CITY CLERK
ORIGINAL

C-3569-1
08/31/2012

CONSENT TO ASSIGNMENT OF LEASEHOLD INTEREST AT THE DESERT MIRAGE GOLF COURSE

This Consent to Assignment of Leasehold Interest at the Desert Mirage Golf Course is executed this 31st day of August, 2012 by the City of Glendale, an Arizona municipal corporation (the "City").

Recitals

1. The City and Stearns Bank, N.A. ("Stearns"), a financial institution licensed to conduct business in Arizona ("Assignor") are parties to that certain Lease Agreement for Public Development and Operation of Public Golf Course dated April 22, 1997 and amended November 6, 1997, a copy of which is attached hereto as "Exhibit A" (the "Lease")

2. Stearns and Ready Golf, Inc., an entity incorporated in the State of Arizona, and currently represented by Ready Golf's nominee, Jimmy R Gunn, ("Assignee"), have entered into that certain Asset Purchase Agreement dated September 4, 2012 (the Agreement to Purchase, attached as "Exhibit B") whereby Assignor will sell to Assignee and Assignee will purchase from Assignor, Assignor's leasehold golf course business at the municipal golf course in Glendale, Arizona, known as the "Desert Mirage Golf Course" (the "Business") and certain of Assignor's assets related to the Business.

3 The Agreement to Purchase also contemplates Assignor's assignment to Assignee of all Assignor's right, title and interest in the Lease, "attached as Exhibit C."

4. The Lease requires the parties to obtain the City's consent, which consent "shall not be unreasonably withheld or delayed."

Consent

NOW THEREFORE, in accordance with Section 14(A) of the Lease and City Ordinance No. 2376 New Series, the City consents to Assignor's assignment of all of its right, title and interest in the Lease to Assignee. The City states that the Lease is in full force and effect and, except for the amendment dated November 6, 1997, has not been amended or otherwise modified. The City is not aware of any uncured default under the Lease.

IN WITNESS WHEREOF, the City Manager, or his authorized designee, on behalf of the City of Glendale, Arizona has executed this Agreement on the date first set forth above.

CITY OF GLENDALE

By: Horatio Skeete
Its: Acting City Manager

ATTEST:

City Clerk (SEAL)

APPROVED TO AS FORM.

City Attorney

C-3569

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
97-0277560 04/28/97 12:03
CHRISTINA 3 OF 3

WHEN RECORDED, PLEASE RETURN TO:

City Clerk
City of Glendale
5850 West Glendale Avenue
Glendale, AZ 85301

LEASE AGREEMENT FOR DEVELOPMENT AND OPERATION OF PUBLIC GOLF COURSE

This Lease Agreement (this "Agreement") is executed to be effective the 22nd day of April, 1997, between the City of Glendale, an Arizona municipal corporation (the "City") and Par Golf, L.L.C., an Arizona limited liability company("Lessee").

WHEREAS, the City is the owner of seven adjacent parcels of real property located near 87th Avenue and Maryland Avenue in the City, which are more particularly described in Exhibits A-G attached hereto. (Hereinafter, the five parcels described in Exhibits A, C, E, F and G will be referred to collectively as the "Property" and the two parcels described in Exhibits B and D will be referred to collectively as the "Right-of-Way"); and

WHEREAS, the Salt River Project ("S.R.P.") or its customers presently own or operate, or claim to have the right to own or operate, the following real property or improvements thereon which affect the use of the Property:

1. One underground drainage pipe and water delivery gate located near the middle of the Property;

2. One dirt-lined, crosscut lateral used for irrigation and/or drainage purposes;

3. One dirt-lined tailwater ditch used for drainage and/or irrigation purposes; and
4. Two concrete-lined delivery ditches used for purposes of irrigation and/or drainage.

Hereinafter, said drainage pipe, water delivery gate, crosscut lateral, tailwater ditch and delivery ditches will be referred to collectively as the "S.R.P. Improvements"; and

WHEREAS, Lessee desires to lease the Property for purposes of constructing and operating a nine-hole golf course and driving range open to the public; and

WHEREAS, the City is willing to lease the Property to Lessee on the terms and conditions set forth below.

THEREFORE, in consideration of the premises and the following mutual covenants and conditions, the parties agree as follows:

1. LEASE OF THE PROPERTY; RESTRICTIONS.

The City hereby leases the Property to Lessee for its use solely as a nine-hole golf course and driving range open to the public, to be known as "Desert Mirage Golf Course". In addition, the City leases a portion of the Right-of-Way to Lessee for its use solely as a part of the Desert Mirage Golf Course, such property to consist of any portion of the Right-of-Way which is located to the north of the fence to be constructed on the south of the Desert Mirage Golf Course as a part of the City's Improvements (defined below). As a part of its operations, Lessee shall, at its own cost, design, construct, maintain and operate such golf course and driving range and shall offer or provide to the public golf lessons from a qualified professional, a clubhouse and pro shop, food and beverages, and other services customary to a nine-hole metropolitan public golf course. Lessee may provide food and beverages from a snack bar and shall not be required to operate a sit-down restaurant on the Property. Lessee shall not use any portion of the Property or the Right-of-Way for any purpose other than as a public golf course and driving range, except to the extent the S.R.P. Improvements may be used by S.R.P. or S.R.P's customers for irrigation and drainage purposes and that portions of the golf course are used for drainage and water retention areas pursuant to Section 6(D). Lessee shall not change the name of the golf course from Desert Mirage Golf Course without the written consent of the City. Lessee shall not provide or knowingly allow any alcoholic beverages on the Property or the Right-of-Way except as allowed by law and in accordance with a liquor license issued by the State.

2. TERM.

A. The term of this Agreement shall be for a period of 35 years, commencing on April 22, 1997 and expiring on April 21, 2032, unless sooner terminated pursuant to the provisions contained herein.

B. The City grants to Lessee options to extend this Agreement for two successive 10-year periods, subject to the same terms and conditions as are contained in this Agreement, provided that Lessee is not in default of any of its obligations under this Agreement at the time of each extension. Lessee may exercise said options by providing the City with written notice of its intention to do so at least 120 days prior to the expiration of the original term of this Agreement or, if applicable, the first 10-year extension period.

3. RENT.

A. As rent for its right to use the Property, Lessee shall pay, without notice and free from all claims, deductions or set-offs against the City except for such credits as may be allowed under Section 27, the following amounts:

1. From the effective date of this Agreement through December 31, 2003, no rent shall be due;

2. From January 1, 2004 through December 31, 2008, 3% of Lessee's Gross Revenues;

3. From January 1, 2009 through December 31, 2013, 4% of Lessee's Gross Revenues;

4. From January 1, 2014 through the end of this Agreement, including any option years, 5% of Lessee's Gross Revenues.

B. No later than the 20th day of each month, Lessee shall furnish the City with a written statement stating Lessee's Gross Revenues for the preceding calendar month. Such reports shall include such information as the City deems reasonably necessary and shall be accompanied by Lessee's payment in full of any rent due for the preceding month based on the percentages specified in Section 3(A). No later than 30 days after the end of each calendar year, Lessee shall furnish the City with an annual statement of Gross Revenues as defined in Section 3(C), prepared in accordance with generally accepted accounting principles, and an audit report on the statement from an independent certified public accountant.

C. For purposes of this Agreement, the term "Gross Revenues" shall mean all amounts actually received from all of Lessee's operations on or from the Property, including all greens fees, tournament fees, league fees, cart fees (electric, gas or pull), driving range fees, club-rental fees, sales of food and beverages, and sales from the pro shop (whether for goods or services), whether made by Lessee or any of its agents, representatives or affiliates and regardless of: (1) when or where the orders therefor are received; and (2) whether such sales are paid for with money, by barter or through any other form of property or consideration actually received by Lessee. For any non-cash sales, the reasonable value of the consideration received shall be deemed to be the sale price. The following shall be excluded or deducted from Lessee's Gross Revenues:

1. All transaction privilege taxes, excise taxes or similar taxes collected by Lessee from its customers;

2. All fees received by Lessee's qualified golf professionals for golf lessons, provided that such fees are deemed to be solely the income of such golf professionals as between the golf professionals and Lessee and are not remitted, in whole or in part, by the golf professionals to Lessee;

3. Receipts from any sale for which Lessee issues a partial or total refund to the extent of the refund actually made, whether by cash or credit; provided that Lessee shall not be allowed to claim any exclusion or deduction from Gross Revenues resulting from any arrangements for a hidden rebate, kickback or credit given or allowed to any customer;

4. Receipts attributable to discount coupons, but Gross Revenues shall include any consideration received for goods and services in excess of the amounts of the coupons;

5. Receipts attributable to exchanges of merchandise, but Gross Revenues shall include any additional consideration received by Lessee in connection with exchanges;

6. Non-retail sales of equipment, fixtures and other items of property that are not part of Lessee's normal stock in trade;

7. Deposits made by customers to the extent such deposits are returned to the customers;

8. Receipts from credit card sales which are attributable to service charges payable to credit card companies;

9. Insurance proceeds.

D. If Lessee fails to pay any rent in full on or before the due date, Lessee shall be responsible for interest on the unpaid principal balance at the rate of 10% per annum from the due date until payment in full is made.

E. The acceptance by the City of any monies paid by Lessee as percentage rent pursuant to this Agreement shall not be an admission of the accuracy of Lessee's figures or of the sufficiency of the amount of such payment. The City reserves all of its rights set forth herein to question the accuracy of Lessee's statements and the sufficiency of Lessee's payments.

4. BOOKS AND RECORDS.

A. At all times during the term of this Agreement and until all claims by the City for payments hereunder have been fully ascertained and paid, Lessee shall keep, in accordance with generally accepted accounting principles, separate and accurate records of Lessee's Gross Revenues, showing in detail all business transacted on or from the Property. Lessee shall enter all receipts arising from such business in regular books of account, and all entries in such records shall be made at or about the time of the underlying transactions.

B. The City shall have the right to inspect, audit and copy the books and records of Lessee with respect to Lessee's operations under this Agreement at any time during normal business hours. Information acquired by the City concerning Lessee's financial records shall not be made public except as required by law. Lessee shall maintain all such books and records at a mutually agreeable location in the metropolitan Phoenix area. Within the Examination Period defined in Section 4(D), the City may employ, at its sole cost, a certified public accountant to examine Lessee's books and records. If, pursuant to such audit, a discrepancy of more than a 2% deficiency exists between the rent reported and paid to the City and the rent actually due, Lessee shall reimburse the City for the costs of the City's audit and any resulting deficiencies within thirty (30) days of

billing by the City. The City's billing shall be accompanied by a complete copy of the auditor's report. If the audit reveals an overpayment of rent, any overpayment shall be deducted from future rents due after a credit memorandum from the City is issued. If no future rents will be due, the overpayment shall be promptly refunded to Lessee.

C. Lessee shall provide the City with a written description of Lessee's cash and sales record system and shall install such system, including equipment upon which Lessee shall record each transaction made on or from the Property. Each cash register shall have locking totals and shall be accessible to and subject to inspection by the City.

D. Records relevant to Lessee's Gross Revenues for any particular calendar year shall be kept by Lessee and made available to the City for a period of at least three (3) years after the end of such calendar year. For purposes of this Agreement, the term "Examination Period" shall mean the period during which Lessee is required to keep records pursuant to this subsection.

5. UTILITIES.

Lessee shall pay before delinquency all charges for all utilities used in its operations on the Property, including all charges for telephones, water, sewer, gas, electricity and cable television services.

6. LESSEE'S IMPROVEMENTS.

A. Lessee shall make no improvements or modifications to the Property or the Right-of-Way without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed. Before commencing any improvements or modifications, Lessee shall submit detailed construction plans and specifications of the work as completed. Prior to the start of any construction of improvements or modifications to the Property or Right-of-Way, Lessee shall secure all applicable building permits and approvals from the City, which shall not be unreasonably withheld or delayed. Lessee shall furnish any additional information concerning any proposed improvements or modifications which the City may reasonably deem necessary.

B. Lessee shall pay all site development costs and development impact fees, including water and sewer development fees, as Lessee's construction of

Lessee's Improvements, as defined below, proceeds. At such time as the golf course and driving range are open for public play on a permanent basis, the City shall rebate to Lessee all of Lessee's building permit fees, inspection fees, development review fees, plan check fees and development impact fees for the construction of the golf course, except that the rebates shall not include any portion of the water and sewer development fees paid in connection with the development of the Property. Lessee shall bill the City for all fees included in the fee rebates required by this subsection, and the City's payment of such fee rebates shall be due within 30 days after the City receives such billing.

C. Lessee shall, at its own cost, design and construct the following improvements ("Lessee's Improvements") on the Property and the Right-of-Way: A golf course comprising nine holes and lighted driving range, constructed in substantial conformity to the conceptual routing plan contained in Exhibit H attached hereto, including a paved parking lot for automobiles; a clubhouse comprising a pro shop, restaurant and/or snack bar at least 3000 sq. ft in size and with an appearance consistent with said design plans (the City acknowledges that the clubhouse may be a modular structure); any necessary maintenance buildings and structures for Lessee's operations on the Property; lakes or retention basins with at least 15 acre feet of storage capacity for drainage and water retention from properties located to the north of the Property, as are approved by the City Engineer; and an irrigation system for the golf course and driving range as is approved by the City.

D. As a part of constructing Lessee's Improvements, Lessee shall provide for pipe in Maryland Avenue for S.R.P. water to be delivered to the Property from the turnout structure east of the intersection of Maryland Avenue and 85th Avenue. Such construction shall be deemed to be a part of Lessee's Improvements, provided that the City shall reimburse Lessee for the costs of constructing such pipe at such time as the golf course and driving range are open for public play on a permanent basis. Lessee shall bill the City for such costs and provide the City with such documentation as is reasonably necessary to verify the amount of such costs. The City's payment of such costs shall be due within 30 days after the City receives such billing.

E. All improvements to the Property and the Right-of-Way shall be constructed pursuant to the plans and specifications which have been approved by the City, which approval shall not be unreasonably withheld or delayed. All

improvements and modifications made by Lessee shall be constructed in a good workmanlike manner.

F. Prior to the commencement of any construction on the Property or the Right-of-Way, Lessee shall provide the City with payment and performance bonds in amounts equal to the full amount of the written construction contract pursuant to which such construction is to be done. The payment bond shall be solely for the protection of claimants supplying labor or materials for the required construction work, and the performance bond shall be solely for the protection of the City, conditioned upon the faithful performance of the required construction work. Each bond shall include a provision allowing the prevailing party in a suit on such bond to recover as a part of its judgment such reasonable attorney's fees as may be fixed by the court. Each bond shall be executed by a surety company duly authorized to do business in Arizona and acceptable to the City. Each bond shall be filed with the City Clerk immediately upon execution thereof.

G. Lessee shall keep the Property and all improvements thereon (excluding the S.R.P. Improvements) free of any mechanic's or materialmen's liens or liens of any kind or nature for any work done, labor performed or materials furnished on or to the Property. If any such lien is filed, Lessee shall, at its own cost, either: (1) initiate necessary action to remove such lien from the Property within thirty days of notice thereof, and diligently proceed with such action until the lien is removed; or (2) provide the City with security that such lien will not be foreclosed, which security must be acceptable to the City.

H. Lessee shall begin construction of any improvements and modifications to the Property and the Right-of-Way within a reasonable period of time following the approval of the City and the issuance of building permits, if necessary, for the construction. Lessee shall diligently pursue construction of the improvements or modifications and shall complete construction in accordance with the schedule for completion to be agreed upon by the City. Except as set forth in Section 24 below, all improvements and modifications made by Lessee which become fixtures to the Property or the Right-of-Way shall become the property of the City, at no cost to the City, upon the expiration or termination of this Agreement, free of any security interest or claims of any kind from or through Lessee.

I. Lessee shall complete Lessee's Improvements and open the golf course and driving range on a permanent basis for public play no later than December 31, 1998. Not-withstanding anything herein to the contrary, however, if Lessee is delayed in completing Lessee's Improvements by December 31, 1998 as a result of circumstances beyond Lessee's control or the negligence, misconduct or unreasonable withholding of consent(s) by the City, Lessee shall complete Lessee's Improvements and open the golf course and driving range for public play as expeditiously as possible under the circumstances.

6.5 MODIFICATIONS TO S.R.P. IMPROVEMENTS.

A. The parties acknowledge that certain modifications to the S.R.P. Improvements will be required and/or may be desired as a part of the construction of the golf course. The parties further acknowledge that such modifications require the approval of S.R.P., that certain modifications will have to be done by S.R.P. in order to qualify for the use of S.R.P. "aesthetic funds," and that other modifications may be done by Lessee as a part of its construction of the golf course. The parties shall cooperate in good faith in seeking to obtain any necessary approvals from S.R.P. for any changes to the S.R.P. Improvements which the City and Lessee deem to be beneficial to the design of the golf course.

B. S.R.P. shall be responsible for piping the crosscut lateral underneath the driving range on the Property and for constructing a new delivery structure at or near the west end of the Property. The City shall be responsible for all costs of such modifications to the S.R.P. Improvements.

C. Except for the piping specified in Section 6.5(B), Lessee shall be responsible for all costs of relocating the crosscut lateral, if Lessee desires such relocation and S.R.P. approves of the same. The City shall, if necessary, cooperate with Lessee in relocating the crosscut lateral by granting S.R.P. an easement across the Property for such relocation, provided that the City does not incur any out-of-pocket costs in granting such easement.

D. All other proposed modifications to the S.R.P. Improvements which may affect the Property are subject to the written approval of the City and Lessee.

7. CITY'S IMPROVEMENTS.

A. The City shall, at its own cost, design and construct the following improvements (the "City's Improvements") on the Right-of-Way and/or the Property:

1. A fence at least six (6) feet high on a portion of the Right-of-Way on the south side of the golf course from 85th Avenue to 87th Avenue, excluding the entry ways to the golf course;

2. A sidewalk on a portion of the Right-of-Way south of the fence required by Section 7(A)(1);

3. Finishing all improvements to Maryland Avenue in the Right-of-Way.

B. The City will submit to Lessee detailed construction plans and specifications for the City's Improvements as completed and shall cooperate with Lessee to ensure that the City's Improvements are within the same overall design and engineering framework as Lessee's Improvements. The City's Improvements shall be constructed in a good and workmanlike manner.

C. The City shall diligently pursue construction of the City's Improvements so that the City's Improvements are completed on or before the date on which the golf course and driving range are open to the public. Notwithstanding anything herein to the contrary, however, if the City is delayed in completing the City's Improvements by the date on which the golf course and driving range are open to the public as a result of circumstances beyond the City's control or the negligence or misconduct of Lessee, the City shall complete the City's Improvements as expeditiously as possible under the circumstances.

8. PERFORMANCE BOND.

In addition to any other bond required by this Agreement, Lessee shall, on or before the date on which the golf course or driving range opens for public play, provide the City with a performance bond in the amount of $25,000. The performance bond shall be conditioned upon Lessee's faithful performance of all of its obligations under this Agreement. The bond shall include a provision allowing the prevailing party in any litigation or arbitration on such bond to recover as part of its judgment an award of such party's reasonable attorney's fees incurred in the litigation or arbitration. The bond shall be executed by a surety company duly authorized to do business in Arizona and acceptable to the City's Risk Manager.

