHIN THE LAND DIVISIONS**

We have completed construction of the interior roads at Dysfunctional Pines in such a fashion as to provide year-round access to every parcel. They consist of dirt, gravel, rock and other on-site material covered with four inches of crushed rock. No further improvements to these roads that would result in extra expense to you are anticipated at this time.

Easements have been recorded for the road systems which are described as 50-foot-wide rights-of-way for access. Interior roads are cleared 30 feet in width with approximately 20 feet of wearing surface comprising 2 driving lanes. We will be responsible for your share of the maintenance costs of these roads until January 31, 2017.

## **NEARBY COMMUNITIES**

Nearby community	Population	Distance over paved roads	Distance over unpaved roads.	Total distance
Willow Springs, Mo.	2,147	8 miles	0 miles	8 miles
Houston, Mo, (county seat)	1,992	24 miles	0 miles	24 miles
West Plains, Mo.	10,866	32 miles	0 miles	32 miles
Springfield, Mo.	151,580	98 miles	0 miles	98 miles

# **UTILITIES**

## **WATER**

We do not supply water or water systems to any of these parcels of land. Purchasers of these parcels will have to arrange to drill their own private well if they desire water. For information on drilling procedures you should contact local well drillers which are listed in the yellow pages of local phone books or we will recommend some to you.

The size of the subdivision makes it exempt from needing a Residential Housing Development Geohydrologic Groundwater Evaluation Rating. Missouri State Regulation Number 10 CSR 20-6.030, section (1)(D)(2) states "only developments with seven or more lots must receive approval". There is no assurance of a sufficient supply of water for the anticipated population.

Current prices charged by local well drillers run around \$6 per foot to drill and \$8 per foot to install a 6 inch casing. Missouri law requires a minimum of 80 feet of casing in all locations and more in some. The estimated cost of a complete well, casing and pump system in this area is \$6,000.

Well depths will average between 250 to 500 feet throughout the Ozarks. In the event that a productive well cannot be installed, you may exchange your parcel for another.

Permits are not required of water wells for single family dwellings.

Purity and chemical content of water cannot be determined until each individual well is completed and tested.

While we discourage the use of cisterns, there are no state, local or private restrictions on such use. Water for cisterns may be obtained from numerous suppliers throughout Southern Missouri and Northern Arkansas at an approximate delivered cost of \$12 to \$25 per 1000 gallons. Water stored for extended periods tends to become stale and may acquire an unpleasant taste or odor.

## **SEWAGE DISPOSAL**

We do not provide any means of sewage disposal for these parcels. Being in a rural area, the most common methods of sewage disposal are by individual on-site septic tanks or septic-lagoons.

The Missouri Department of Natural Resources has given general approval for this usage of this site for individual sewage treatment systems. Since each and every parcel has not been approved for the use of an individual on-site system, there is no assurance permits can be obtained for the installation and use of individual on-site systems. Should it be determined that a permit is not obtainable, you may take advantage of our trade policy.

Septic systems must be constructed in accordance with County and State standards, and you must obtain permission from the Missouri Department of Health (417-895-6917) to install a septic tank or sewage lagoon. The average cost of a septic tank and drain field is \$2900.

## **ELECTRICITY**

We do not provide electrical service to these parcels. You are responsible for extending electrical service from the nearest source if you require electricity. Electric service for the land division covered in this Report is provided by Howell-Oregon Electric Cooperative, West Plains, MO 65775, (417) 256-2131. First three poles, free to permanent residences. Each additional pole will cost \$450, up to six poles. Beyond that, the board of directors must approve. Electricity poles currently exist close enough to the property, there would be no cost to extend electric to the most remote parcel.

## **TELEPHONE**

We do not provide telephone lines or service to any of these parcels. You may provide telephone service at your own expense by Verizon 1-800-483-4000. Their policy is to give the first half mile of service free with a standard \$21 fee.

## **FUEL OR OTHER ENERGY SOURCE**

Propane gas is the most commonly used fuel for heating and cooking in the areas covered by This Report and is broadly available from a number of suppliers. A typical cost for a one-year lease on a 500 gallon propane tank is \$48 per year. Propane currently sells for \$1.64 per gallon. The nearest propane dealer to Dysfunctional Pines is: MFA Oil & Propane, 709 E Main St., Willow Springs, MO 65793 (417) 469-2976.

## **FINANCIAL INFORMATION**

A copy of our financial statement for the period ended June 30, 2007, and subsequent statements are available from us upon request.

# **LOCAL SERVICES**

## **FIRE PROTECTION**

Fire protection is provided by the Clear Springs Rural Fire Association, Linda Bradford, President, (417) 469-4995. **In an emergency, call 911.** The annual fee is \$40.

## **POLICE PROTECTION**

In addition to the Missouri State Highway Patrols, the Texas County Sheriff's Office out of Houston, (417)967-4165 provides police protection.

## **SCHOOLS**

Elementary, junior high and high schools are available to residents of Dysfunctional Pines by the Willow Springs School District. School-bus pickup is available in front of the subdivision on Missouri Highway AZ.

