



Facts About Cooperative Ownership

Q: Why is the Resort set up as a cooperative rather than as deeded RV lots within a subdivision?

A: Restrictions in Pinal County would have required extensive improvements in order to qualify as a subdivision. These improvements would have included paving of the roads and a municipal sewer treatment plant and would have made lots unaffordable and have detracted from the natural setting of the Resort.

Q: What is cooperative ownership?

A: You own the entire property along with 265 (266 total sites) other shareholders in a non-profit corporation. You are a voting shareholder with the exclusive rights of use and occupancy of your designated site. You will own a share of stock along with a 99 year proprietary lease for your individual site. You also own a 1/266 undivided interest in the common area including buildings, roads, pool, etc.

Q: What are the advantages of cooperative ownership?

A: Property taxes are generally lower in co-ops because the entire property is taxed as one entity rather than individual lots. When you sell your share, there are minimal costs on the transfer because it's not considered a "real-estate" transaction. The transfer of the shares does not have to be recorded and allows greater privacy.

Q: Are there any maintenance fees (assessments)?

A: The assessment fee is currently \$75 per month which includes water, septic, trash pickup, your share of the total property real estate taxes, maintenance of the common areas and the administration of the Resort. You pay electricity and cable separately. The fee does not include the developer's mortgage which is paid exclusively by the developer. The 99 year lease does not have a separate cost to the lot owner.

Q: Can I resell my lot?

A: You are free to sell your site at any time at a price based on free market prices.

Q: Why do shares cost different amounts?

A: Share prices have initially been set based on lot size. Prices will be subject to change based on supply and demand.

Q: Are there other cooperative RV Resorts in Pinal County Arizona?

A: Yes, there is Sunscape RV Resort in Casa Grande. They are currently only offering resales. Please see <http://www.sunscapervresort.com/> for more information.

Q: How is the property managed?

A: The operation of the Resort is governed by Bylaws and a Board of Directors. The Resort will be managed professionally by Leisure Concepts Management, an RV Resort management company. As a shareholder, you participate in the management of the property through annual meetings, special committees and selection of owner appointed board members.

Q: How long will the developer be involved?

A: The developer will control the property for up to 10 years or until all lots are sold. The developer may elect to turnover control earlier at its discretion.

Q: Who is the developer?

A: The property is owned by a Philadelphia based investment group made up of 53 individuals. Leisure Concepts Management (LCM) is a related company and is in the business of operating RV Resorts and marketing and selling RV lots. LCM has a number of successful properties under management. More information may be found at www.lcmpartnerslp.com.

Q: Will more lots be added?

A: The developer may add up to 180 more lots in one or two phases.