9. ACCEPTANCE; MAINTENANCE; REPAIRS.

A. Lessee acknowledges that it has inspected the Property and, except as expressly provided otherwise herein, accepts possession of the same "as is" in its present condition. Except as may otherwise be specifically provided for herein, the City shall not be required to maintain or to make any improvements, repairs or modifications to the Property, or any improvements thereon. Under no circumstances shall the City have any obligation to repair, maintain or restore any improvements placed upon the Property by Lessee.

B. The City shall provide Lessee with a current Phase 1 environmental assessment of the Property and the Right-of-Way and a current archeological assessment of the Property and the Right-of-Way (hereafter, such environmental and archeological assessments will be referred to collectively as the "Assessments"). The City shall order the Assessments within 15 days of the effective date of this Agreement and proceed diligently to obtain the Assessments and provide the same to Lessee. Lessee shall have 15 days from its receipt of the last of the two Assessments (the "Assessment Review Period") within which to object in writing to any matters shown on the Assessments and related documents (the "Assessment Objections"). If Lessee makes any Assessment Objections within the Assessment Review Period, the City shall attempt in good faith and using due diligence to remove the Assessment Objections within 20 days after notice thereof. If despite such attempt, the Assessment Objections cannot be removed, Lessee shall, in its sole discretion, elect to: (1) waive in writing the curing of the Assessment Objections which the City could not cure; or (2) terminate this Agreement by written notice to the City, whereupon neither the City nor Lessee shall have any further liability or obligation to each other under this Agreement. Lessee's failure to give either such a written waiver or notice of termination shall be deemed an election by Lessee to waive such uncured Assessment Objections.

C. Lessee shall be solely responsible, at its own cost, for all repairs and maintenance whatsoever on the Property and shall maintain all improvements thereon in a good, workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Lessee shall, without limiting the generality hereof:

1. Keep at all times in a clean and orderly condition and appearance, the Property, all improvements thereon, and all of Lessee's fixtures, equipment and personal property;

2. Be responsible for the maintenance and repair of all utility service lines placed on the Property and used exclusively by Lessee;

3. Repair any damage to the Property caused by Lessee or its agents, employees or invitees;

4. At a minimum, maintain the Property according to the standards set forth in Exhibit I attached hereto.

D. After the completion of the City's Improvements to the Right-of-Way, Lessee shall be responsible, at its own cost, for maintaining all landscaped areas on the portion of the Right-of-Way leased to Lessee. Lessee shall have no other maintenance or repair obligations concerning the Right-of-Way. The City shall be responsible, at its own cost, for all other repairs and maintenance whatsoever on the Right-of-Way and, except for the landscaped areas on the portion of the Right-of-Way leased to Lessee, shall maintain the Right-of-Way and all improvements thereon, including the fence to be constructed by the City, in a clean, orderly appearance and condition and in a good and workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise.

E. Lessee's on-site manager shall meet at least monthly with the Parks and Recreation Director to review the condition of the Property. If the Parks and Recreation Director determines that Lessee is not maintaining the Property according to objective standards for the maintenance of municipal golf courses in the metropolitan Phoenix area established by the Arizona Association of Greenskeepers, Lessee shall promptly cure any defaults in its maintenance responsibilities. If Lessee fails to initiate necessary action to maintain, clean, repair, resurface, replace, rebuild or repaint, within 30 days after written notice from the City to do any necessary maintenance or repairs, and to diligently proceed with such action until completion, the City may terminate this Agreement or, at its option, enter the Property, without such entering causing or constituting a termination of this Agreement or any interference with the possession of the Property, and repair, replace, rebuild, resurface, repaint or otherwise maintain any part of the Property or the improvements thereon, and

do all things reasonably necessary to accomplish the work required, and all costs thereof shall be payable to the City by Lessee on demand. If in the reasonable opinion of the City, Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or the property of the City or others, and the City so states in its notice to Lessee, the City may, in its sole discretion, elect to perform such maintenance at any time after the giving of such notice, and Lessee shall pay to the City all costs of such work on demand. If the City or any of its elected or appointed officials, employees, or agents undertake any work hereunder, Lessee hereby waives any claims for damages, consequential or otherwise, resulting therefrom except for claims for damages arising from the sole negligence or fault of the City or its employees, agents or contractors.

10. HOURS OF OPERATION; USE OF FACILITIES.

A. Unless otherwise agreed to in writing by the City and except for closures, interruptions or delays resulting from natural disasters, fires, water shortages, riot, war, the negligence or fault of the City or its employees, agents or contractors, or other events or circumstances beyond Lessee's reasonable control, Lessee shall keep the golf course and driving range open for business each and every day during daylight hours; provided that Lessee may, in its discretion, close the golf course and driving range for up to thirty (30) days each fall for purposes of overseeding the Property. Lessee shall not operate the driving range between the hours of 10:00 p.m. and sunrise without the written consent of the City, which the City may withhold in its sole discretion.

B. The golf course and driving range shall be used for tournaments, leagues and lessons in such a manner as to provide the general public with a substantial opportunity to use the same.

11. GOLF CARTS.

Lessee shall not require any golfer to use or rent golf carts (electrical, gas or pull) in order to use the golf course. At all times that the golf course is open for play, Lessee shall maintain at least 15 riding golf carts available for rental to the public.

12. FEES.

Lessee shall have the right to set all fees charged to customers of the golf course and driving range, which fees may be comparable to or more than those fees charged by competing

metropolitan Phoenix-area public golf courses and driving ranges providing similar services. Lessee shall not increase any greens fees, cart fees, driving range fees or club-rental fees without first giving the City 30 days written notice of such increases, but such increases shall not require the approval of the City. Notwithstanding any provision herein to the contrary, Lessee may, in its discretion, offer discounts to junior or senior golfers and/or to Glendale residents using the golf course or driving range.

13. ADDITIONAL OPERATIONAL OBLIGATIONS.

A. Lessee shall operate and manage the golf course and driving range in a safe and first-class manner comparable to other publicly owned golf courses providing similar facilities and services. Lessee shall maintain a high standard of service at least equal to that of other competing public golf courses in the metropolitan Phoenix area.

B. Lessee shall operate a restaurant or snack bar from its clubhouse, offering coffee and a reasonable selection of soft drinks and snacks. At a minimum, such restaurant or snack bar shall be open to sell beverages during all hours that the golf course is open for play from April 1 through October 31 of each year. Lessee shall at all times maintain the proper Maricopa County Health Department inspection ratings required for its food and beverage sales.

C. Lessee shall perform all of the following services, at its own cost, in connection with its operations on the Property:

1. Provide and maintain all equipment and machinery necessary for the proper maintenance of the Property.

2. Accept telephone and walk-in reservations for tee times in a manner and number which Lessee determines will maximize the use and enjoyment of the golf course.

3. Supervise and control all play on and use of the Property.

4. Provide the services of an adult on-site manager at all times that the golf course or driving range is open for play.

5. Provide golf lessons and instruction to persons of all skill levels wanting them.

6. Render the customary and usual services of a golf professional in the promotion and conduct of tournaments, exhibitions and clinics.

7. Represent the golf course and driving range in accordance with standards accepted by golf professionals.

8. Provide an adequate supply of golf clubs and pull carts for rental to the public.

9. Use its best reasonable efforts to control the conduct and demeanor of Lessee's employees, agents and invitees and, upon objection from the City concerning the conduct or demeanor of any such person, immediately take all lawful steps necessary to remove the cause of the objection.

10. Use its best reasonable efforts to conduct its operations in an orderly and proper manner so as not to unreasonably annoy, disturb, endanger or be offensive to others.

11. Use generally accepted security procedures.

12. Do nothing which may result in the commission of a nuisance, waste or injury on the Property.

14. ASSIGNMENT.

A. Subject to subsection (B), Lessee shall not assign or sublease any of its interest under this Agreement without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed. The City may, as a condition of assignment approval, require that any potential assignee submit such biographical and financial information to the City as the City reasonably deems necessary.

B. Lessee may mortgage, encumber or assign any portion of its right, title and interest in the leasehold estate created by this Agreement to lenders for purposes of financing the capital improvements required by this Agreement. Any such mortgage, encumbrance or assignment shall be subject to all of Lessee's obligations under this Agreement. No person or entity shall have the right to place any mortgage, deed of trust, lien or encumbrance of any nature on the

City's title to the Property, nor shall any permitted assignment result in a subordination, in whole or in part, of the City's rights under this Agreement.

15. ADVERTISING SIGNS.

Lessee may install on the Property, subject to the City's sign ordinance, signs identifying its business. The number, general type, size and location of signs must be approved in writing by the City prior to installation.

16. DEFAULT; TERMINATION BY CITY.

A. The City may terminate this Agreement by giving Lessee 30 days written notice after the happening of any of the following events:

1. The failure of Lessee to materially perform any of its obligations under this Agreement, if Lessee fails to cure its default within said 30-day notice period; or if a cure is not reasonably possible within 30 days and such default has not been caused by Lessee's gross negligence or intentional misconduct, the failure of Lessee to initiate action necessary to cure the default and to diligently proceed with such action until the default is cured.

2. The taking of possession for a period of 10 days or more of substantially all of the personal property used on the Property belonging to Lessee by or pursuant to lawful authority of any legislative act, resolution, rule, order or decree, or any act, resolution, rule, order or decree of any court or governmental board, agency, officer, receiver, trustee or liquidator.

3. The filing of any lien against the Property because of any act or omission of Lessee which is not discharged within 30 days of receipt of actual notice by Lessee, unless Lessee initiates necessary action to remove such lien within 30 days and diligently proceeds with such action until the lien is removed.

B. The City may place Lessee in default of this Agreement by giving Lessee 10 days written notice of Lessee's failure to timely pay the rent provided for in this Agreement or any other charges required to be paid by Lessee pursuant to this Agreement. During said 10-day notice period, Lessee shall cure said default, otherwise the City may elect to terminate this Agreement, exercise the

"Remedies of Landlord" as set forth in Arizona Revised Statutes, Title 33, or exercise any other remedy allowed by law or equity.

C. The City may terminate this Agreement immediately, upon written notice to Lessee, if Lessee abandons its operations on the Property. For purposes of this Agreement, Lessee shall be conclusively deemed to have abandoned its operations at any time that Lessee fails to offer or provide the services required by this Agreement for a period of thirty (30) consecutive days without the written consent of the City, unless such failure is because of circumstances beyond Lessee's control such as, but not limited to, weather, infestation of or fungus in the grass, or lack of water.

D. If Lessee at any time fails to maintain any insurance required by this Agreement through any fault or negligence of its own, the City shall have the right, upon written notice to Lessee, to immediately terminate this Agreement or to secure the required insurance at Lessee's expense.

E. Upon termination of this Agreement for any reason, all rights of Lessee shall terminate including all rights of Lessee's creditors, trustees and assigns and all others similarly situated as to the Property.

F. Failure by the City to take any authorized action upon default by Lessee of any of its obligations hereunder shall not constitute a waiver of said default nor of any subsequent default by Lessee.

17. TERMINATION BY LESSEE.

Lessee may terminate this Agreement at any time that it is not in default in its obligations by giving the City 30 days written notice after the happening of any of the following events:

A. The failure of the City to materially perform any of its obligations under this Agreement, if the City fails to cure its default within said 30-day notice period; or if a cure is not reasonably possible within 30 days and such default has not been caused by the City's gross negligence or intentional misconduct, the failure of the City to initiate necessary action to cure the default and to diligently proceed with such action until the default is cured.

B. Issuance by a court of competent jurisdiction of an injunction in any way preventing or restraining Lessee's use of any substantial portion of the Property and the remaining in force of such injunction for a period of 30 consecutive days.

C. The inability of Lessee to use any substantial portion of the Property for a period of 30 consecutive days, due to the enactment or enforcement of any law or regulation or because of fire, earthquake or similar casualty, or Acts of God or the public enemy.

D. The material breach of any of the City's representations and warranties set forth in this Agreement.

18. INDEMNIFICATION BY LESSEE.

Subject to Section 20, to the extent permitted by law, Lessee shall defend, indemnify and hold the City harmless from and against all fines, claims, damages, obligations, liabilities and suits of every description, including attorney's fees and court costs, arising from any negligence or fault on the part of Lessee, its employees, subcontractors or agents in the use of the Property or the portion of the Right-of-Way leased to Lessee, whether caused in part by any act, mistake, error or omission of the City or anyone for whose acts, mistakes, errors or omissions the City may be liable, and regardless of whether it is caused in part by the City, or from any failure to fully, faithfully and timely comply with all of Lessee's obligations under this Agreement. This Section applies, without limitation, to claims of personal injury, bodily injury, property damage including without limitation loss of use, or other claims, liability, harm or damages which may arise out of any use of the Property or the portion of the Right-of-Way leased to Lessee. Lessee's indemnification obligations shall include all claims resulting from errant golf balls or equipment leaving the Property. This indemnity does not apply to claims arising from the sole negligence or fault of the City. The City shall give Lessee prompt notice of any claim made or suit instituted which may subject Lessee to liability under this Section, and Lessee shall have the right to compromise and defend the same to the extent of its own interests. Lessee's obligations hereunder shall survive any termination of this Agreement or Lessee's activities on the Property.

19. INSURANCE.

Unless such insurance is not commercially available, Lessee shall procure and at all times maintain the following types and amounts of insurance for their operations on the Property:

A. Commercial general liability insurance in the amount of $1,000,000 combined single limit for bodily injury and property damage per occurrence. Such insurance must include broad form contractual coverage, broad form property damage and personal injury coverage, products liability and food service coverage, premises operations coverage, independent contractors and subcontractors coverage and, if applicable, liquor liability coverage.

B. Comprehensive automobile liability insurance for all owned, leased and hired vehicles in the amount of $1,000,000 combined single limit for bodily injury and property damage per occurrence.

C. Fire and extended casualty coverage for all improvements and fixtures on the Property, in an amount not less that the full replacement value thereof, to the extent such coverage is available to Lessee.

E. Worker's compensation and employer's liability coverage in the amounts required by law.

F. Such other types and amounts of insurance as the City's Risk Manager may reasonably determine to be necessary for Lessee's operations.

Such insurance shall be in a form satisfactory to and from a company acceptable to the City's Risk Manager, shall name the City as an additional insured and shall require 30 days written notice to the City before modification or termination. The insurance must also include contractual liability coverage for the obligation of indemnity assumed in this Agreement.

20. REPRESENTATIONS, WARRANTIES AND INDEMNIFICATION BY CITY.

A. The City hereby warrants and represents (with the understanding that Lessee is relying on said warranties and representations) that:

1. The transactions contemplated by this Agreement and the execution and delivery of all documents required herein and their performance hereunder have been duly authorized. The execution and delivery of this Agreement and any other document required herein and the consummation of the transactions contemplated hereby and thereby will not result in any violations of or default under any term or provision of any agreement, instrument, mortgage, loan or similar documents to which the City is a party or by which it is bound.

2. Except as set forth in Section 20(B), there is no litigation, investigation or proceeding pending or to its knowledge contemplated or threatened against the City, the Property or the Right-of-Way which would impair or adversely affect the City's ability to perform its obligations under this Agreement or under any contract, instrument or document related hereto.

3. To its knowledge, there is no existing, pending or anticipated condemnation or similar proceeding against or involving the Property or the Right-of-Way.

4. The City has not entered into any leases, options, contracts or rights of first refusal, recorded or unrecorded, affecting the Property or the Right-of-Way which have not been disclosed to Lessee in writing, in the Title Report (defined below), or otherwise.

5. To its knowledge, there are no uncured violations of any federal, state or local laws, rules, regulations, ordinances, codes, covenants, conditions, restrictions or agreements applicable to the Property or the Right-of-Way. The City has not received any notices from insurance companies, governmental agencies or any other parties with respect to any such violations or alleged violations or other matters affecting the Property.

6. The individuals executing this Agreement on behalf of the City are authorized and empowered to enter into this Agreement.

7. To its knowledge, the City is not prohibited from consummating the transaction contemplated in this Agreement by any law, regulation, agreement, instrument, restriction, order or judgment.

8. No work has been performed or is in progress at or on the Property or the Right-of-Way and no materials have been furnished to the Property or the Right-of-Way which might give rise to mechanic's, materialman's or other liens against the Property or the Right-of-Way or any portion thereof.

9. Neither the City, nor to its knowledge, any other person has ever caused or permitted any Hazardous Material, as defined below, to be placed, held, located or disposed of on, under or at the Property or the Right-of-Way or any portion thereof or from the Property or the Right-of-Way or any portion thereof into the atmosphere or any watercourse, body of water or

wetlands. To the City's knowledge, neither the Property nor the Right-of-Way or any portion thereof have ever been used as a treatment, storage or disposal site for any Hazardous Material. For purposes of this Agreement, the term "Hazardous Material" shall mean any petroleum product and any hazardous substance or any pollutant or contaminant defined as such in (or for purposes of) in any existing federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material (collectively referred to as "Environmental Law"). To the City's knowledge, the Property does not contain and never has contained any underground tanks and is not now used and never has been used as a landfill. The City shall defend, indemnify and hold Lessee, its successors and assigns, their respective directors, officers, members, shareholders, employees, agents, contractors, sub-contractors and invitees harmless from and against all claims, judgments, damages, losses, penalties, fines, liabilities, costs and expenses of whatever kind or nature, including without limitation reasonable attorney's fees, any of which are incurred at any time as a result of the existence of Hazardous Materials upon, about or beneath the Property prior to the effective date of this Agreement.

10. To the City's knowledge, neither the Property nor the Right-of-Way or any portion thereof constitute an archeological or cemetery site.

B. The City acknowledges that claims could be made to the Property by the stockholders of Blue Valley Mortgage, Inc., a defunct Arizona corporation (the "Blue Valley Claims"). The City shall defend, indemnify and hold harmless Lessee and its employees, agents, representatives, lenders and joint venture partners (hereinafter referred to collectively as "Lessee" in this subsection) from all losses, damages or claims of whatever nature, including attorney's fees, expert witness fees and costs of litigation, which arise out of or in connection with the Blue Valley Claims. Lessee shall give the City prompt notice of any actual claim made or suit instituted which may subject the City to liability under this subsection. The City's obligations hereunder shall survive any termination of this Agreement or Lessee's activities on the Property.

C. As used in this Section, "to the knowledge of" and like phrases shall mean actual knowledge and the knowledge which a prudent business person would have obtained in the management of his, her or its business affairs. All of the

representations and warranties contained in this Section will be true and correct as of the effective date of this Agreement and shall survive any termination of this Agreement or Lessee's activities on the Property.

21. TITLE INSURANCE.

A. The City shall deliver to Lessee within fifteen (15) days from the effective date of this Agreement a current preliminary title report or commitment (including matters revealed by an inspection of the Property) issued by Transnation Title Insurance Company (the "Title Company") leading to the issuance of an ALTA leasehold policy of title insurance with respect to the Property and the Right-of-Way (the "Title Report"). The Title Report shall be accompanied by readable copies of all instruments of record referred to therein.

B. Lessee shall have fifteen (15) days from its receipt of the Title Report (the "Title Review Period") within which to object, in writing, to the legal description, any matters affecting title shown on the Title Report and related documents (except for the Blue Valley Claims), or matters that would be disclosed by an inspection of the Property or the Right-of-Way (collectively referred to as the "Title Objections"). The transaction contemplated herein is based upon free and clear title subject to: (a) the usual printed exceptions contained in an ALTA Leasehold Title Insurance Policy; (b) all matters which could reasonably be disclosed by an inspection of the Property and the Right-of-Way and not objected to within the Title Review Period; (c) the Blue Valley Claims; and (d) such other exceptions to title as may be approved by Lessee in its sole and absolute discretion.