## **HOSPITALS**

Ambulance service is available through Willow Springs Ambulance District, (417) 469-2273. **In an emergency, call 911.** The nearest hospital would be either Ozark Medical Center, West Plains, MO or Texas County Memorial Hospital, Houston, MO. They will also transport to hospitals in Springfield, MO.

## **PHYSICIANS AND DENTISTS**

The nearest physicians' and dentists' offices to the land division are located in Willow Springs, Missouri

## **SHOPPING FACILITIES**

West Plains, Mo. and Springfield, Mo. offer the major shopping facilities one associates with larger communities. Additionally, there are the nearby towns of Willow Springs and Houston where you will find grocery stores, hardware stores, banks, service stations, restaurants and entertainment.

## **MAIL SERVICE**

Mail delivery is provided to each parcel of the property by the Willow Springs, Missouri Post Office.

## **PUBLIC TRANSPORTATION**

There is no public transportation within or to any of these sites. Springfield-Branson National Airport, 5000 W. Kearney, Springfield, MO, is the nearest major airport at 100 miles. Greyhound Bus in Branson-Hollister is the nearest bus line at 62 miles.

## **RECREATIONAL FACILITIES**

There are no recreational facilities provided or contemplated by us.

# **SUBDIVISION CHARACTERISTICS AND CLIMATE**

Here we discuss various natural conditions in and around the land divisions and their influence upon same.

## **GENERAL TOPOGRAPHY**

This subdivision consists of level to rolling terrain on a ridge-top. None of the land area is designated to remain natural open space. All of the parcels are covered with a mixture of oaks, hickories, maples, pine and junipers.

SOME OF THE PARCELS IN THIS SUBDIVISION HAVE A SLOPE OF 20% OR GREATER. THIS MAY AFFECT THE TYPE AND COST OF CONSTRUCTION. THESE PARCELS ARE IDENTIFIED BELOW.

Parcels 2,3, and 4 are characterized as having some slopes of 20% or more within their perimeters. There is sufficient level ground on most for normal building and construction without the need of special techniques. If your parcel has a slope of 20% or more and you choose to build on the slope, you should be aware that special techniques, such as cantilever construction or building in tiers, may be required.

## **WATER COVERAGE**

None of the parcels in this land divisions are covered by water at any time during the year.

## **DRAINAGE AND FILL**

None of the parcels require drainage or fill prior to being used.

## **FLOOD PLAIN**

None of these land divisions are located within a flood plain, or an area designated by any Federal, State or local agency as being flood prone.

## **FLOODING AND SOIL EROSION**

Should a problem arise regarding soil erosion, sedimentation or periodic flooding on any parcel, we bear responsibility for the control of same through mulching, seeding, or construction of silt basins, diversion channels, ditches, outlet channels, or waterway stabilizers as may be appropriate. This program will be implemented in conjunction with our road-building and maintenance program immediately after a problem has been demonstrated. No appropriate government officials have approved of our flood or erosion control program.

## **NUISANCES**

There are no known nuisances in or around these land divisions.

## **HAZARDS**

There are no known hazardous conditions in or around these land divisions.

## **CLIMATE**

Average summer temperature range .....58.5 - 81.2 mean temperature.....69.9

Average winter temperature range.....31.6 - 49.8 mean temperature.....40.7

Average annual rainfall.....39.47 inches

Average annual snowfall.....16.1 inches

Figures given are according to the National Weather Service at Springfield, MO. (417) 869-4491.

## **OCCUPANCY**

As of the date of this report, there were no homes within the boundaries of the land development which were occupied on a full or part-time basis.

# **ADDITIONAL INFORMATION**

## **PROPERTY OWNER'S ASSOCIATION**

There is no Property Owner's Association for of the land division covered in this Report, and there are no plans for forming any Property Owner's Association.

## **TAXES**

Your obligation to pay property taxes begins the day that you purchase your property. We will pay your tax bill for the first calendar year of your ownership. Thereafter taxes are due November 1st of each year and penalties are assessed if they are not paid by December 31. The tax office will be notified of your new ownership by January of each year and you should receive the tax notices thereafter. The fact that you do not receive the notice does not relieve you of the responsibility to pay your annual property taxes before they become delinquent.

Taxes are paid to the Texas County Collector at the courthouse in the Houston, Missouri.

According to the Texas County Assessor's office, the estimated taxes of each parcel would be between \$4.90 to \$20.00.

## **RESALE OR EXCHANGE PROGRAM**

We have no program to assist you in the resale of your parcel.

If, during the time your Contract or Trust Deed is in force, you wish to exchange your equity in your property, exclusive of interest, for equal dollar equity in any other property in our inventory at that time, for whatever reason, you may do so, so long as your balance is current and the property is clean and in essentially the same condition as when you purchased it.

## **EQUAL OPPORTUNITY IN LOT SALES**

The developer is in compliance with title VIII of the Civil Rights Act of 1968 and does not directly or indirectly discriminate on the basis of race, religion, sex or national origin in any of the following general areas: lot marketing and advertising, rendering of lot services, and in requiring terms and conditions on lot sales and leases.

## **LISTING OF PARCELS**

Below is a listing of all the parcels covered in this Report, by parcel number.  
1,2,3,4,5,6