

Division of Real Estate

D. D. WATSON, Commissioner
MAIN OFFICE
1021 O Street, Sacramento 14

PRELIMINARY SUBDIVISION PUBLIC REPORT

ON

THE FRANK WINTER SUBDIVISION NO. 2
Merced County, California
RES. NO. FV 613 FRESNO

This Report Is Not an Approval or Disapproval of This Subdivision

It reflects information presented by the subdivider of the above-subject tract and other information obtained by the Division of Real Estate in its investigation and examination of said tract. This report is issued in accordance with the provisions of Sections 11010 and 11018 of the Business and Professions Code of the State of California.

Prospective Purchasers Should Read This Report

This is a Preliminary Subdivision Public Report which permits the taking of reservations to purchase or lease subject to the provisions of Section 11538 of the Business and Professions Code, and subject also to the following requirements: (1) such reservations must be subject to the approval of the final public report by the proposed purchaser; (2) any valuable consideration involved must be placed in a neutral escrow depository subject to withdrawal by the proposed purchaser at any time without deductions until he approves the final public report; and (3) a copy of this report which is signed by the prospective purchaser must be placed in the escrow together with any valuable consideration.

Seller Should Note the Following:

Rule No. 2795 of the Commissioner's Rules and Regulations (Chapter 6 Title 10 California Administrative Code) requires that:

- (1) a true copy of this report must be given to the prospective purchaser;
- (2) *the prospective purchaser must be given an opportunity to read this report before a deposit is taken or an agreement of sale is executed;*
- (3) a receipt must be taken from the buyer showing not only that he received a copy but that he had an opportunity to read it before buying; and
- (4) the receipts so taken must be kept available for inspection by the Commissioner or his deputies.

The filing of this subdivision with the Division of Real Estate is incomplete in the following respects:

1. A final map of Frank Winter Subdivision No. 2 has not yet been recorded.
2. Streets within Frank Winter Subdivision No. 2 have not yet been dedicated to nor accepted by the County.
3. Final arrangements for water supply to Frank Winter Subdivision No. 2 have not yet been completed.

NOTE: This report also covers Lots 1 to 30 inclusive and lots 39 to 50 inclusive, according to the Map entitled "Map of the Frank Winter Subdivision."

SPECIAL NOTE: This is a Preliminary Subdivision Public Report which permits the taking of applications for membership subject to the following requirements: (1) any valuable consideration involved must be impounded as required by the California Commissioner of Corporations; (2) a copy of this Report must be furnished to the proposed member at the time his application is made; (3) a copy of this Report must be placed in the escrow where the funds are impounded as described above; and (4) the application for membership must be subject to the approval, by the proposed member, of the Final Subdivision Public Report to be issued on this subdivision, and said Final Report must be approved by the proposed member before any money he has deposited is released from impound to anyone except himself.

The subdivider has certified that all lots in this subdivision are to be improved with dwellings with Federal Housing Administration insured loans and to be occupied by members, conditioned upon their payment of a pro-rata share of the monthly carrying charges for a period of 39½ years.

Under these circumstances, the Real Estate Commissioner has not made detailed investigation into matters which are investigated by this agency or by local government officials, such as: Street improvements and maintenance, water and other utilities, drainage and flood matters, filled ground, fire protection, sewage

disposal, etc.; more detailed information concerning these matters may be obtained from the subdivider or the agencies mentioned above.

Matters regarding stock and security aspects of any transaction involving purchase commitments are under the jurisdiction of the Corporation Commissioner of the State of California. Inquiry respecting liabilities for any assessments on stock purchases is directed to that source.

LOCATION: In the County of Merced, approximately 3 miles south of the City of Merced; bounded on the north by Gerard Avenue on the east by Laughlin Lane and on the south by California State Highway U.S. 99.

Map of "The Frank Winter Subdivision" is recorded in Book 12 of Official Plats at Pages 25 and 26; Official Records of Merced County.

A final map of Frank Winter Subdivision No. 2 has not yet been recorded.

SIZE: Approximately 15 acres, divided into 78 parcels.