C. If Lessee makes any Title Objections within the Title Review Period, the City shall attempt, in good faith and using due diligence, to remove the Title Objections within twenty (20) days after notice thereof. If despite such attempts, the Title Objections cannot be removed, Lessee shall, in its sole discretion, elect: (1) to waive in writing the curing of the Title Objections which the City could not cure; or (2) to terminate this Agreement by written notice to the City whereupon neither party shall have any further liability or obligations to the other party under this Agreement. Lessee's failure either to give such a written waiver or notice of termination shall be deemed an election by Lessee to waive such uncured Title Objections.

D. Lessee's obligations under this Agreement are conditioned upon the commitment of the Title Company to issue to Lessee, promptly following Lessee's acceptance of the title as set forth in this Section, an ALTA leasehold policy insuring title to the Property and the Right-of-Way in the City in the amount of the loan for the golf course development (the "Policy"). The Policy shall be subject only to the usual printed exceptions, conditions and stipulations in the form of policy, matters affecting title shown on the Title Report not objected to by Lessee in accordance with the procedures set forth in this Section, and the Blue Valley Claims. The City shall bear the cost of the Title Policy. Both parties shall comply with all reasonable requirements imposed by the title insurer as a condition to issuance of the Policy.

22. QUIET ENJOYMENT.

So long as Lessee shall perform all of its obligations under this Agreement, Lessee shall peaceably have and enjoy the exclusive use of the Property.

23. SURRENDER OF POSSESSION.

Upon the expiration or termination of this Agreement, Lessee's right to occupy the Property and exercise the privileges and rights herein granted shall cease, and Lessee shall surrender the same, and leave the Property in good condition, normal wear and tear excepted. Unless otherwise provided herein, all trade fixtures, equipment and other personal property installed or placed by Lessee on the Property shall remain the property of Lessee, and Lessee shall have the right at any time during the term of this Agreement, and for an additional period of twenty (20) days after its expiration, to remove the same from the Property; provided that Lessee is not in default of any of its obligations hereunder, that Lessee repairs at its sole cost any damage caused by such removal, and that under no circumstances shall Lessee remove any of the capital improvements required hereunder. Any property not removed by Lessee within said 20-day period shall become a part of the Property and ownership thereto shall vest in the City.

24. CONDEMNATION.

In the event any portion of the Property, the portion of the Right-of-Way leased to Lessee or any property affixed thereto is condemned by the City or by any other entity pursuant to lawful authority, Lessee shall receive the fair market value of Lessee's interest in the Desert Mirage Golf Course, or portion thereof, as constituted under the terms of this Agreement. Such fair market value shall be determined in the same way that fair market value would be

determined in a condemnation action affecting the Property by an unrelated condemnor possessing and having in all ways properly exercised proper condemnation powers. Determination of fair market value shall take into account all interests which any person, including the City, owns or may own in the Property.

25. NOTICE.

All notices required or permitted to be given under this Agreement may be personally delivered or mailed by certified mail, return receipt requested, postage prepaid, to the following addresses:

TO THE CITY: City of Glendale
Attention: Parks and Recreation Director
5850 West Glendale Avenue
Glendale, Arizona 85301

WITH A COPY TO: City of Glendale
Attention: City Attorney
5850 West Glendale Avenue
Glendale, Arizona 85301

TO LESSEE: Par Golf, L.L.C.
Attention: Sid White
7539 East Indian School Road
Scottsdale, Arizona 85251

WITH A COPY TO: Stephen L. West
Udall, Shumway, Blackhurst, Allen
& Lyons, P.C.
30 West First Street
Mesa, Arizona 85201-6695

Any notice given by certified mail shall be deemed to be received on the next business day after the date of mailing. Either party may designate in writing a different address for notice purposes pursuant to this Section.

26. SEVERABILITY.

Should any provision of this Agreement be declared to be invalid by a court of competent jurisdiction, the remaining terms shall remain effective, provided that elimination of the invalid provision does not materially prejudice any party with regard to its respective rights and obligations.

27. TAXES AND LICENSES.

A. Lessee shall pay any leasehold tax, possessory interest tax, sales tax, property tax, transaction privilege tax or other exaction assessed or assessable as a result of its occupancy of the Property, or its conduct of business on the Property under authority of this Agreement, including any tax assessable on the City; provided that Lessee shall be entitled to a credit against any accruing rent payments for all taxes which are assessable on the City and are paid by Lessee pursuant to this subsection.

B. Lessee acknowledges that it may be a "prime lessee," as defined in A.R.S. § 42-1901, and that it may be subject to excise tax liability under this Agreement pursuant to A.R.S., Title 42, Chapter 13 as a prime lessee of a government property improvement. Lessee further acknowledges that any failure by Lessee to pay taxes due under A.R.S. Title 42, Chapter 13 after notice and an opportunity to cure shall constitute a default that could result in divesting Lessee of any interest in or right to occupancy of the Property.

C. Lessee shall, at its own cost, obtain and maintain in full force and effect during the term of this Agreement all licenses and permits required for the operations authorized by this Agreement; provided that if such operating licenses and permits are issued by the City, Lessee shall be entitled to a credit against any accruing rent payments for all fees for such licenses and permits.

28. COMPLIANCE WITH LAWS.

Lessee shall at all times comply with all federal, state and local laws, rules and regulations which are applicable to its operations on the Property, including all laws, rules and regulations adopted after the effective date of this Agreement.

29. DISCRIMINATION PROHIBITED.

Lessee shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, disability, political affiliation or national origin. Lessee shall at all times operate the golf course, driving range and related facilities as public facilities and shall not, on grounds of race, color, religion, sex, age, disability, political affiliation or national origin, deny any services, furnish any benefit which is different from that provided to others, subject any person to segregated or separate treatment in any facility, or in any manner or process related to receipt of any service or benefit, restrict the enjoyment of any privilege enjoyed by others receiving such service or benefit.

30. LITIGATION.

This Agreement shall be governed by the laws of the State of Arizona. In the event of any litigation or arbitration between the City and Lessee arising under this Agreement, the successful party shall be entitled to recover its own attorney's fees (whether in-house or outside counsel is used), expert witness fees and other costs incurred in connection with such litigation or arbitration. Both parties hereby waive any right to a jury trial which they may otherwise have in the event of litigation arising under this Agreement and hereby consent to a trial to the court.

31. RIGHT OF ENTRY RESERVED.

The City shall have the right at all reasonable times to enter upon the Property for any lawful purpose, provided that such action does not unreasonably interfere with Lessee's use, occupancy or security of the Property.

32. REMEDIES TO BE NONEXCLUSIVE.

All remedies provided in this Agreement shall be deemed to be cumulative and additional, not in lieu of or exclusive of each other, or of any other remedy available to the City or Lessee at law or in equity, and the exercise of any remedy, or the existence herein of other remedies, shall not prevent the exercise of any other remedy.

33. TIME IS OF THE ESSENCE.

Time is of the essence with regard to the performance of all of the parties' obligations under this Agreement.

34. MISCELLANEOUS.

This Agreement constitutes the entire agreement between the parties concerning the matters contained herein and supersedes all prior negotiations, understandings and agreements concerning such matters. This Agreement shall be interpreted and enforced according to the fair meaning of its terms and shall not be construed strictly in favor of or against either party, regardless of which party may have drafted any of its provisions. No provision of this Agreement may be waived or modified except by a writing signed by the party against whom such waiver or modification is sought to be enforced. The terms of this Agreement shall be binding upon and inure to the benefit of the parties' successors and assigns.

35. SHORT FORM MEMORANDUM.

Upon the request of either party, the parties shall execute, acknowledge and deliver a short form or memorandum of this Agreement in recordable form. Such memorandum shall state that this Agreement expires automatically at the end of the term set forth in this Agreement, and the recorder of such memorandum shall pay the cost of recordation.

EXECUTED to be effective on the date specified above.

CITY OF GLENDALE

By: _____

Its: Deputy City Mgr. KEN MARTIN
Public Works

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney

97027560

LESSEE

By: Ted White
Its: MANAGING MEMBER

STATE OF ARIZONA)
)ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 23 day of April, 1997, by Ken Martin, in his or her capacity as Deputy City Manager of the City of Glendale, an Arizona municipal corporation.

Rose L. Day
Notary Public

My Commission Expires:

OFFICIAL SEAL
ROSE DAY
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires July 15, 2000

STATE OF ARIZONA)
)ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 10th day of April, 1997, by Ted White, in his or her capacity as Managing Member of Par Golf, L.L.C., an Arizona limited liability company.

Diane P. Mullin
Notary Public

My Commission Expires:

OFFICIAL SEAL
DIANE P. MULLIN
Notary Public - State of Arizona
MARICOPA COUNTY
My Commission Expires Dec. 8, 1999

97027568 EXHIBIT A
(GOLF COURSE PROPERTY)

PARCEL NO. 1

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, and an arc length of 385.93 feet, to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, and an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West, a distance of 896.80 feet to the POINT OF BEGINNING;

EXCEPT that portion lying within that certain ditch known as sub-lateral to Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, thru, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section, (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West, based on a magnetic bearing of South 75 degrees 40 minutes West);

9702756

DESCRIPTION CONTINUED FOR PARCEL NO. 1

Thence North 0 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West, a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West, a distance of 704.5 feet;

Thence South 0 degrees 02 minutes West, a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West, a distance of 560 feet;

Thence South 0 degrees 02 minutes West, a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point in the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 0 degrees 02 minutes East, a distance of 3 feet.

EXHIBIT B
97027563 (RIGHT-OF-WAY)

PARCEL NO. 2

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to the POINT OF BEGINNING, said point being on a nontangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet, to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence, Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, and an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

Thence South 00 degrees 04 minutes 30 seconds East, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet, to a point on a non-tangent curve, from which the radius point of said curve bears North 37 degrees 38 minutes 43 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 17 degrees 19 minutes 21 seconds, and an arc length of 579.10 feet, to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1132.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, and an arc length of 400.07 feet, to a point on the West line of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West, along the West line of the North half of the Southeast quarter, a distance of 40.009 feet, to the POINT OF BEGINNING.

EXHIBIT C

97027751 (GOLF COURSE PROPERTY)

PARCEL NO. 3

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet, to a point on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, and an arc length of 195.96 feet, to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, and an arc length of 391.40 feet, to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West, along the North line of the North half of the Southeast quarter, a distance of 293.68 feet, to the POINT OF BEGINNING.

EXCEPT that portion lying within that certain ditch known as sub-lateral to Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, thru, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said section, (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West, based on a magnetic bearing of South 75 degrees 40 minutes West);

97027569

DESCRIPTION CONTINUED FOR PARCEL NO. 3

Thence North 0 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West, a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West, a distance of 704.5 feet;

Thence South 0 degrees 02 minutes West, a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West, a distance of 560 feet;

Thence South 0 degrees 02 minutes West, a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point in the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 0 degrees 02 minutes East, a distance of 3 feet.

EXHIBIT D
(RIGHT-OF-WAY)

97027769

PARCEL NO. 4

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet, to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet; a central angle of 05 degrees 59 minutes 12 seconds, and an arc length of 195.96 feet; to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, and an arc length of 391.40 feet; to a point on the North line of the North half of the Southeast quarter;

Thence North 89 degrees 49 minutes 58 seconds East, along the North line of the North half of the Southeast quarter, a distance of 40.00 feet, to a point on a non-tangent curve, from which the radius point bears South 89 degrees 49 minutes 58 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 531.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, and an arc length of 423.23 feet, to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 06 degrees 55 minutes 58 seconds, and an arc length of 231.76 feet, to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

97027560

DESCRIPTION CONTINUED FOR PARCEL NO. 4

Thence North 00 degrees 04 minutes 30 seconds West, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to the POINT OF BEGINNING.

970277560

EXHIBIT E
(Golf Course Property)

Tract "A", AMENDED PLAT OF WEST PLAZA 31 and 32, according to Book 297 of Maps, page 34, amended in Book 313 of Maps, page 22 and in Book 317 of Maps, page 13 and Affidavit of Correction recorded May 23, 1988, in Document No. 88247176, records of Maricopa County, Arizona.

97027760

EXHIBIT F
(Golf Course Property)

Tract "A", LA BUENA VIDA PHASE I, according to Book 313 of Maps, page 32, records of Maricopa County, Arizona.

97927550

EXHIBIT G
(Golf Course Property)

That portion of Section 10, Township 2 North, Range 1 East, of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the Westerly most corner of TRACT "A", LA BUENA VIDA PHASE I, as recorded in Book 313, of Maps, page 32, Records of Maricopa County, Arizona, said corner being on the East-West mid-section line of said Section 10, and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 959.41 feet;

THENCE Northwesterly, along a curve concave to the Southwest, having a radius of 790.00 feet, a central angle of 04 degrees 32 minutes 15 seconds, and an arc length of 62.56 feet, said curve being a Northwesterly projection of the curved Southwesterly boundary of said TRACT "A", LA BUENA VIDA PHASE I, to a point on the Southerly projection of the Easterly line of LOT 589, WEST PLAZA 31 & 32, as recorded in Book 297 of Maps, page 34, records of Maricopa County, Arizona;

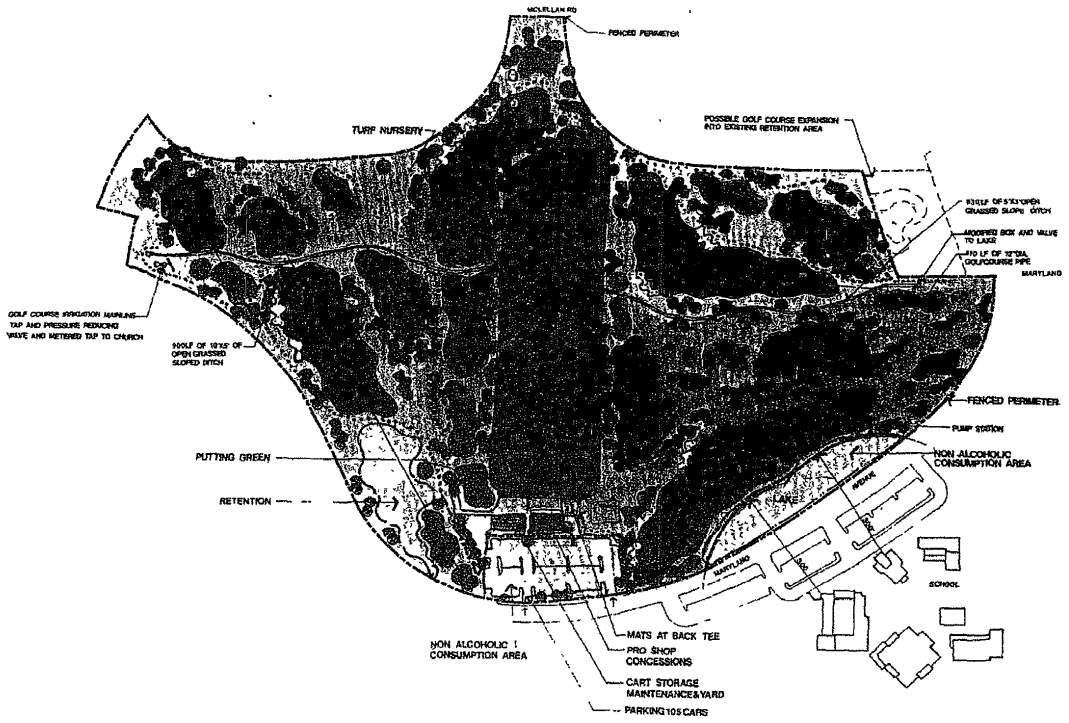
THENCE North 10 degrees 05 minutes 36 seconds East, along said projection, a distance of 5.85 feet, to the Southeasterly corner of said LOT 589;

THENCE Southeasterly, along a curve concave to the Southwest, having a radius of 1065.00 feet, a central angle of 05 degrees 30 minutes 49 seconds, and an arc length of 102.10 feet, said curve being a Southwesterly boundary of TRACT "A", of said WEST PLAZA 31 & 32, to a point on the East-West mid-section line of said Section 10, and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 918.65 feet, said point being on the South line of said TRACT "A", WEST PLAZA 31 & 32, and said point also being on the North line of said TRACT "A", LA BUENA VIDA PHASE I;

THENCE South 89 degrees 50 minutes 00 seconds West, along the East-West mid-section line of said Section 10, a distance of 40.76 feet, to the POINT OF BEGINNING.

97427760

EXHIBIT H
(Conceptual Routing Plan of Golf Course)



CITY OF GLENDALE

Desert Mirage Golf Course

PRELIMINARY GOLF COURSE ROUTING PLAN

PREPARED FOR

PAR FOR THE COURSE

Ted White
President
(602) 994-5700

7530 East Indian School Road Scottsdale AZ 85251

SCORECARD

HOLE	YARDS	PAR
1	345	4
2	124	3
3	150	3
4	396	4
5	140	3
6	313	4
7	136	3
8	170	3
9	343	4
TOTAL	1939	31

LEGEND

- GREENS
- TEES
- SAND BUNKERS
- GRASS BUNKERS
- LAKE

0 50' 100' 200' 300'

SCALE: 1"=100'

DATE 2 9 97
3 11 97
3 25 97

4411 S RURAL ROAD
2nd FLOOR
TEMPE AZ 85044 U S A
PHONE (602) 730-1616
FAX (602) 730-1530

PHILLIPS GOLF DESIGN

THIS DESIGN MAY NOT BE USED WITH OUT PERMISSION OF PHILLIPS GOLF DESIGN

97027560

EXHIBIT I

Maintenance Standards

In entering into this Agreement, the City and Lessee have foremost in mind providing public access to enjoyable first-class golf course services and facilities of the highest quality. To accomplish this end, Lessee shall maintain and operate the Desert Mirage Golf Course (the "Course") according to standards equal to or higher than those maintained at other similar facilities in Maricopa County, Arizona all as reasonably determined by the City. For purposes of this Agreement, the golf courses listed below (the "Comparison Courses") shall be deemed to be similar facilities. The City shall have the right by written notice from time to time in its reasonable discretion to designate other comparable public golf courses in Maricopa County as additional or new Comparison Courses. Without limitation, Lessee shall operate the Course in a first-class manner; shall furnish prompt and courteous service; and shall keep the Course attractively maintained, orderly, clean, sanitary and in an inviting condition at all times, all to the reasonable satisfaction of the City. Lessee shall not employ any person in or about the Course who shall fail to be courteous, efficient and neat in appearance or who shall use improper, obnoxious or rude language or act in a loud or boisterous or otherwise improper manner. No nudity or adult entertainment of any sort is permitted at the Course.

Comparison Courses

Name	Address
Glen Lakes Municipal Golf Course	5450 W. Northern Avenue, Glendale, AZ
Rolling Hills Golf Course	1415 N. Mill Avenue, Tempe, AZ
Villa De Paz Golf Course	4220 N. 103rd Avenue, Phoenix, AZ

WHEN RECORDED, PLEASE RETURN TO:

City Clerk
City of Glendale
5850 West Glendale Avenue
Glendale, AZ 85301

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
97-0840452 11/28/97 03:51
TONY 1 OF 1

AGREEMENT No. C-3569-A

AMENDMENT TO LEASE AGREEMENT FOR DEVELOPMENT AND OPERATION OF PUBLIC GOLF COURSE

This Amendment to Lease Agreement is executed to be effective the 6th day of November, 1997, between the City of Glendale, an Arizona municipal corporation (the "City") and Par Golf, L.L.C., an Arizona limited liability company ("Lessee").

WHEREAS, the City and Lessee entered into a Lease Agreement for Development and Operation of Public Golf Course dated April 22, 1997 (the "Lease") which was recorded with the Maricopa County Recorder as Document No. 97-0277560; and

WHEREAS, pursuant to the terms of the Lease, the City has leased certain real property to Lessee, upon which Lessee is required to develop and operate a public golf course to be known as the "Desert Mirage Golf Course." (Said real property includes five parcels more particularly described in Exhibits A, C, E, F, and G attached hereto, which will hereinafter be referred to as the "Property," and portions of two parcels more particularly described in Exhibits B and D attached hereto, which will hereafter be referred to as the "Right-of-Way"); and

WHEREAS, the City and Lessee wish to modify the terms of the Lease on the terms and conditions specified below.

THEREFORE, in consideration of the following mutual covenants and conditions, the parties hereby agree as follows:

1. MODIFICATION OF LEASED PROPERTY.

In addition to the Property and the portions of the Right-of-Way already leased to Lessee, the City hereby leases to Lessee, for its use solely as a part of the Desert Mirage Golf Course, that certain real property described in Exhibit J attached hereto. The property described in Exhibit J shall be deemed to be a part of the Property for all purposes of the Lease. (The parties have not attached any Exhibits H or I to this Amendment in order to maintain consistency in the designation of Exhibits between the Lease and this Amendment.)

2. REPORTING REQUIREMENTS.

A. In addition to any other reporting requirements by Lessee under the terms of the Lease, Lessee shall provide copies to the City of all annual water usage reports and all other reports or written correspondence relating to water usage on the Desert Mirage Golf Course which Lessee files with or sends to the Arizona Department of Water Resources or any other federal, state or local governmental entity or agency. Lessee shall provide copies of such reports and correspondence to the City's Environmental Resource Division at the time that such reports and correspondence are filed with or sent to the applicable governmental entity or agency, without any specific request by the City for such documentation.

B. In addition to any other reporting requirements by Lessee under the terms of the Lease, Lessee shall provide copies to the City of all environmental permits, certifications, and other reports or written correspondence relating to any federal, state, or local environmental regulations. Lessee shall provide copies of such permits, certifications, reports and correspondence to the City's Environmental Resource Division at the time that such permits, certifications, reports or correspondence are obtained from, filed with, or sent to the applicable governmental entity or agency, without any specific request by the City for such documentation.

3. CONFIRMATION OF OTHER PROVISIONS.

All other provisions of the Lease are hereby confirmed.

EXECUTED to be effective on the date specified above.

CITY OF GLENDALE

By: _____

Its: Deputy City Mgr - Public Works

ATTEST:

_____
City Clerk

97084452

APPROVED AS TO FORM:

Peter VanHaren
City Attorney

LESSEE:

By: [signature]
Its: Managing Member

STATE OF ARIZONA)
)ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 6th day of November, 1997, by Ken Martin, in his ~~order~~ capacity as Deputy City Manager of the City of Glendale, an Arizona municipal corporation.

OFFICIAL SEAL
BEVERLY HARDY
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires 04/15/01

Beverly Hardy
Notary Public

My Commission Expires:

04-15-01

STATE OF ARIZONA)
)ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 14th day of November, 1997, by Sid L. White, in his or her capacity as MANAGING MEMBER of Par Golf, L.L.C., an Arizona limited liability company.

Mary E. Burns
Notary Public

My Commission Expires:

OFFICIAL SEAL
MARY BURNS
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Comm. Expires Nov. 17, 2000

970040452 EXHIBIT A
(GOLF COURSE PROPERTY)

PARCEL NO. 1

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, and an arc length of 385.93 feet, to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, and an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West, a distance of 896.80 feet to the POINT OF BEGINNING;

EXCEPT that portion lying within that certain ditch known as sub-lateral to Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, thru, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section, (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West, based on a magnetic bearing of South 75 degrees 40 minutes West);

DESCRIPTION CONTINUED FOR PARCEL NO. 1

Thence North 0 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West, a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West, a distance of 704.5 feet;

Thence South 0 degrees 02 minutes West, a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West, a distance of 560 feet;

Thence South 0 degrees 02 minutes West, a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point in the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 0 degrees 02 minutes East, a distance of 3 feet.

970940452 EXHIBIT B
(RIGHT-OF-WAY)

PARCEL NO. 2

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to the POINT OF BEGINNING, said point being on a nontangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet, to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence, Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, and an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

Thence South 00 degrees 04 minutes 30 seconds East, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet, to a point on a non-tangent curve, from which the radius point of said curve bears North 37 degrees 38 minutes 43 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 17 degrees 19 minutes 21 seconds, and an arc length of 579.10 feet, to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1132.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, and an arc length of 400.07 feet, to a point on the West line of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West, along the West line of the North half of the Southeast quarter, a distance of 40.009 feet, to the POINT OF BEGINNING.

EXHIBIT C
(GOLF COURSE PROPERTY)

PARCEL NO. 3

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet, to a point on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, and an arc length of 195.96 feet, to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, and an arc length of 391.40 feet, to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West, along the North line of the North half of the Southeast quarter, a distance of 293.68 feet, to the POINT OF BEGINNING.

EXCEPT that portion lying within that certain ditch known as sub-lateral to Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, thru, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said section, (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West, based on a magnetic bearing of South 75 degrees 40 minutes West);

DESCRIPTION CONTINUED FOR PARCEL NO. 3

Thence North 0 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West, a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West, a distance of 704.5 feet;

Thence South 0 degrees 02 minutes West, a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West, a distance of 560 feet;

Thence South 0 degrees 02 minutes West, a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point in the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 0 degrees 02 minutes East, a distance of 3 feet.

EXHIBIT "D"
(RIGHT-OF-WAY)

PARCEL NO. 4

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet, to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet; a central angle of 05 degrees 59 minutes 12 seconds, and an arc length of 195.96 feet; to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, and an arc length of 391.40 feet; to a point on the North line of the North half of the Southeast quarter;

Thence North 89 degrees 49 minutes 58 seconds East, along the North line of the North half of the Southeast quarter, a distance of 40.00 feet, to a point on a non-tangent curve, from which the radius point bears South 89 degrees 49 minutes 58 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 531.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, and an arc length of 423.23 feet, to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 06 degrees 55 minutes 58 seconds, and an arc length of 231.76 feet, to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

DESCRIPTION CONTINUED FOR PARCEL NO. 4

...Thence North 00 degrees 04 minutes 30 seconds West, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to the POINT OF BEGINNING.

EXHIBIT E
(Golf Course Property)

Tract "A", AMENDED PLAT OF WEST PLAZA 31 and 32, according to Book 297 of Maps, page 34, amended in Book 313 of Maps, page 22 and in Book 317 of Maps, page 13 and Affidavit of Correction recorded May 23, 1988, in Document No. 88247176, records of Maricopa County, Arizona.

EXHIBIT F
(Golf Course Property)

Tract "A", LA BUENA VIDA PHASE I, according to Book 313 of Maps, page 32, records of Maricopa County, Arizona.

EXHIBIT G
(Golf Course Property)

That portion of Section 10, Township 2 North, Range 1 East, of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the Westerly most corner of TRACT "A", LA BUENA VIDA PHASE I, as recorded in Book 313, of Maps, page 32, Records of Maricopa County, Arizona, said corner being on the East-West mid-section line of said Section 10, and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 959.41 feet;

THENCE Northwesterly, along a curve concave to the Southwest, having a radius of 790.00 feet, a central angle of 04 degrees 32 minutes 15 seconds, and an arc length of 62.56 feet, said curve being a Northwesterly projection of the curved Southwesterly boundary of said TRACT "A", LA BUENA VIDA PHASE I, to a point on the Southerly projection of the Easterly line of LOT 589, WEST PLAZA 31 & 32, as recorded in Book 297 of Maps, page 34, records of Maricopa County, Arizona;

THENCE North 10 degrees 05 minutes 36 seconds East, along said projection, a distance of 5.85 feet, to the Southeasterly corner of said LOT 589;

THENCE Southeasterly, along a curve concave to the Southwest, having a radius of 1065.00 feet, a central angle of 05 degrees 30 minutes 49 seconds, and an arc length of 102.10 feet, said curve being a Southwesterly boundary of TRACT "A", of said WEST PLAZA 31 & 32, to a point on the East-West mid-section line of said Section 10, and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 918.65 feet, said point being on the South line of said TRACT "A", WEST PLAZA 31 & 32, and said point also being on the North line of said TRACT "A", LA BUENA VIDA PHASE I;

THENCE South 89 degrees 50 minutes 00 seconds West, along the East-West mid-section line of said Section 10, a distance of 40.76 feet, to the POINT OF BEGINNING.

770840452

EXHIBIT J

HOLLENBACH SURVEYING COMPANY

Box 3121 RS
Casa Grande, Arizona 85222-0850

Phone (520)723-4402

LEGAL DESCRIPTION

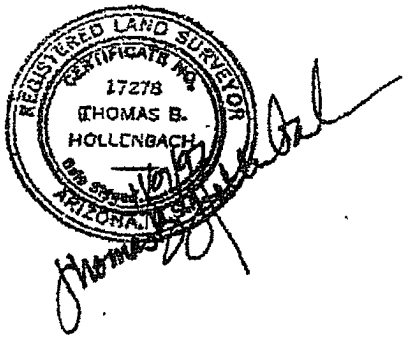
A parcel of land lying in and being a part of TRACT "C", WEST PLAZA 31 & 32 (317-13) being a part of the North half of Section 10, Township 2 North, Range 1 East, Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows;

Commencing at the Northwest corner of LOT 133, of said WEST PLAZA 31 & 32, the **TRUE POINT OF BEGINNING;**

Thence, S30 53'40"E, a distance of 60.10',
Thence, S24 00'20"E, a distance of 60.10';
Thence, S17 17'01"E, a distance of 60.10';
Thence, S10 25'43"E, a distance of 60.10';
Thence, S06 10'53"E, a distance of 64.56', to the Southwest corner of LOT 129, WEST PLAZA 31 & 32, being a point on a curve to the right thru a central angle of 08 19'55", a radius of 1065.00', a distance of 154.86';
Thence, N19 57'25"W, a distance of 299.01', to the Southeast corner of LOT 290, WEST PLAZA 31&32;
Thence, N80 06'49"E, a distance of 166.75', to the **TRUE POINT OF BEGINNING.**

Contains in all 1.18 Acres more or less.

Prepared by Thomas B Hollenbach, RLS



REAL PROPERTY PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

This Real Property Purchase Agreement and Joint Escrow Instructions ("**Agreement**") is entered into by and between STEARNS BANK NATIONAL ASSOCIATION, a national banking association ("**Seller**") and Jimmy R. Guinn and Roy E Fernandez or its permitted assigns (the "**Buyer**"). The parties agree as follows:

1. RECITALS.

1.1 Land. This Agreement relates to a leasehold interest pursuant to that certain Lease Agreement for Development and Operation of Public Golf Course dated April 22, 1997 between the City of Glendale, Arizona, as lessor, and Par Golf, L.L.C., as lessee (the "**Lease**"), in that certain real property located in Glendale, Maricopa County, Arizona, commonly known as the Desert Mirage Golf Course, as the same is more particularly described on **Exhibit "1.1"** attached hereto (the "**Land**"), as well as all rights, privileges, entitlements, easements and appurtenances thereto, including water rights, if any.

1.2 Improvements. In addition to the Land, the property that is the subject of this Agreement includes Seller's interest, if any, in all improvements, structures and fixtures now existing on the Land, if any (the "**Improvements**").

1.3 Personal Property. In addition, the property that is subject to this Agreement includes the following to the extent that Seller has any assignable interest therein and with the express understanding that Seller does not claim and may have no interest therein: all tangible personal property owned by Seller and now located on the Real Property ("**Personal Property**") including, without limitation, furniture, fixtures and equipment, inventories and supplies.

1.4 Contracts. In addition, the property that is the subject of this Agreement also includes the following to the extent that Seller has any assignable interest therein and with the express understanding that Seller does not claim and may have no interest therein: all right, title and interest of Seller (if any) under any maintenance, pest control, service or other contracts affecting the Real Property, club memberships and related rights and obligations, and any leases relating to golf carts or other equipment (the "**Contracts**").

1.5 Other Rights In addition, the property that is the subject of this Agreement includes the following to the extent that Seller has any assignable interest therein and with the express understanding that Seller does not claim and may have no interest therein: rights to any developmental planning documents, engineering and planning studies, architecture specifications, permits, governmental agreements, water delivery contracts, utility provider contracts, licenses (including, without limitation, the liquor license), approvals, warranties, and the right to use the name "Desert Mirage Golf Course", trade names, trademarks, service marks and telephone numbers relating to the Real Property ("**Other Rights**").

1.6 The Property. The Land and the Improvements are collectively referred to as the "**Real Property**". The Real Property, the Personal Property, the Contracts, and the Other Rights are collectively referred to herein as the "**Property**".

2. PURCHASE AND SALE.

Seller agrees to sell, assign and convey to Buyer, and Buyer agrees to purchase from Seller, all of Seller's right, title and interest in and to the Property, all according to the terms and provisions shown in this Agreement.

3. PURCHASE PRICE.

The purchase price for the Property ("**Purchase Price**") shall be Seventy-five Thousand Dollars ($75,000). The Purchase Price shall be paid as follows:

3.1 Earnest Money Deposit. Twenty Thousand Dollars ($20,000) (the "**Earnest Money Deposit**") to be deposited with Fidelity National Title – Phoenix NTS Division, 1 East Washington Street, Ste. 450, Phoenix, AZ 85004 ATTN: Michelle Burton ("**Escrow Agent**") upon the Opening of Escrow (as hereinafter defined), which sum Escrow Agent shall place in an interest bearing account, the interest to be credited to Buyer unless the Earnest Money Deposit is forfeited to Seller as set forth below.

3.2 Balance of Purchase Price. The balance of the Purchase Price shall be paid by cash, cashier's check, wire transfer or other immediately available funds at or before Close of Escrow. For purposes of calculating the balance of the Purchase Price payable by Buyer hereunder, Buyer shall be credited with all Earnest Money Deposits and Buyer's share of the prorations in Buyer's favor.

3.3 Earnest Money Non-Refundable. The Earnest Money Deposit shall be non-refundable and no Earnest Money will be returned to Buyer unless (i) this Agreement is terminated pursuant to and as permitted in Sections 4.5, 5.1, 7, 8.5, or 14.2, or (ii) a condition precedent set forth in Section 10.1 is not satisfied or is not waived by Buyer.

4. ESCROW.

4.1 Escrow Agent. This Agreement shall constitute instructions to Escrow Agent which shall act as the escrow agent. In the event any additional instructions to the Escrow Agent shall conflict with the terms and provisions of this Agreement, the terms and provisions of this Agreement shall take precedence and shall control, unless such conflicting instruction executed by both Buyer and Seller.

4.2 Opening of Escrow. The escrow account for the real estate transaction underlying this Agreement (the "**Escrow**") shall be deemed opened as of the date the Escrow Agent receives one or more executed counterparts of this Agreement, duly executed by Buyer and Seller, and Escrow Agent accepts the Escrow by signing this Agreement where indicated below (the "**Opening of Escrow**"). Escrow Agent shall promptly notify Buyer and Seller of the Opening of Escrow date.

4.3 Close of Escrow. Escrow shall close no later than September 5, 2012. The terms "**Close of Escrow**" or "**Closing**" or "**Closing Date**" are used herein to mean the time the Deed (as hereinafter defined) is recorded in the Office of the County Recorder of Maricopa County, Arizona.

4.4 Title Report. Seller shall reasonably cooperate with Escrow Agent so that Escrow Agent (for this purpose, the "**Title Company**") may issue and deliver to Buyer within five (5) business days of the Opening of Escrow a preliminary title report and commitment (the "**Title Report**") issued on a standard ALTA owner's policy of title insurance, including legible copies of all items shown in Schedule B thereof (the "**Title Report**"). Within five (5) business days of the Opening of Escrow, Seller shall deliver to Buyer a copy of any survey of the Property in Seller's possession or control, and Buyer, at Buyer's cost and expense, may order an updated survey (as may be updated, the "**Survey**"), prepared by a duly licensed land surveyor acceptable to Buyer. Buyer shall have ten (10) calendar days after the receipt of the Title Report (and copies of all Schedule B items), but not later than the expiration of the Due Diligence Period (the "**Title Examination Period**"), within which to disapprove of or object to any specific item or exception shown in the Title Report or the Survey ("**Unpermitted Exceptions**"). Any such disapproval or objection shall be in writing (the "**Objection Notice**") and shall be given to Escrow Agent and to Seller. Any exceptions to which Buyer does not so object, together with real estate taxes and assessments not yet due and payable, are referred to as "**Permitted Exceptions.**" If Buyer fails to deliver an Objection Notice within the Title Examination Period, Buyer shall be deemed to have waived its right to object to the condition of title reflected in the Title Report, and exceptions noted in the Title Report shall thereafter be deemed Permitted Exceptions. Within five (5) calendar days following the receipt of an Objection Notice (the "**Seller Notice Period**") from Buyer, Seller shall give notice (the "**Response Notice**") advising Buyer whether Seller, at Seller's cost and expense, will cause any of the Unpermitted Exceptions to be removed or cured from the Title Report or the Survey at or prior to Close of Escrow. If Seller fails to give the Response Notice, or if Seller fails to respond to a specific Unpermitted Exception in the Response Notice, during the Seller Notice Period, Seller shall be deemed to have elected that it will not cause such Unpermitted Exceptions to be removed or cured from the Title Report or the Survey. In the event that after delivery of the Title Report by the Title Company to Buyer, the Title Company issues an amended or supplemental Title Report with respect to the Property, the Title Company shall promptly deliver to Buyer and Seller such amended or supplemental Title Report, together with legible copies of all items shown on Schedule B thereof and not previously furnished to Buyer. Buyer shall have five (5) business days, but in no event later than Close of Escrow, from Buyer's receipt of any amended or supplemental Title Report, deliver to Seller a supplemental Objection Notice (the "**Supplemental Objection Notice**") with respect to any objections (the "**Supplemental Unpermitted Exceptions**") Buyer may have to any new item set forth in such amended or supplemental Title Report, unless such item was previously approved or waived by Buyer or was created by Buyer. If Buyer does not deliver to Seller the Supplemental Objection Notice within the time specified above, Buyer shall be deemed to have waived its right to object to all new matters described as title exceptions in the amended or supplemental Title Report. Within five (5) calendar days, but in no event later than Close of Escrow, following the receipt of an Supplemental Objection Notice from Buyer (the "**Supplemental Seller Notice Period**"), Seller shall give notice (the "**Supplemental Response Notice**") advising Buyer whether Seller, at Seller's cost and expense, will cause any of the Supplemental Unpermitted Exceptions to be removed or cured from the Title Report (as may be amended or supplemented) or the updated Survey at or prior to Close of Escrow. If Seller fails to give the Supplemental Response Notice, or if Seller fails to respond to a specific Supplemental Unpermitted Exception in the Supplemental Response Notice, during the Supplemental Seller Notice Period, Seller shall be deemed to have elected that it will not cause such Supplemental

Unpermitted Exceptions to be removed or cured from the Title Report. In the event Seller delivers to Buyer a Response Notice or Supplemental Response Notice but fails to remove or cure, to Buyer's satisfaction, at no cost to Buyer, any Unpermitted Exception or Supplemental Unpermitted Exception set forth in such notice, then Buyer, in its sole discretion, may elect to (i) waive in writing the removal of such Unpermitted Exception or Supplemental Unpermitted Exception and proceed to Closing without any abatement to the Purchase Price, or (ii) terminate this Agreement by giving written notice to Seller and Escrow Agent pursuant to Section 4.5.