TITLE: Preliminary Report dated December 16, 1955, shows title vested in Farmers Underwriters Association, a corporation subject to: County taxes; assessments, restrictions, easements and rights of way of record; Merced Irrigation District taxes.

RESTRICTIONS: A Declaration of Restrictions was recorded May 26, 1952 in Book 1057, Page 240, and Amendments thereto recorded December 2, 1954 in Book 1180, Page 206 of Official Records of Merced County. Includes a Reservation of all minerals, etc., below a depth of 500 feet on lots 1 to 50 inclusive, and all minerals etc., on the remaining lots.

Purchasers should investigate the Conditions, Reservations and Restrictions that may run with the land, including County zoning restrictions.

Copies of those items which are "recorded" may be inspected at the office of the Merced County Recorder. Information about zoning may be obtained at the office of the Merced County Planning Commission. Information on these items may also be obtained from the subdivider.

STREETS: Streets within "Frank Winter Subdivision No. 2" have not yet been dedicated to nor accepted by the County.

However, streets within "The Frank Winter Subdivision" have been offered for dedication for public use and have been accepted by the County.

WATER: Final arrangements for water supply to Frank Winter Subdivision No. 2 have not yet been completed.

UTILITIES: The subdivider advises that utility services are available, subject to company extension rules and regulations, from the following companies:

Electricity and Gas: Pacific Gas & Electric Co., 1822 "L" Street, Merced

Telephone: Pacific Telephone & Telegraph Co., 327 W. 18th Street, Merced.

Purchasers are advised to personally contact the companies supplying such services regarding the possibility of service connections and the costs involved.

SANITATION: The subdivider advises that public sewers will be installed, but the costs will be paid by purchasers of property in the subdivision as follows:

A yearly sewer service charge of \$25.00 payable to Farmers Underwriters Association until a credit by the City of Merced is exhausted and thereafter pay the yearly sewer service charge to the City of Merced. Lot purchasers will be required to pay the cost of the sewer extension to their house.

MISCELLANEOUS: The subdivder advises that it is approximately 2 miles to the nearest high school, 1 mile to the nearest grammar school, and 2 miles to the nearest community shopping center.

FIREPROTECTION: The Merced County Fire Department advises it will furnish fire protection to this tract.

(X) PLAN OF OPERATION: The "down payment" made by prospective purchasers is a membership fee which the prospective purchaser is investing in a non-profit corporation.

Ten days after signing a "subscription agreement" a subscriber will have no right to withdraw. But the corporation reserves the right to reject any "subscriber" at any time before it notifies him of its approval of membership. In event of default by the subscriber for twenty days, he may lose all his rights including any money paid in. Assignment is subject to the assignees being satisfactory to the Corporation.

A non-profit corporation has been organized for the purpose of constructing housing units to be occupied by members, conditioned upon their payment of a pro-rata share of the monthly carrying charges under an approved plan with the Federal Housing Administration.

Mortgage insurance will be obtained by applicant from the Federal Housing Commissioner, pursuant to the provisions of the National Housing Act as amended. It is proposed that 77 memberships in the Corporation will be sold. One additional membership of a different class will be furnished to the Federal Housing Commissioner.

Proceeds from the sales of memberships will be impounded and not released until one of the following circumstances occurs: (1) The subscriber is rejected for membership, (2) at least 90% of the authorized membership of 77 members is not obtained within the period of eligibility or any extension thereof, (in either case, all monies paid in, with exception of \$5.00 expenses, will be refunded) and (3) 90% of the membership has been subscribed and certificates issued, in which case the entire amount of the impound will be made available for legitimate corporate purposes.

The Division of Real Estate wishes to emphasize that the above statements reflect information presented by the subdivider of the tract and other information obtained by the Division in its investigation of examination of the tract. This report is not an approval or disapproval of this subdivision.

Dated at San Francisco, California
this 19th day of March, 1956

MJM:pd
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(SIGNED) D. D. WATSON
REAL ESTATE COMMISSIONER
OF THE STATE OF CALIFORNIA