4.5 Title Termination Notice. Unless Seller notifies Buyer that Seller agrees to cause all of the Unpermitted Exceptions or all of the Supplemental Unpermitted Exceptions to be removed from the Title Report or to otherwise address the Unpermitted Exceptions or the Supplemental Unpermitted Exceptions to the satisfaction of Buyer, Buyer may terminate this Agreement by giving notice in writing to Seller and Escrow Agent (the "**Title Termination Notice**") within five (5) calendar days of the sooner of (i) expiration of the Seller Notice Period or (ii) Buyer's receipt of the Response Notice (or Supplemental Response Notice, if applicable), but in no event later than the Closing Date. If Buyer gives a Title Termination Notice: (a) the Earnest Money Deposit shall be paid to Buyer, less any amounts due to Escrow Agent from Buyer pursuant to this Agreement (it being understood the parties shall each pay fifty percent (50%) of the escrow and title fees, if any, incurred to the date of the Title Termination); and (b) this Agreement and the Escrow shall become null and void, except for those provisions specifically shown herein to survive the termination of this Agreement. If Buyer does not give a Title Termination Notice within the period set forth above, the Unpermitted Exceptions and the Supplemental Unpermitted Exceptions will thereafter be deemed Permitted Exceptions, and this Agreement shall remain in full force and effect.

4.6 Title Policy. At Close of Escrow, Escrow Agent shall cause to be issued on behalf of Title Company a standard owner's policy of title insurance or ALTA extended owner's policy, if Buyer so elects, (or binder until such policy is issued) with appropriate leasehold endorsements (the "**Title Policy**") and such endorsements as Buyer reasonably requests prior to the expiration of the Due Diligence Period (as hereinafter defined) and which the Title Company agrees to provide prior to the expiration of the Due Diligence Period (collectively the "**Special Endorsements**"), with liability in the amount of the Purchase Price, covering the Real Property, and showing title vested in the Buyer free of encumbrances, except for: (a) all non-delinquent general and special real property taxes and assessments for the current fiscal year; (b) the Permitted Exceptions; (c) the standard printed exceptions and exclusions contained in the Title Policy; and (d) any exceptions created or consented to by Buyer, including without limitation, any exceptions arising by reason of Buyer's possession or entry on the Real Property.

4.7 Fees. All prorations shall be as of the Close of Escrow. The parties shall each pay fifty percent (50%) of the escrow fee. Except as otherwise specifically shown in this Agreement, the parties shall pay such recording fees, and the like, as is customary in commercial real estate transactions in Maricopa County, Arizona. Seller shall pay the premium for a standard owner's policy with appropriate leasehold endorsements. Buyer shall pay any additional cost for extended coverage and all Special Endorsements.

4.8 Seller's Election to Terminate. In the event Buyer shall fail to perform an obligation hereunder or materially breaches this Agreement, Seller may provide written notice to Buyer specifying Buyer's default and providing five (5) days to cure such default or non-performance. If

Buyer fails to cure such default, then this Agreement shall be terminated. It is the parties' intention to delete any cancellation notice required pursuant to any printed instructions on Escrow Agent's usual form, and any such provision is hereby deleted. In the event of a material breach that is not duly cured, which results in the Escrow being duly terminated by Seller after the expiration of the Due Diligence Period, the Earnest Money Deposit shall be forfeited as liquidated damages.

5. CONDITIONS.

5.1 Due Diligence Period. Buyer shall have until 5:00 P.M., Phoenix, Arizona time on August 27, 2012 within which to examine the Property (the "**Due Diligence Period**"). Buyer may, for any reason or no reason whatsoever, terminate this Agreement and the Escrow by giving written notice of termination to Seller and Escrow Agent (the "**Inspection Termination Notice**") prior to the expiration of the Due Diligence Period. In the event of an Inspection Termination Notice: (a) this Agreement and the Escrow shall be null and void, except for those provisions specifically shown to survive the termination of this Agreement, and (b) the Earnest Money Deposit shall be refunded to Buyer, less any amounts due to Escrow Agent from Buyer pursuant to this Agreement, without further instruction from the parties.

5.2 Inspections and Tests. Buyer and its agents, representatives, consultants, contractors or invitees (collectively, "**Agents**") may enter upon the Property during reasonable business hours during the Due Diligence Period and thereafter prior to the Close of Escrow to perform such inspections and tests of the Property and any structural or mechanical systems within any Improvements as Buyer deems necessary or desirable, all at Buyer's sole cost and expense. Buyer and its Agents, shall, in performing Buyer's inspections, comply with any and all laws, ordinances, rules, regulations applicable to the Property and will not engage in any activities which would violate any permit, license, or environmental law or regulation. Buyer agrees to conduct such inspections in a manner which will not unreasonably interfere with Seller's normal operations on the Property and that such inspections will be conducted in accordance with the following procedures: (a) all persons, entities and Agents performing any tests will be properly licensed and qualified and will have obtained all appropriate permits for performing such tests; (b) Buyer will advise Seller two (2) days in advance of the dates of all tests and will schedule all tests during normal business hours whenever feasible unless otherwise requested by Seller; (c) Seller will have the right to have a representative of Seller accompany Buyer and its Agents while they are on the Property unless Buyer, acting through its employees, and not any third party, enters the Property to walk through or around the Property without conducting any physical tests, and without being accompanied by any equipment; (d) Buyer will promptly pay when due the costs of all entry and inspections and examinations done with regard to the Property; (e) Buyer will, at its sole cost and expense, repair and restore the Property to its original condition before any such entry upon the Property and inspection or examination was undertaken. Buyer shall keep the Property free and clear of any mechanics', materialmen's or similar liens related to Buyer's right of inspection and its due diligence activities. Buyer shall indemnify, defend (with counsel reasonably satisfactory to Seller) and hold Seller harmless for, from and against any claims, damages, costs, liabilities, and losses arising out of any entry on the Property by Buyer or its Agents or Buyer's inspections or tests of the Property, whether or not Escrow shall close, except that Buyer shall have no such obligation to indemnify for, or any liability for: (i) the negligence or willful misconduct of Seller or its representatives; (ii) hazardous materials not placed on the Property by Buyer or its Agents; or

(iii) discovering conditions, facts or circumstances that adversely affect (or may adversely affect) the value of the Property. Buyer will cause it and any person accessing the Property hereunder to be covered by not less than $2,000,000 commercial general liability insurance (with, in the case of Buyer's coverage, a contractual liability endorsement, insuring its indemnity obligation under this Agreement), insuring all activity and conduct of such person while exercising such right to access and naming Seller as an additional insured, issued by a licensed insurance company qualified to do business in Arizona and otherwise reasonably acceptable to Seller. It is specifically agreed that the obligations of the Buyer to pay any sums and the indemnity provided for in this Section 5.2 shall survive any termination or cancellation of this Agreement and shall survive the Close of Escrow. Buyer will immediately provide to Seller a copy of any report Buyer receives from any third party. Buyer shall be responsible to make any application necessary for the transfer of the liquor license to Buyer or the issuance of a new liquor license by the Arizona Department of Liquor Licenses and Control. Seller shall endeavor, at no expense to Seller, to obtain the cooperation of Bellows Golf Management to the transfer of the existing liquor license. The Buyer shall pay any application or licensing fees and related expenses. No transfer shall be effective unless and until the Property is transferred by Seller to Buyer pursuant to this Agreement.

5.3 Due Diligence Materials. Within three (3) business days of the Opening of Escrow, Seller shall make available to Buyer all of the items shown on **Schedule "5.3"** attached hereto.

5.4 Consultation About Property. During the term of this Escrow, Buyer and its employees, consultants, architects and engineers may (a) meet with all City, district and other governmental entities and agencies, and with all persons or other entities with whom Seller or Bellows Golf Management has contractual arrangements in connection with or relating to the Property; and (b) discuss with any of those entities, agencies or persons Buyer's proposed use and development of the Property and the terms of any such contractual arrangements. Seller shall cooperate reasonably with Buyer during the Due Diligence Period in Buyer's attempts to obtain a lessor's estoppel certificate from the City, but shall have no obligation to incur any expense.

6. INTENTIONALLY OMITTED.

7. CASUALTY; CONDEMNATION.

Promptly upon learning thereof, Seller shall give Buyer written notice of any condemnation, damage or destruction of the Property occurring prior to the Closing. If prior to the Closing all or a material portion of the Property is condemned, damaged or destroyed by an insured casualty, Buyer shall have the option of either (i) applying the proceeds of any condemnation award or payment under any insurance policies (other than business interruption or rental loss insurance) toward the payment of the Purchase Price to the extent such condemnation awards or insurance payments have been received by Seller, receiving from Seller a credit against the Purchase Price in an amount equal to any applicable outstanding deductible under any such insurance policy and receiving an assignment from Seller of Seller's right, title and interest in any such awards or payments not theretofore received by Seller, or (ii) terminating this Agreement by delivering written notice of such termination to Seller and Escrow Agent within ten (10) days after Buyer has received written notice from Seller of such material condemnation, damage or destruction. If, prior to the Closing, a portion of the Property is condemned, damaged or destroyed

by an insured casualty and such portion is not a material portion of the Property, the proceeds of any condemnation award or payment and any applicable outstanding deductible under any insurance policies shall be applied toward the payment of the Purchase Price to the extent such condemnation awards or insurance payments have been received by Seller and Seller shall assign to Buyer all of Seller's right, title and interest in any unpaid awards or payments. For purposes of this Section 7, the term "material portion" shall mean the cost to repair (as determined by an engineer selected by Seller and reasonably acceptable to Buyer) will exceed an amount equal to five percent (5%) of the Purchase Price or an absence of reasonable access to the Property. If the damage or destruction arises out of an uninsured risk, Seller shall elect, by written notice within ten (10) days of the occurrence of such damage or destruction either to terminate this Agreement or to close the transaction contemplated hereby with a reduction of the Purchase Price equal to the costs of repairing the Property, as reasonably estimated by an engineer engaged by Seller and reasonably acceptable to Buyer.

8. SELLER'S REPRESENTATIONS.

Seller represents to Buyer, as of the date of this Agreement, the following:

8.1 Transaction Authorized. The execution of this Agreement by Seller and the transactions contemplated hereby have been duly authorized by all requisite action on the part of Seller.

8.2 Power and Authority. Seller is a national banking association, duly organized, validly existing and in good standing under the laws of the United States. Seller is duly authorized and qualified to conduct business in the State of Arizona, and to do all things required of it under this Agreement. Seller has the capacity and authority to enter into this Agreement and consummate the transactions herein provided and nothing prohibits or restricts the right or ability of Seller to close the transactions contemplated hereunder and carry out the terms hereof.

8.3 No Violation of Instruments. The execution, delivery and performance of this Agreement by Seller and the consummation of the transaction contemplated herein will not result in a breach or violation of the terms and provisions of the articles, charter or other organizational documents of Seller in effect on the date hereof (the "**Organizational Documents**") and will not constitute a material default under any indenture, mortgage, deed of trust or other material agreement or instrument to which the Seller is a party or by which the Seller is bound.

8.4 Non-Foreign Person. Seller is not a "foreign person" within the meaning of section 1445(e)(3) of the Internal Revenue Code of 1986, as amended, and Seller shall deliver to Buyer at Closing a Non-Foreign Affidavit pursuant to Section 1445 of the Internal Revenue Code.

8.5 PATRIOT Act.

(1) Seller is in compliance with the requirements of Executive Order No. 133224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "**Order**") and other similar requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("**OFAC**") and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Order and such other rules, regulations, legislation, or orders are collectively called the "**Orders**"). Further,

Seller covenants and agrees to make its policies, procedures and practices regarding compliance with the Orders, if any, available to Buyer for its review and inspection during normal business hours and upon reasonable prior notice.

(2) Neither Seller nor, to the actual knowledge of Seller, any beneficial owner of Seller:

(a) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the "**Lists**");

(b) is a person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or

(c) is owned or controlled by, or acts for or on behalf of, any person or entity on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Orders.

(3) Seller hereby covenants and agrees that if Seller obtains knowledge that Seller or any of its beneficial owners becomes listed on the Lists or is indicted, arraigned, or custodially detained on charges involving money laundering or predicate crimes to money laundering, Seller shall immediately notify Buyer in writing, and in such event Buyer shall have the right to terminate this Agreement without penalty or liability to Seller immediately upon delivery of written notice thereof to Seller and in such event the Escrow Agent shall return the Deposit to Buyer.

8.6 Bankruptcy. There are no actions or proceedings pending or, to Seller's knowledge, threatened to liquidate, reorganize, place in bankruptcy or dissolve Seller. Seller has not made a general assignment for the benefit of creditors, filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by its creditors, suffered the appointment of a receiver to take possession of substantially all of its assets, suffered the attachment or other judicial seizure of substantially all of its assets, admitted its inability to pay its debts as they come due, or made an offer of settlement, extension or composition to its creditors generally.

8.7 No Broker. Seller has not engaged or dealt with any broker or finder in connection with the sale contemplated by this Agreement. Seller shall indemnify and hold harmless Buyer from any claims, costs, damages or liabilities (including reasonable attorneys' fees) arising from any breach of the representation contained in this Section 8.7.

8A. SURVIVAL OF SELLER'S REPRESENTATIONS AND AS IS PROVISIONS

8A.1 Survival of Seller's Representations. The representations made by Seller in this Agreement shall survive the recording of the Deed for a period expiring on the date that is nine (9) months following the Closing (the "**Survival Date**") and any action for a breach of Seller's representations must be made and filed by the Survival Date. Any Buyer claim for a breach of

Seller's representations which is not made and filed by Buyer prior to the Survival Date shall, from and after the Survival Date, be deemed to have been waived by Buyer and rendered null and void and of no further force and effect; provided, however, that Buyer shall not make or bring any claim for breach of Seller's representations unless the amount of such claim equals or exceeds $10,000 and provided further that the full extent of Seller's liability for all representations shall not exceed $20,000 in the aggregate.

8A.2 As Is Provisions. Buyer is purchasing the Property "AS IS" and "WHERE IS", and with all faults, and except as expressly set forth in Section 8, Seller makes no representations or warranties, whether express or implied, by operation of law or otherwise, with respect to the quality, physical condition or value of the Property, the compliance of the Property with applicable building or fire codes or other laws or regulations. Buyer agrees that Seller is not liable or bound by any guarantees, promises, statements, representations or information pertaining to the Property made or furnished by Seller or any agent, officer, director, employee or other person representing or purporting to represent Seller, except as and to the extent expressly set forth in Section 8. To the fullest extent allowed by Arizona and Federal law, Buyer and Seller agrees as follows: Buyer expressly waives the requirement of any disclosure not expressly contained in this Agreement, and Buyer agrees to take the Property "As Is" notwithstanding any matter set forth in any disclosure statement required by Arizona law.

BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH IN SECTION 8, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO:

(A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY;

(B) THE INCOME TO BE DERIVED FROM THE PROPERTY;

(C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY CONDUCT THEREON;

(D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCE OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY OR ANY FRANCHISE LICENSE OR AGREEMENT OR ANY GRANT OR SIMILAR AGREEMENT;

(E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY;

(F) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY;

(G) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY;

(H) THE AVAILABILITY OF WATER OR OTHER RESOURCES OR UTILITIES; OR

(I) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT SELLER HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION OR POLLUTION RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING SOLID WASTE, AND INCLUDING THE DISPOSAL, RELEASE OR EXISTENCE, IN OR ON THE PROPERTY, OF ANY HAZARDOUS SUBSTANCE.

9. REPRESENTATIONS OF BUYER.

Buyer hereby makes the following representations, which representations are true in all respects as of the date hereof and shall be true in all respects on the Close of Escrow.

9.1 Good Standing. The Buyer has full power and authority to own its property and carry on its business as it is now being conducted, and as it is proposed to be conducted. The Buyer is a corporation duly organized, validly existing and in good standing under the laws of California.

9.2 Authority for this Agreement. Buyer has full power and authority to enter into this Agreement and to perform as required herein. Buyer has duly and validly taken all necessary action to authorize the execution, delivery and performance of this Agreement by Buyer. The individuals executing this Agreement on behalf of Buyer have the requisite right, power, legal capacity and authority to execute and enter into this Agreement on behalf of Buyer, to legally bind Buyer to the terms and provisions of this Agreement and to execute all other documents and take all other actions as may reasonably be necessary to perform each and all of Buyer's obligations under this Agreement. This Agreement constitutes a legal, valid and binding obligation of Buyer, and (except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws effecting the rights of creditors generally or general equitable principles) is enforceable as to Buyer in accordance with its terms.

9.3 No Violation of Instruments. The execution, delivery and performance of this Agreement by Buyer and the consummation of the transaction contemplated herein will not result in a breach or violation of the terms and provisions of the articles, bylaws, operating agreement, partnership agreement and/or other governing documents of the Buyer in effect on the date hereof (the "Organizational Documents") and will not constitute a material default under any indenture, mortgage, deed of trust or other material agreement or instrument to which the Buyer is a party or by which the Buyer is bound.

9.4 PATRIOT Act.

(1) Buyer is in compliance with the requirements of the Order and other similar requirements contained in the rules and regulations of OFAC and in any enabling legislation or other Orders. Further, Buyer covenants and agrees to make its policies, procedures and practices regarding compliance with the Orders, if any, available to Seller for its review and inspection during normal business hours and upon reasonable prior notice.

(2) Neither Buyer nor any beneficial owner of Buyer:

(a) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other Lists;

(b) is a person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or

(c) is owned or controlled by, or acts for or on behalf of, any person or entity on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Orders.

(3) Buyer hereby covenants and agrees that if Buyer obtains knowledge that Buyer or any of its beneficial owners becomes listed on the Lists or is indicted, arraigned, or custodially detained on charges involving money laundering or predicate crimes to money laundering, Buyer shall immediately notify Seller in writing, in such event, Seller shall have the right to terminate this Agreement without penalty or liability to Buyer immediately upon delivery of written notice thereof to Buyer and in such event the Earnest Money Deposit shall be immediately released to Seller.

9.5 No Broker. Buyer has not engaged any broker or finder in connection with the sale contemplated by this Agreement. Buyer shall indemnify and hold harmless Seller from any claims, costs, damages or liabilities (including reasonable attorney's fees) arising from any breach of the representations contained in this Section 9.5. Jimmy R Guinn is an active licensed real estate agent in the state of Arizona and is also one of the principals of the Buyer.

9A. BUYER ACKNOWLEDGEMENTS AND ADDITIONAL LIMITS ON REPRESENTATIONS.

9A.1 Independent Investigation. The consummation of this transaction shall constitute Buyer's acknowledgment that it has independently inspected and investigated the Property and has made and entered into this Agreement based upon such inspection and investigation and its own examination of the condition of the Property. Upon Closing, Buyer shall assume the risk that adverse matters, including but not limited to construction defects and adverse physical and environmental conditions and the suitability or unsuitability of the Property for Buyer's intended uses, may not have been revealed by Buyer's investigations. Buyer, upon Closing, shall be deemed

to have waived, relinquished and released Seller and its respective direct and indirect affiliates, members, partners, subsidiaries, shareholders, trustees, investment managers, managers, investors, officers, officials, directors, representatives, agents and successors and assigns (collectively, including Advisor, the "Seller-Related Parties") from and against, and covenanted not to sue any of the foregoing with regard to, any and all claims, demands, causes of action (including causes of action in tort or under any environmental law), losses, damages, liabilities (whether based on strict liability or otherwise), losses, damages, liabilities, costs and expenses (including attorneys' fees and court costs) of any and every kind or character, known or unknown, which Buyer might have asserted or alleged against Seller and/or the Seller-Related Parties at any time (including without limitation to the extent covered by or that would be covered by [as opposed to paid] by insurance) by reason of or arising out of any latent or patent construction defects or physical conditions, violations of any applicable laws (including, without limitation, any environmental laws), the suitability of the Property for any purposes contemplated by Buyer and any and all other acts, omissions, events, circumstances or matters regarding the Property. The foregoing shall not be interpreted to waive any claim of Buyer with respect to any breach by Seller of any express representations made by Seller in Section 8 that expressly survive Closing pursuant to this Agreement.

9A.2 Buyer Reliance. Buyer is experienced in and knowledgeable about the ownership and management of commercial real estate, including golf courses, and it has relied and will rely exclusively on its own consultants, advisors, counsel, employees, agents, principals and/or studies, investigations and/or inspections with respect to the Property, its condition, value and potential. The Purchase Price and other terms and conditions contained in this Agreement are the result of arm's-length negotiations between sophisticated parties experienced in transactions of this kind, and the Purchase Price and other terms and conditions contained in this Agreement take into account the fact that Buyer is not entitled to rely on any information provided by Seller, any of its agents, or any other person acting for or on behalf of Seller, except as expressly set forth in Section 8. All information, whether written or oral, previously, now, or hereafter made available to Buyer by Seller, its agents, or any other person acting for or on behalf of Seller, whether in the form of appraisals, market studies, projections, brochures, maps, surveys, soil reports, engineering studies, environmental studies, inspection reports, plans and specifications, and all other information and materials have been or will be furnished by Seller to Buyer solely as an accommodation, and neither Seller nor its agents has verified the accuracy of such information or the qualifications of the persons preparing such information, except as expressly set forth in Section 8. Buyer agrees that, notwithstanding the fact that it has received certain information from Seller, or its respective agents or consultants, Buyer has relied solely upon and will continue to rely solely upon its own analysis and will not rely on any information provided by Seller, or its agents or consultants, except as expressly set forth in Section 8.

9A.3 Survival. This Section 9A shall survive the Closing and any termination of this Agreement forever.

10. CONDITIONS PRECEDENT.

10.1 Conditions to Buyer's Obligations. The obligations of Buyer under this Agreement shall be subject to the satisfaction or written waiver, in whole or in part, by Buyer of each of the following conditions precedent:

10.1.1 Title Policy. The Escrow Agent shall stand ready to issue the Title Policy on behalf of the Title Company.

10.1.2 Seller's Deliveries. Seller shall have delivered to Escrow the items described in Section 12 hereof to be delivered by Seller.

10.1.3 Seller's Performance. As of the Closing Date, Seller shall have performed its obligations, undertakings and agreements under this Agreement. All of Seller's representations contained herein shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date.

10.1.4 No Actions. There shall exist no actions, suits, arbitrations, claims, assignments for the benefit of creditors, insolvencies, bankruptcies, reorganizations or other proceedings, pending or threatened against Seller that would materially and adversely affect Seller's ability to perform its obligations under this Agreement or which would have a material adverse effect upon the Property or Buyer's ownership or use thereof. There shall exist no pending suit or proceeding with respect to Seller before any court, governmental or administrative agency which seeks to restrain or prohibit or to obtain damages or a discovery order with respect to this Agreement or the consummation of the transaction contemplated hereby.

10.1.5 Condition of Property. There shall be no material change to the physical or environmental condition of the Property after the expiration of the Due Diligence Period.

10.1.6 Bellows Golf Management. Seller shall have effectively assigned or caused Bellows Golf Management to assign all of the right, title and interest, if any, of Bellows Golf Management in the golf cart lease.

10.2 Conditions to Seller's Obligations. The obligations of Seller under this Agreement shall be subject to the satisfaction or written waiver, in whole or in part, by Seller of each of the following conditions precedent:

10.2.1 Buyer's Deliveries. Buyer shall have delivered to Escrow the funds and other required items as described in Section 12 hereof.

10.2.2 Buyer's Performance. As of the Closing Date, Buyer shall have performed its obligations, undertakings and agreements under this Agreement. All of Buyer's representations contained herein shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date.

10.2.3 No Bankruptcy or Dissolution. There shall be no assignment for the benefit of creditors, insolvency, bankruptcy, reorganization, dissolution or any other proceeding, pending or threatened, against Buyer that would materially and adversely affect Buyer's ability to perform its obligations under this Agreement.

11. COVENANTS.

11.1 Operation and Maintenance. Except as provided in this Agreement, after the Opening of Escrow and until the earlier of the Closing Date or termination of this Agreement, Seller shall (a) continue to manage, operate and maintain the Property in the same manner in which it is presently managed, operated and maintained, except that Seller will have no obligation to continue to purchase inventory or supplies or to maintain a particular level of inventory or supplies; (b) provide prompt written notice to Buyer of any casualty or condemnation affecting any portion of the Property after the date of this Agreement, or any matter relating to zoning changes, rent control or increase in tax assessments; (c) deliver to Buyer, promptly after receipt by Seller, copies of all notices of violation issued by any governmental authority with respect to the Property received by Seller after the date of this Agreement; (d) advise Buyer promptly of any new litigation, arbitration or other judicial or administrative proceeding which concerns or affect the Property arising after the date of this Agreement; and (e) not sign or enter into any lease, agreement or instrument, or take any other action further encumbering title to the Property, without the prior written consent of Buyer, which consent shall not be unreasonably withheld.

12. CLOSE OF ESCROW.

On or before the date shown above for Close of Escrow:

12.1 Bill of Sale and General Assignment of Rights. Seller shall deliver a duly executed Bill of Sale and General Assignment of Rights in the form attached hereto as **Exhibit 12.1**.

12.2 Assignment and Assumption of Contracts. Seller and Buyer shall deliver duly executed counterparts of an Assignment and Assumption of Contracts in the form attached hereto as **Exhibit 12.2**.

12.3 Assignment and Assumption of Lease. Seller and Buyer shall deliver duly executed counterparts of an Assignment and Assumption of Lease in the form attached as **Exhibit 12.3**.

12.4 Non-Foreign Affidavit. Seller shall deliver to Escrow Agent an affidavit certifying that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended.

12.5 Affidavit of Property Value. The parties shall authorize Escrow Agent to prepare and shall approve an Affidavit of Property Value.

12.6 Closing Certificate and Affidavits. Seller shall deliver to Buyer such other documents as may be necessary or appropriate to transfer and convey the Property to Buyer and to otherwise consummate this transaction in accordance with the terms of this Agreement, including any owner's affidavits required by the Title Company as to liens, debts and possession.

12.7 Funds. Buyer shall deposit the balance of the Purchase Price and all other amounts shown on Escrow Agent's settlement statement in the Escrow in immediately available funds.

government subdivision, master association or similar entity and all assessments of every kind and nature due to any homeowners or similar association now or hereafter in place with respect to the Property, if any exists, and will indemnify, defend (with counsel reasonably satisfactory to Seller), and hold harmless Seller from and against any claim, liability or expense of any kind or nature arising out of or relating to any such assessment, charge, fee, or imposition.

13.4. Lease Deposit. The Lease requires a deposit or bond in the amount of not less than $25,000. At or before Close of Escrow, Buyer shall either (i) post a bond or cash deposit sufficient for the immediate return of the Seller's existing cash deposit or (ii) pay Seller an amount equal to Seller's existing cash deposit, in which case Seller will assign it's interest in the Seller's existing cash deposit to Buyer.

14. REMEDIES.

14.1 Buyer's Default. In the event this Agreement and the Escrow is not consummated as a result of Buyer's default under the provisions of the Escrow or this Agreement (after notice and cure period and other provisions provided above in Section 4.8), then Buyer shall forfeit the Earnest Money Deposit, together with any interest thereon, as Seller's sole and exclusive remedy, and the Escrow and this Agreement shall forthwith and without any further act be terminated. Except with respect to damage or injury to the Property or to any person caused by the Buyer or any other indemnity owed by Buyer pursuant to this Agreement, Seller hereby specifically waives all remedies not provided for in this Section 14 including, but not limited to any right to enforce specific performance of the Agreement. SELLER AND BUYER ACKNOWLEDGE THAT SELLER'S DAMAGES WOULD BE DIFFICULT OR IMPOSSIBLE TO ASCERTAIN IN THE EVENT OF BUYER'S DEFAULT HEREUNDER AND THAT THE EARNEST MONEY DEPOSIT IS A REASONABLE ESTIMATE OF SUCH DAMAGES. SELLER AND BUYER INTEND THAT THE EARNEST MONEY DEPOSIT SHALL CONSTITUTE LIQUIDATED DAMAGES AND SHALL NOT CONSTITUTE A PENALTY. Notwithstanding any termination of this Agreement, Buyer understands, acknowledges and agrees that its indemnity obligations under Section 5.2 and its obligation to make payments to third parties are continuing Buyer obligations and shall survive the termination of this Agreement. No termination hereunder as a consequence of Buyer's failure to perform shall be effective without Seller's compliance with the notice, cure and other provisions of Section 4.8 above.

14.2 Seller's Default. In the event Seller shall fail to perform an obligation or materially breach under this Agreement or the Escrow, then Buyer may either (a) enforce specific performance of the Agreement and the Escrow or, (b) terminate its obligation to purchase the Property and receive a return of the Earnest Money Deposit, less any amounts due to Escrow Agent from Buyer pursuant to this Agreement. Notwithstanding the provisions of this Section 14.2, Buyer may not terminate this Agreement based upon the failure of Seller to perform an obligation if Seller's failure to perform the obligation was known to Buyer during the Due Diligence Period and Buyer did not provide an Inspection Termination Notice. If Buyer desires to terminate this Agreement pursuant to this Section 14.2, Buyer must provide written notice to Seller and Escrow Agent to cure such non-performance and default, specifying Seller's non-performance and providing five (5) days to cure such non-performance.

14.3 Effect of Termination. Notwithstanding any provision in this Agreement to the contrary, the following obligations of Buyer and Seller under this Agreement shall survive any termination: (a) any express indemnity agreement to defend or hold harmless, (b) any agreement to share costs, (c) the provisions of this Section 14.3, (d) the provisions of Section 16, and (e) the provisions of Section 17.

15. INTENTIONALLY OMITTED.

16. ESCROW AGENT DUTIES AND DISPUTES.

16.1 Other Duties of Escrow Agent. Escrow Agent shall not be bound in any way by any other agreement or contract between Seller and Buyer, whether or not Escrow Agent has knowledge thereof. Escrow Agent's only duties and responsibilities with respect to the Earnest Money Deposit shall be to hold the Earnest Money Deposit and other documents delivered to it as agent and to dispose of the Earnest Money Deposit and such documents in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, Escrow Agent shall have no responsibility to protect the Earnest Money Deposit and shall not be responsible for any failure to demand, collect or enforce any obligation with respect to the Earnest Money Deposit or for any diminution in value of the Earnest Money Deposit from any cause, other than Escrow Agent's gross negligence or willful misconduct. Escrow Agent may, at the expense of Seller and Buyer, consult with counsel and accountants in connection with its duties under this Agreement. Escrow Agent shall not be liable to the parties hereto for any act taken, suffered or permitted by it in good faith in accordance with the advice of counsel and accountants. Escrow Agent shall not be obligated to take any action hereunder that may, in its reasonable judgment, result in any liability to it unless Escrow Agent shall have been furnished with reasonable indemnity satisfactory in amount, form and substance to Escrow Agent.

16.2 Disputes. Escrow Agent is acting as a stakeholder only with respect to the Earnest Money Deposit. If there is any dispute as to whether Escrow Agent is obligated to deliver the Earnest Money Deposit or as to whom the Earnest Money Deposit is to be delivered, Escrow Agent shall not make any delivery, but shall hold the Earnest Money Deposit until receipt by Escrow Agent of an authorization in writing, signed by all the parties having an interest in the dispute, directing the disposition of the Earnest Money Deposit, or, in the absence of authorization, Escrow Agent shall hold the Earnest Money Deposit until the final determination of the rights of the parties in an appropriate proceeding. Escrow Agent shall have no responsibility to determine the authenticity or validity of any notice, instruction, instrument, document or other item delivered to it, and it shall be fully protected in acting in accordance with any written notice, direction or instruction given to it under this Agreement and believed by it to be authentic. If written authorization is not given, or proceedings for a determination are not begun, within thirty (30) days after the date scheduled for the closing of title and diligently continued, Escrow Agent may, but is not required to, bring an appropriate action or proceeding for leave to Earnest Money Deposit the Earnest Money Deposit with a court of the State of Arizona pending a determination. Escrow Agent shall be reimbursed for all costs and expenses of any action or proceeding, including, without limitation, attorneys' fees and disbursements incurred in its capacity as Escrow Agent, by the party determined not to be entitled to the Earnest Money Deposit. Upon making delivery of the Earnest Money Deposit in the manner provided in this Agreement, Escrow Agent shall have no

further liability hereunder. In no event shall Escrow Agent be under any duty to institute, defend or participate in any proceeding that may arise between Seller and Buyer in connection with the Earnest Money Deposit.

16.3 Reports. Escrow Agent shall be responsible for the timely filing of any reports or returns required pursuant to the provisions of Section 6045(e) of the Internal Revenue Code of 1986 (and any similar reports or returns required under any state or local laws) in connection with the closing of the transaction contemplated by this Agreement.

17. GENERAL AND MISCELLANEOUS.

17.1 Assignment. Buyer shall have the right to assign its rights under this Agreement; provided, however, that no such assignment shall relieve Buyer of its liability hereunder or shall cause any representation of Buyer to be untrue. If the assignee is an entity, to be effective, any assignment by Buyer shall require the execution of an amendment to this Agreement pursuant to which the assignee makes representations to Seller regarding authority, formation and other matters regarding the entity customarily required by Seller in its real property purchase agreements.

17.2 Entire Agreement. This Agreement contains the entire agreement of the parties hereto with respect to the matters set forth herein, and supersedes all prior arrangements and understandings between the parties. There are no verbal agreements that change this Agreement and no waiver or amendment of any of its terms shall be effective unless in writing executed by the parties. This Agreement or any amendments may be executed in counterparts, which, taken together, shall constitute one original. The parties agree that this Agreement may be transmitted between themselves by electronic transmission (e.g. facsimile or email). The parties intend that electronically transmitted signatures constitute original signatures and that an electronically transmitted agreement or counterparts containing the signatures (original or electronically transmitted) of all the parties is binding upon the parties.

17.3 Amendment. The Escrow and Agreement may be modified or amended only by written document signed by Buyer and Seller.

17.4 Waiver of Jury Trial. BUYER AND SELLER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ANY ACTIONS OF EITHER PARTY ARISING OUT OF OR RELATED IN ANY MANNER WITH THIS AGREEMENT OR THE PROPERTY (INCLUDING WITHOUT LIMITATION, ANY ACTION TO RESCIND OR CANCEL THIS AGREEMENT OR ANY CLAIMS OR DEFENSES ASSERTING THAT THIS AGREEMENT WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER IS A MATERIAL INDUCEMENT FOR SELLER TO ENTER INTO AND ACCEPT THIS AGREEMENT AND THE DOCUMENTS TO BE DELIVERED BY BUYER AT CLOSING, AND SHALL SURVIVE THE CLOSING OR TERMINATION OF THIS AGREEMENT EACH PARTY HEREBY AUTHORIZES AND EMPOWERS THE OTHER TO FILE THIS SECTION 17.4 AND THIS AGREEMENT WITH

THE CLERK OR JUDGE OF ANY COURT OF COMPETENT JURISDICTION AS A WRITTEN CONSENT TO WAIVER OF JURY TRIAL.

17.5 Execution. This Agreement may be executed simultaneously, or in counterpart, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

17.6 Successors. This Agreement shall he binding upon and inure to the benefit of the successors in interest and permitted assigns of the Buyer and Seller.

17.7 Applicable Law. This Agreement shall be subject to and governed by the laws of the State of Arizona and all questions concerning the meaning or intention of the terms of this Agreement or concerning the validity thereof, and questions relating to the performance hereunder shall be adjudged and resolved in accordance with the laws of the State of Arizona. All actions to enforce the terms and provisions of this Agreement shall be brought and maintained only within the State of Arizona, and Buyer and Seller each hereby consent to the exclusive jurisdiction of the State Courts, sited in Maricopa County, Arizona. Buyer and Seller each hereby expressly waive any and all rights which it may have to make any objection based on (a) jurisdiction, to any suit brought to enforce this Agreement in the State of Arizona, or (b) venue, to any action brought to enforce this Agreement in Maricopa County, Arizona, in each case in accordance with the above provisions. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid pursuant to applicable laws; however, if any part hereof shall be prohibited by applicable law or invalid thereunder, such provision shall be ineffective to the extent of such prohibition or invalidity only and without invalidating the remainder thereof. Nothing in this Section 17.7 will prevent the docketing, registration or enforcement of any judgment or order obtained in compliance with this Section 17.7 in a State or jurisdiction other than Arizona.

17.8 Attorney's Fees. Should any litigation be commenced between Seller and Buyer concerning this Agreement or the Escrow or the rights and duties of Seller and Buyer in relation thereto, the party prevailing in such litigation shall be entitled, in addition to such other remedies as may be granted, to recover its reasonable out-of-pocket attorney's fees and costs incurred.

17.9 Notices. Any notice required or permitted to be given by any party upon the other shall be deemed delivered or given in accordance with this Agreement (i) forty-eight (48) hours after it is deposited in the United States certified mail, return receipt requested; (ii) twenty-four (24) hours after it is deposited with a nationally-recognized over-night courier; (iii) when it is personally delivered; or (iv) when it is sent by electronic transmission (e.g. facsimile or email) (delivery by electronic transmission shall be followed by deposit of a hard copy of the notice by any of the other permitted methods of delivery within 24 hours); and addressed as follows:

If to Seller:

Stearns Bank National Association
4140 Thielman Lane
St. Cloud, MN 56301
ATTN: Eric Cook
Fax No. (320) 258-4845
Email: EricC@stearnsbank.com

with a copy to:

Daniel D. Maddy
Fryberger, Buchanan, Smith & Frederick, P.A.
302 West Superior Street, Ste. 700
Duluth, Minnesota 55802
Fax No. (218) 725-6800
Email: dmaddy@fryberger.com

If to Buyer:

Jim R Guinn

ATTN: Jim R Guinn
Fax No. (480) 237-9489
Email: jim.guinn1@gmail.com

and

Roy E Fernandez

ATTN: Roy E Fernandez
Fax No.: (623) 533-3327
Email: royefernandez@cox.net

with a copy to:

To Escrow Agent:

Fidelity National Title – Phoenix NTS Division
1 East Washington Street, Ste. 450
Phoenix, AZ 85004
ATTN: Michelle Burton
Telephone: (602) 343-7570
FAX: (602) 343-7564
Email: michelle.burton@fnf.com

Notices shall be deemed effective the date on which it is deemed to be delivered. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified, 10 days prior to the effective date of such change.

17.10 Days. Any time period provided for herein shall be counted by counting calendar days (unless business days are specified herein) following the date upon which any time period shall commence. In the event a time period shall expire on a Saturday, Sunday or Holiday upon which Escrow Agent has closed for business, then such time period shall be deemed to expire at 12:00 Noon, Phoenix, Arizona time on the next business day.

17.11 Time of the Essence. Time is of the essence regarding all provisions of this Agreement.

17.12 Lease Amendment. Buyer shall have the right to negotiate and execute an amendment to the Lease, but no such amendment shall be binding upon the Property before Close of Escrow or the Seller without Seller's written consent.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the last date set forth below.

SELLER:

STEARNS BANK NATIONAL ASSOCIATION,
a national banking association

7/5/12
Date

By: _____
Its: VP

BUYER:

Jim R Guinn

_____
Date

By: _____
Its: _____

BUYER:

Roy E Fernandez

_____
Date

By: _____
Its: _____

The foregoing agreement is accepted as instructions to Fidelity National Title and the undersigned hereby agrees to act in strict accordance therewith.

FIDELITY NATIONAL TITLE

July 6, 2012
Date

By: [signature]
Its: VP, Sr Escrow Officer

Escrow No. 3121155

EXHIBITS AND SCHEDULES

EXHIBIT "1.1"	Legal Description
EXHIBIT "12.1"	Bill of Sale and General Assignment
EXHIBIT "12.2"	Assignment and Assumption of Contracts
EXHIBIT "12.3"	Assignment and Assumption of Lease
SCHEDULE 5.3	List of Due Diligence Materials

EXHIBIT "1.1"

LEGAL DESCRIPTION

The LEASEHOLD interest more fully described in that certain Lease recorded April 28, 1997 as Document No. 97-0277560 in the Office of the County Recorder for Maricopa County, Arizona, pertaining to that certain real property described as follows:

PARCEL NO.1:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of said North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West a distance of 896.80 feet to the POINT OF BEGINNING;

EXCEPT that portion lying within that certain ditch known as sub-lateral to. Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, through, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section, (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West, based on a magnetic bearing of South 75 degrees 40 minutes West);

Thence North 00 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West a distance of 704.5 feet;

Thence South 00 degrees 02 minutes West a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West a distance of 560 feet;

Thence South 00 degrees 02 minutes West a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point on the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 00 degrees 02 minutes East, a distance of 3 feet, said point being the POINT OF TERMINUS;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.2:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of said North half of the Southeast quarter;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of

the North half of the Southeast quarter, a distance of 50.79 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 37 degrees 38 minutes 43 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 17 degrees 19 minutes 21 seconds, an arc length of 579.10 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1132.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 400.07 feet to a point on the West line of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West along the West line of the North half of the Southeast quarter, a distance of 40.009 feet to the POINT OF BEGINNING.

PARCEL NO.3:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, an arc length of 195.96 feet to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 391.40 feet, to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West along the North line of the North half of the Southeast quarter, a distance of 293.68 feet to the POINT OF BEGINNING.

EXCEPT that portion lying within that certain ditch known as sub-lateral to Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, through, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West based on a magnetic bearing of South 75 degrees 40 minutes West);

Thence North 00 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West a distance of 704.5 feet;

Thence South 00 degrees 02 minutes West a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West a distance of 560 feet;

Thence South 00 degrees 02 minutes West a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point on the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 00 degrees 02 minutes East, a distance of 3 feet, said point being the POINT OF TERMINUS;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.4:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, an arc length of 195.96 feet to a point of compound curvature from which the radius points bears North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a

central angle of 45 degrees 35 minutes 21 seconds, an arc length of 391.40 feet to a point on the North line of the North half of the Southeast quarter;

Thence North 89 degrees 49 minutes 58 seconds East along the North line of the North half of the Southeast quarter, a distance of 40.00 feet to a point on a non-tangent curve, from which the radius point bears South 89 degrees 49 minutes 58 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 531.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 423.23 feet to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 06 degrees 55 minutes 58 seconds and an arc length of 231.76 feet to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to the POINT OF BEGINNING.

PARCEL NO. 5:

Tract "A", AMENDED PLAT OF WEST PLAZA 31 and 32, according to Book 297 of Maps, page 34, amended in Book 313 of Maps, page 22 and in Book 317 of Maps, page 13 and Affidavit of Correction recorded May 23,1988 in Document No. 88-247176, records of Maricopa County, Arizona;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.6:

Tract "A", LA BUENA VIDA PHASE I, according to Book 313 of Maps, page 32, records of Maricopa County, Arizona.

PARCEL NO.7:

That portion of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the Westerly most corner of Tract A, LA BUENA VIDA PHASE I, as recorded in Book 313 of Maps, page 32, records of Maricopa county, Arizona, said corner being on the East-West mid-section line of said Section 10, and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 959.41 feet;

Thence Northwesterly along a curve concave to the Southwest, having a radius of 790.00 feet, a

central angle of 04 degrees 32 minutes 15 seconds, an arc length of 62.56 feet, said curve being a Northwesterly projection of the curved Southwesterly boundary of said Tract "A", LA BUENA VIDA PHASE I, to a point on the Southerly projection of the Easterly line of Lot 589, WEST PLAZA 31 & 32, as recorded in Book 297 of Maps, page 34, records of Maricopa County, Arizona;

Thence North 10 degrees 05 minutes 36 seconds East along said projection, a distance of 5.85 feet to the southeasterly corner of said Lot 589;

Thence Southeasterly along a curve concave to the Southwest, having a radius of 1065.00 feet, a central angle of 05 degrees 30 minutes 49 seconds, an arc length of 102.10 feet, said curve being a Southwesterly boundary of Tract "A" of said WEST PLAZA 31 & 32 to a point on the East-West mid-section line of said Section 10 and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 918.65 feet, said point being on the South line of said Tract "A", WEST PLAZA 31 & 32, and said point also being on the North line of said Tract "A", LA BUENA VIDA PHASE I;

Thence South 89 degrees 50 minutes 00 seconds West along the East-West mid-section line of said Section 10, a distance of 40.76 feet to the POINT OF BEGINNING;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded In Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.8:

A parcel of land lying in and being a part of Tract "C", AMENDED PLAT OF WEST PLAZA 31 & 32, according to Book 317 of Maps, page 13, records of Maricopa County, Arizona, being a part of the North half of Section 10, Township 2 North, Range 1 East of the Gun and Salt River Base and Meridian, Maricopa county, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of Lot 133 of said AMENDED PLAT OF WEST PLAZA 31 & 32, and the TRUE POINT OF BEGINNING;

Thence South 30 degrees 53 minutes 40 seconds East, a distance of 60.10 feet;

Thence South 24 degrees 00 minutes 20 seconds East, a distance of 60.10 feet;

Thence South 17 degrees 17 minutes 01 seconds East, a distance of 60.10 feet;

Thence South 10 degrees 25 minutes 43 seconds East, a distance of 60.10 feet;

Thence South 06 degrees 10 minutes 53 seconds East, a distance of 64.56 feet to the Southwest corner of Lot 129 of said WEST PLAZA 31 & 32, being a point on a curve to the right, through a central angle of 08 degrees 19 minutes 55 seconds, a radius of 1065.00 feet, a distance of 154.86 feet;

Thence North 19 degrees 57 minutes 25 seconds West, a distance of 299.01 feet to the Southeast corner of Lot 290 of said WEST PLAZA 31 & 32;

Thence North 80 degrees 06 minutes 49 seconds East, a distance of 166.75 feet to the TRUE POINT OF BEGINNING.

EXHIBIT "12.1"

BILL OF SALE AND GENERAL ASSIGNMENT

THIS BILL OF SALE AND GENERAL ASSIGNMENT (this "**Assignment**") is made as of _____, 2011 ("**Effective Date**"), by **STEARNS BANK NATIONAL ASSOCIATION**, a national banking association ("**Assignor**"), for the benefit of _____("**Assignee**") and is entered into in accordance with the provisions of that certain Real Property Purchase Agreement and Escrow Instructions, dated as of November ____, 2011, between Assignor and Assignee (the "**Agreement**"). Initially capitalized terms used in this Assignment without definition have the meaning given such terms in the Agreement.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor assigns and quitclaims unto Assignee the following items relating to that certain real property located in the County of Maricopa, State of Arizona, and more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the "**Real Property**") to the extent that Assignor has any assignable interest therein:

(1) the Improvements
(2) the Personal Property
(3) the Other Rights

The provisions of this Assignment shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

The Improvements, Personal Property and Other Rights are a part of the "Property" conveyed by Assignor to Assignee pursuant to the Agreement and, as more fully set forth in the Agreement, the Improvements, Personal Property and Other Rights are conveyed AS IS without representations or warranties of any kind.

IN WITNESS WHEREOF, Assignor has executed this Assignment as of the date first above written.

ASSIGNOR:

STEARNS BANK NATIONAL ASSOCIATION, a national banking association

By: _____
Its: _____

EXHIBIT A
(Bill of Sale and General Assignment)

PARCEL NO.1:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of said North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West a distance of 896 80 feet to the POINT OF BEGINNING;

EXCEPT that portion lying within that certain ditch known as sub-lateral to. Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, through, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section, (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West, based on a magnetic bearing of South 75 degrees 40 minutes West);

Thence North 00 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West a distance of 704.5 feet;

Thence South 00 degrees 02 minutes West a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West a distance of 560 feet;

Thence South 00 degrees 02 minutes West a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point on the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 00 degrees 02 minutes East, a distance of 3 feet, said point being the POINT OF TERMINUS;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.2:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of said North half of the Southeast quarter;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 37 degrees 38 minutes 43 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 17 degrees 19 minutes 21 seconds, an arc length of 579.10 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds

West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1132.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 400.07 feet to a point on the West line of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West along the West line of the North half of the Southeast quarter, a distance of 40.009 feet to the POINT OF BEGINNING.

PARCEL NO.3:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, an arc length of 195.96 feet to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 391.40 feet, to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West along the North line of the North half of the Southeast quarter, a distance of 293.68 feet to the POINT OF BEGINNING.

EXCEPT that portion lying within that certain ditch known as sub-lateral to Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, through, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West based on a magnetic bearing of South 75 degrees 40 minutes West);

Thence North 00 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West a distance of 704.5 feet;

Thence South 00 degrees 02 minutes West a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West a distance of 560 feet;

Thence South 00 degrees 02 minutes West a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point on the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 00 degrees 02 minutes East, a distance of 3 feet, said point being the POINT OF TERMINUS;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.4:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, an arc length of 195.96 feet to a point of compound curvature from which the radius points bears North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 391.40 feet to a point on the North line of the North half of the Southeast quarter;

Thence North 89 degrees 49 minutes 58 seconds East along the North line of the North half of the Southeast quarter, a distance of 40.00 feet to a point on a non-tangent curve, from which the radius point bears South 89 degrees 49 minutes 58 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 531.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 423.23 feet to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 06 degrees 55 minutes 58 seconds and an arc length of 231.76 feet to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to the POINT OF BEGINNING.

PARCEL NO. 5:

Tract "A", AMENDED PLAT OF WEST PLAZA 31 and 32, according to Book 297 of Maps, page 34, amended in Book 313 of Maps, page 22 and in Book 317 of Maps, page 13 and Affidavit of Correction recorded May 23,1988 in Document No. 88-247176, records of Maricopa County, Arizona;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.6:

Tract "A", LA BUENA VIDA PHASE I, according to Book 313 of Maps, page 32, records of Maricopa County, Arizona.

PARCEL NO.7:

That portion of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the Westerly most corner of Tract A, LA BUENA VIDA PHASE I, as recorded in Book 313 of Maps, page 32, records of Maricopa county, Arizona, said corner being on the East-West mid-section line of said Section 10, and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 959.41 feet;

Thence Northwesterly along a curve concave to the Southwest, having a radius of 790.00 feet, a central angle of 04 degrees 32 minutes 15 seconds, an arc length of 62.56 feet, said curve being a Northwesterly projection of the curved Southwesterly boundary of said Tract "A", LA BUENA VIDA PHASE I, to a point on the Southerly projection of the Easterly line of Lot 589, WEST PLAZA 31 & 32, as recorded in Book 297 of Maps, page 34, records of Maricopa County, Arizona;

Thence North 10 degrees 05 minutes 36 seconds East along said projection, a distance of 5.85 feet to the southeasterly corner of said Lot 589;

Thence Southeasterly along a curve concave to the Southwest, having a radius of 1065.00 feet, a central angle of 05 degrees 30 minutes 49 seconds, an arc length of 102.10 feet, said curve being a Southwesterly boundary of Tract "A" of said WEST PLAZA 31 & 32 to a point on the East-West mid-section line of said Section 10 and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 918.65 feet, said point being on the South line of said Tract "A", WEST PLAZA 31 & 32, and said point also being on the North line of said Tract "A", LA BUENA VIDA PHASE I;

Thence South 89 degrees 50 minutes 00 seconds West along the East-West mid-section line of said Section 10, a distance of 40.76 feet to the POINT OF BEGINNING;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded In Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.8:

A parcel of land lying in and being a part of Tract "C", AMENDED PLAT OF WEST PLAZA 31 & 32, according to Book 317 of Maps, page 13, records of Maricopa County, Arizona, being a part of the North half of Section 10, Township 2 North, Range 1 East of the Gun and Salt River Base and Meridian, Maricopa county, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of Lot 133 of said AMENDED PLAT OF WEST PLAZA 31 & 32, and the TRUE POINT OF BEGINNING;

Thence South 30 degrees 53 minutes 40 seconds East, a distance of 60.10 feet;

Thence South 24 degrees 00 minutes 20 seconds East, a distance of 60.10 feet;

Thence South 17 degrees 17 minutes 01 seconds East, a distance of 60.10 feet;

Thence South 10 degrees 25 minutes 43 seconds East, a distance of 60.10 feet;

Thence South 06 degrees 10 minutes 53 seconds East, a distance of 64.56 feet to the Southwest corner of Lot 129 of said WEST PLAZA 31 & 32, being a point on a curve to the right, through a central angle of 08 degrees 19 minutes 55 seconds, a radius of 1065.00 feet, a distance of 154.86 feet;

Thence North 19 degrees 57 minutes 25 seconds West, a distance of 299.01 feet to the Southeast corner of Lot 290 of said WEST PLAZA 31 & 32;

Thence North 80 degrees 06 minutes 49 seconds East, a distance of 166.75 feet to the TRUE POINT OF BEGINNING.

EXHIBIT 12.2

ASSIGNMENT AND ASSUMPTION OF CONTRACTS

THIS ASSIGNMENT AND ASSUMPTION OF CONTRACTS (this "**Assignment**") is made this _____ day of _____, 2011, by and between **STEARNS BANK NATIONAL ASSOCIATION**, a national banking association ("**Assignor**") and _____("**Assignee**") and is entered into in accordance with the terms of the Real Property Purchase Agreement and Escrow Instructions, dated November __, 2011, between Assignor, as "**Seller**", and Assignee, as "**Buyer**" (the "**Agreement**"), with respect to the real property described on Exhibit "A" attached to and incorporated into this Assignment by this reference (the "**Real Property**"). Initially, capitalized terms used in this Assignment without definition have the meanings given such terms in the Agreement.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. Assignment. Assignor hereby assigns, quitclaims, transfers, and sets over unto Assignee all of Assignors' assignable right, title and interest (if any) in and to the Contracts.

2. Assumption. Assignee hereby assumes and agrees to perform and fulfill all of Assignor's obligations arising under the Contracts.

3. Indemnification by Assignee. Assignee shall indemnify, protect, defend, and hold Assignor harmless for, from and against any liabilities, obligations, actions, suits, proceedings, or claims, and all costs and expenses (including without limitation reasonable attorneys' fees and expert witness fees) arising out of or relating to the Contracts.

4. Binding Effect. This Assignment shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

5. AS IS. The Contracts are a part of the "Property" conveyed by Assignor to Assignee pursuant to the Agreement and, as more fully described in the Agreement, the Contracts are conveyed AS IS without representations or warranties of any kind.

6. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed an original but all of which taken together shall constitute one in the same Assignment.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date set forth above.

ASSIGNOR:

STEARNS BANK NATIONAL ASSOCIATION,
a national banking association

By:_____
Name:_____
Title:_____

ASSIGNEE:

By:_____
Name:_____
Title:_____

EXHIBIT A
(Assignment and Assumption of Contracts)

PARCEL NO.1:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of said North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West a distance of 896.80 feet to the POINT OF BEGINNING;

EXCEPT that portion lying within that certain ditch known as sub-lateral to. Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, through, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section, (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West, based on a magnetic bearing of South 75 degrees 40 minutes West);

Thence North 00 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West a distance of 704.5 feet;

Thence South 00 degrees 02 minutes West a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West a distance of 560 feet;

Thence South 00 degrees 02 minutes West a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point on the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 00 degrees 02 minutes East, a distance of 3 feet, said point being the POINT OF TERMINUS;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.2:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of said North half of the Southeast quarter;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 37 degrees 38 minutes 43 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 17 degrees 19 minutes 21 seconds, an arc length of 579.10 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds

West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1132.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 400.07 feet to a point on the West line of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West along the West line of the North half of the Southeast quarter, a distance of 40.009 feet to the POINT OF BEGINNING.

PARCEL NO.3:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, an arc length of 195.96 feet to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 391.40 feet, to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West along the North line of the North half of the Southeast quarter, a distance of 293.68 feet to the POINT OF BEGINNING.

EXCEPT that portion lying within that certain ditch known as sub-lateral to Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, through, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West based on a magnetic bearing of South 75 degrees 40 minutes West);

Thence North 00 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West a distance of 704.5 feet;

Thence South 00 degrees 02 minutes West a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West a distance of 560 feet;

Thence South 00 degrees 02 minutes West a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point on the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 00 degrees 02 minutes East, a distance of 3 feet, said point being the POINT OF TERMINUS;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.4:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, an arc length of 195.96 feet to a point of compound curvature from which the radius points bears North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 391.40 feet to a point on the North line of the North half of the Southeast quarter;

Thence North 89 degrees 49 minutes 58 seconds East along the North line of the North half of the Southeast quarter, a distance of 40.00 feet to a point on a non-tangent curve, from which the radius point bears South 89 degrees 49 minutes 58 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 531.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 423.23 feet to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 06 degrees 55 minutes 58 seconds and an arc length of 231.76 feet to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to the POINT OF BEGINNING.

PARCEL NO. 5:

Tract "A", AMENDED PLAT OF WEST PLAZA 31 and 32, according to Book 297 of Maps, page 34, amended in Book 313 of Maps, page 22 and in Book 317 of Maps, page 13 and Affidavit of Correction recorded May 23,1988 in Document No. 88-247176, records of Maricopa County, Arizona;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.6:

Tract "A", LA BUENA VIDA PHASE I, according to Book 313 of Maps, page 32, records of Maricopa County, Arizona.

PARCEL NO.7:

That portion of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the Westerly most corner of Tract A, LA BUENA VIDA PHASE I, as recorded in Book 313 of Maps, page 32, records of Maricopa county, Arizona, said corner being on the East-West mid-section line of said Section 10, and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 959.41 feet;

Thence Northwesterly along a curve concave to the Southwest, having a radius of 790.00 feet, a central angle of 04 degrees 32 minutes 15 seconds, an arc length of 62.56 feet, said curve being a Northwesterly projection of the curved Southwesterly boundary of said Tract "A", LA BUENA VIDA PHASE I, to a point on the Southerly projection of the Easterly line of Lot 589, WEST PLAZA 31 & 32, as recorded in Book 297 of Maps, page 34, records of Maricopa County, Arizona;

Thence North 10 degrees 05 minutes 36 seconds East along said projection, a distance of 5.85 feet to the southeasterly corner of said Lot 589;

Thence Southeasterly along a curve concave to the Southwest, having a radius of 1065.00 feet, a central angle of 05 degrees 30 minutes 49 seconds, an arc length of 102.10 feet, said curve being a Southwesterly boundary of Tract "A" of said WEST PLAZA 31 & 32 to a point on the East-West mid-section line of said Section 10 and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 918.65 feet, said point being on the South line of said Tract "A", WEST PLAZA 31 & 32, and said point also being on the North line of said Tract "A", LA BUENA VIDA PHASE I;

Thence South 89 degrees 50 minutes 00 seconds West along the East-West mid-section line of said Section 10, a distance of 40.76 feet to the POINT OF BEGINNING;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded In Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.8:

A parcel of land lying in and being a part of Tract "C", AMENDED PLAT OF WEST PLAZA 31 & 32, according to Book 317 of Maps, page 13, records of Maricopa County, Arizona, being a part of the North half of Section 10, Township 2 North, Range 1 East of the Gun and Salt River Base and Meridian, Maricopa county, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of Lot 133 of said AMENDED PLAT OF WEST PLAZA 31 & 32, and the TRUE POINT OF BEGINNING;

Thence South 30 degrees 53 minutes 40 seconds East, a distance of 60.10 feet;

Thence South 24 degrees 00 minutes 20 seconds East, a distance of 60.10 feet;

Thence South 17 degrees 17 minutes 01 seconds East, a distance of 60.10 feet;

Thence South 10 degrees 25 minutes 43 seconds East, a distance of 60.10 feet;

Thence South 06 degrees 10 minutes 53 seconds East, a distance of 64.56 feet to the Southwest corner of Lot 129 of said WEST PLAZA 31 & 32, being a point on a curve to the right, through a central angle of 08 degrees 19 minutes 55 seconds, a radius of 1065.00 feet, a distance of 154.86 feet;

Thence North 19 degrees 57 minutes 25 seconds West, a distance of 299.01 feet to the Southeast corner of Lot 290 of said WEST PLAZA 31 & 32;

Thence North 80 degrees 06 minutes 49 seconds East, a distance of 166.75 feet to the TRUE POINT OF BEGINNING.

EXHIBIT 12.3
ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT is made this _____ day of _____, 2011, by and between **STEARNS BANK NATIONAL ASSOCIATION**, a national banking association ("**Assignor**"), and _____("**Assignee**") and is entered into in accordance with the terms of the Real Property Purchase Agreement and Escrow Instructions dated November __, 2011, (the "**Agreement**"), between Assignor, as "Seller", and Assignee, as "**Buyer**", with respect to real property described on Exhibit "A" attached hereto and incorporated herein by this reference (the "**Real Property**"). Initially capitalized terms used in this Assignment without definition have the meanings given such terms in the Agreement.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. Assignment. Assignor does hereby irrevocably sell, transfer, assign and convey to Assignee, its successors and assigns, all of Assignor's right, title, interest and privileges as lessee in and to the lease more particularly described in Exhibit "B" (the "Lease").

2. Assumption. Assignee hereby assumes and agrees to perform and fulfill all of Assignor's obligations arising under the lease.

3. Indemnifications by Assignee. Assignee shall indemnify, protect, defend, and hold Assignor harmless for, from and against any liabilities, obligations, actions, suits, proceedings, or claims, and all costs and expenses (including, without limitation, reasonable attorneys' and expert witness fees) arising out of or relating to the Lease.

4. Binding Effect. This Assignment shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns.

5. Further Assurances. Promptly upon the request of Assignee, Assignor shall do such further acts and shall execute, have acknowledged and delivered to Assignee or to any third party, as appropriate, any and all further documents or instruments reasonably requested in order to carry out the intent and purpose of this Assignment.

6. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed an original but all of which taken together shall constitute one in the same Assignment.

IN WITNESS WHEREOF, Assignor has executed this Assignment as of the day and year first above written.

ASSIGNOR:

STEARNS BANK NATIONAL ASSOCIATION,
a national banking association

By:_____
Name:_____
Title:_____

ASSIGNEE:

By:_____
Name:_____
Title:_____

EXHIBIT A
(Assignment and Assumption of Lease)

PARCEL NO.1:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of said North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West a distance of 896.80 feet to the POINT OF BEGINNING;

EXCEPT that portion lying within that certain ditch known as sub-lateral to. Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, through, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section, (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West, based on a magnetic bearing of South 75 degrees 40 minutes West);

Thence North 00 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West a distance of 704.5 feet;

Thence South 00 degrees 02 minutes West a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West a distance of 560 feet;

Thence South 00 degrees 02 minutes West a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point on the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 00 degrees 02 minutes East, a distance of 3 feet, said point being the POINT OF TERMINUS;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.2:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of said North half of the Southeast quarter;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to a point

on a non-tangent curve, from which the radius point of said curve bears North 37 degrees 38 minutes 43 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 17 degrees 19 minutes 21 seconds, an arc length of 579.10 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1132.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 400.07 feet to a point on the West line of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West along the West line of the North half of the Southeast quarter, a distance of 40.009 feet to the POINT OF BEGINNING.

PARCEL NO.3:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, an arc length of 195.96 feet to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 391.40 feet, to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West along the North line of the North half of the Southeast quarter, a distance of 293.68 feet to the POINT OF BEGINNING.

EXCEPT that portion lying within that certain ditch known as sub-lateral to Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, through, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and

Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West based on a magnetic bearing of South 75 degrees 40 minutes West);

Thence North 00 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West a distance of 704.5 feet;

Thence South 00 degrees 02 minutes West a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West a distance of 560 feet;

Thence South 00 degrees 02 minutes West a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point on the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 00 degrees 02 minutes East, a distance of 3 feet, said point being the POINT OF TERMINUS;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.4:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of

1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, an arc length of 195.96 feet to a point of compound curvature from which the radius points bears North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 391.40 feet to a point on the North line of the North half of the Southeast quarter;

Thence North 89 degrees 49 minutes 58 seconds East along the North line of the North half of the Southeast quarter, a distance of 40.00 feet to a point on a non-tangent curve, from which the radius point bears South 89 degrees 49 minutes 58 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 531.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 423.23 feet to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 06 degrees 55 minutes 58 seconds and an arc length of 231.76 feet to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to the POINT OF BEGINNING.

PARCEL NO. 5:

Tract "A", AMENDED PLAT OF WEST PLAZA 31 and 32, according to Book 297 of Maps, page 34, amended in Book 313 of Maps, page 22 and in Book 317 of Maps, page 13 and Affidavit of Correction recorded May 23,1988 in Document No. 88-247176, records of Maricopa County, Arizona;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.6:

Tract "A", LA BUENA VIDA PHASE I, according to Book 313 of Maps, page 32, records of Maricopa County, Arizona.

PARCEL NO.7:

That portion of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the Westerly most corner of Tract A, LA BUENA VIDA PHASE I, as recorded in Book 313 of Maps, page 32, records of Maricopa county, Arizona, said corner being on the East-West mid-section line of said Section 10, and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 959.41 feet;

Thence Northwesterly along a curve concave to the Southwest, having a radius of 790.00 feet, a central angle of 04 degrees 32 minutes 15 seconds, an arc length of 62.56 feet, said curve being a Northwesterly projection of the curved Southwesterly boundary of said Tract "A", LA BUENA VIDA PHASE I, to a point on the Southerly projection of the Easterly line of Lot 589, WEST PLAZA 31 & 32, as recorded in Book 297 of Maps, page 34, records of Maricopa County, Arizona;

Thence North 10 degrees 05 minutes 36 seconds East along said projection, a distance of 5.85 feet to the southeasterly corner of said Lot 589;

Thence Southeasterly along a curve concave to the Southwest, having a radius of 1065.00 feet, a central angle of 05 degrees 30 minutes 49 seconds, an arc length of 102.10 feet, said curve being a Southwesterly boundary of Tract "A" of said WEST PLAZA 31 & 32 to a point on the East-West mid-section line of said Section 10 and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 918.65 feet, said point being on the South line of said Tract "A", WEST PLAZA 31 & 32, and said point also being on the North line of said Tract "A", LA BUENA VIDA PHASE I;

Thence South 89 degrees 50 minutes 00 seconds West along the East-West mid-section line of said Section 10, a distance of 40.76 feet to the POINT OF BEGINNING;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded In Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.8:

A parcel of land lying in and being a part of Tract "C", AMENDED PLAT OF WEST PLAZA 31 & 32, according to Book 317 of Maps, page 13, records of Maricopa County, Arizona, being a part of the North half of Section 10, Township 2 North, Range 1 East of the Gun and Salt River Base and Meridian, Maricopa county, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of Lot 133 of said AMENDED PLAT OF WEST PLAZA 31 & 32, and the TRUE POINT OF BEGINNING;

Thence South 30 degrees 53 minutes 40 seconds East, a distance of 60.10 feet;

Thence South 24 degrees 00 minutes 20 seconds East, a distance of 60.10 feet;

Thence South 17 degrees 17 minutes 01 seconds East, a distance of 60.10 feet;

Thence South 10 degrees 25 minutes 43 seconds East, a distance of 60.10 feet;

Thence South 06 degrees 10 minutes 53 seconds East, a distance of 64.56 feet to the Southwest corner of Lot 129 of said WEST PLAZA 31 & 32, being a point on a curve to the right, through a central angle of 08 degrees 19 minutes 55 seconds, a radius of 1065.00 feet, a distance of 154.86 feet;

Thence North 19 degrees 57 minutes 25 seconds West, a distance of 299.01 feet to the Southeast corner of Lot 290 of said WEST PLAZA 31 & 32;

Thence North 80 degrees 06 minutes 49 seconds East, a distance of 166.75 feet to the TRUE POINT OF BEGINNING.

EXHIBIT B
(Assignment and Assumption of Lease)

That certain Lease Agreement for Development and Operation of Public Golf Course dated April 22, 1997 between the City of Glendale, Arizona, as lessor, and Par Golf, L.L.C., as lessee, as the same has been previously assigned and amended.

SCHEDULE 5.3

List of Due Diligence Materials

- Phase I Environmental Report dated April, 2004
- Survey revised September, 1998
- Lease Agreement with City of Glendale dated April 22, 1997 and amendments in Seller's possession
- Golf Cart Lease(s)
- List of Leases
- List of Furniture and Equipment
- List of Contracts
- Letters from City of Glendale dated September 20, 2011 and October 14, 2011

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT is made this 4th day of September, 2012, by and between **STEARNS BANK NATIONAL ASSOCIATION**, a national banking association ("**Assignor**") and Ready Golf, Inc ("**Assignee**") and is entered into in accordance with the terms of the Real Property Purchase Agreement and Escrow Instructions dated July 5, 2012, (the "**Agreement**"), between Assignor, as "**Seller**", and Assignee, as "**Buyer**", with respect to real property described on Exhibit "A" attached hereto and incorporated herein by this reference (the "**Real Property**"). Initially capitalized terms used in this Assignment without definition have the meanings given such terms in the Agreement.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. Assignment. Assignor does hereby irrevocably sell, transfer, assign and convey to Assignee, its successors and assigns, all of Assignor's right, title, interest and privileges as lessee in and to the lease more particularly described in Exhibit "B" (the "Lease").

2. Assumption. Assignee hereby assumes and agrees to perform and fulfill all of Assignor's obligations arising under the lease.

3. Indemnifications by Assignee. Assignee shall indemnify, protect, defend, and hold Assignor harmless for, from and against any liabilities, obligations, actions, suits, proceedings, or claims, and all costs and expenses (including, without limitation, reasonable attorneys' and expert witness fees) arising out of or relating to the Lease.

4. Binding Effect. This Assignment shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns.

5. Further Assurances. Promptly upon the request of Assignee, Assignor shall do such further acts and shall execute, have acknowledged and delivered to Assignee or to any third party, as appropriate, any and all further documents or instruments reasonably requested in order to carry out the intent and purpose of this Assignment.

6. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed an original but all of which taken together shall constitute one in the same Assignment.

Certified to be a True & Exact Copy of the Original by Fidelity National Title

By _____

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date set forth above.

ASSIGNOR:

STEARNS BANK NATIONAL ASSOCIATION,
a national banking association

By: _____
Name: Eric Cook
Title: Vice President

ACKNOWLEDGEMENT

STATE OF Minnesota)
) SS
COUNTY OF Stearns)

The foregoing instrument was acknowledged before me this 31st day of August, 2012, by Eric Cook, the Vice President of Stearns Bank National Association, a National Association.

_____
Notary Public

(SEAL)

KATHERINE VICTORIA ELLIOTT
Notary Public-Minnesota
My Commission Expires Jan 31, 2015

My Commission Expires: 1-31-2015

ASSIGNEE:

By: _____
Name: Jimmy R Quinn
Title: President

ACKNOWLEDGEMENT

STATE OF Arizona)
) SS
COUNTY OF Maricopa)

The foregoing instrument was acknowledged before me this 4 day of September, 2012, by J. Quinn, the President of Realty Advisors, an Arizona corporation

_____
Notary Public

(SEAL)

M. BURTON
Notary Public—Arizona
Maricopa County
Expires 09/15/2016

My Commission Expires: 9.15.2016

EXHIBIT A
(Assignment and Assumption of Lease)

PARCEL NO.1:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of said North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West a distance of 896.80 feet to the POINT OF BEGINNING;

EXCEPT that portion lying within that certain ditch known as sub-lateral to. Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, through, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section, (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West, based on a magnetic bearing of South 75 degrees 40 minutes West);

Thence North 00 degrees 02 minutes East a distance of 15 5 feet,

Thence North 89 degrees 58 minutes West a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West a distance of 704.5 feet;

Thence South 00 degrees 02 minutes West a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West a distance of 560 feet;

Thence South 00 degrees 02 minutes West a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point on the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 00 degrees 02 minutes East, a distance of 3 feet, said point being the POINT OF TERMINUS;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.2:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest corner of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, a distance of 839.15 feet to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 00 degrees 04 minutes 30 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1092.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 385.93 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 18 degrees 16 minutes 07 seconds, an arc length of 597.97 feet, to a point on the East line of the West 896.80 feet of said North half of the Southeast quarter;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 37 degrees 38 minutes 43 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 17 degrees 19 minutes 21 seconds, an arc length of 579.10 feet to a point of compound curvature from which the radius points bear North 20 degrees 19 minutes 22 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1132.09 feet, a central angle of 20 degrees 14 minutes 52 seconds, an arc length of 400.07 feet to a point on the West line of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West along the West line of the North half of the Southeast quarter, a distance of 40.009 feet to the POINT OF BEGINNING.

PARCEL NO.3:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to a point on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, an arc length of 195.96 feet to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 391.40 feet, to a point on the North line of the North half of the Southeast quarter;

Thence South 89 degrees 49 minutes 58 seconds West along the North line of the North half of the Southeast quarter, a distance of 293.68 feet to the POINT OF BEGINNING.

EXCEPT that portion lying within that certain ditch known as sub-lateral to Lateral 20 of the Arizona Canal as the said sub-lateral is located and constructed as of October 22, 1915, through, over and across the South half of the Northeast quarter and the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, the centerline of the said sub-lateral described as follows:

BEGINNING at the East quarter corner of said Section 10 and using as a base the East and West mid-section line of said Section (the said East and West mid-section line having a bearing of North 89 degrees 58 minutes West based on a magnetic bearing of South 75 degrees 40 minutes West);

Thence North 00 degrees 02 minutes East a distance of 15.5 feet;

Thence North 89 degrees 58 minutes West a distance of 10.5 feet to the TRUE POINT OF BEGINNING;

Thence North 89 degrees 58 minutes West a distance of 704.5 feet;

Thence South 00 degrees 02 minutes West a distance of 11.5 feet;

Thence North 89 degrees 58 minutes West a distance of 560 feet;

Thence South 00 degrees 02 minutes West a distance of 10.5 feet;

Thence North 89 degrees 50 minutes West, a distance of 1375.3 feet to a point on the North and South mid-section line of the said Section 10, from which point the mid-section corner of the said Section bears North 00 degrees 02 minutes East, a distance of 3 feet, said point being the POINT OF TERMINUS;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.4:

That portion of the North half of the Southeast quarter of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast corner of the West 896.80 feet of the North half of the Southeast quarter, from which the East quarter corner bears North 89 degrees 49 minutes 58 seconds East;

Thence South 00 degrees 04 minutes 30 seconds East, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 480.97 feet to the POINT OF BEGINNING, said point being on a non-tangent curve, from which the radius point of said curve bears North 38 degrees 35 minutes 29 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 1875.41 feet, a central angle of 05 degrees 59 minutes 12 seconds, an arc length of 195.96 feet to a point of compound curvature from which the radius points bears North 44 degrees 34

minutes 41 seconds West;

Thence Northeasterly along said curve, concave to the Northwest, having a radius of 491.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 391.40 feet to a point on the North line of the North half of the Southeast quarter;

Thence North 89 degrees 49 minutes 58 seconds East along the North line of the North half of the Southeast quarter, a distance of 40.00 feet to a point on a non-tangent curve, from which the radius point bears South 89 degrees 49 minutes 58 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 531.91 feet, a central angle of 45 degrees 35 minutes 21 seconds, an arc length of 423.23 feet to a point of compound curvature from which the radius points bear North 44 degrees 34 minutes 41 seconds West;

Thence Southwesterly along said curve, concave to the Northwest, having a radius of 1915.41 feet, a central angle of 06 degrees 55 minutes 58 seconds and an arc length of 231.76 feet to a point on the East line of the West 896.80 feet of the North half of the Southeast quarter;

Thence North 00 degrees 04 minutes 30 seconds West, along the East line of the West 896.80 feet of the North half of the Southeast quarter, a distance of 50.79 feet to the POINT OF BEGINNING.

PARCEL NO. 5:

Tract "A", AMENDED PLAT OF WEST PLAZA 31 and 32, according to Book 297 of Maps, page 34, amended in Book 313 of Maps, page 22 and in Book 317 of Maps, page 13 and Affidavit of Correction recorded May 23,1988 in Document No. 88-247176, records of Maricopa County, Arizona;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded in Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.6:

Tract "A", LA BUENA VIDA PHASE I, according to Book 313 of Maps, page 32, records of Maricopa County, Arizona.

PARCEL NO.7:

That portion of Section 10, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the Westerly most corner of Tract A, LA BUENA VIDA PHASE I, as

recorded in Book 313 of Maps, page 32, records of Maricopa county, Arizona, said corner being on the East-West mid-section line of said Section 10, and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 959.41 feet;

Thence Northwesterly along a curve concave to the Southwest, having a radius of 790.00 feet, a central angle of 04 degrees 32 minutes 15 seconds, an arc length of 62.56 feet, said curve being a Northwesterly projection of the curved Southwesterly boundary of said Tract "A", LA BUENA VIDA PHASE I, to a point on the Southerly projection of the Easterly line of Lot 589, WEST PLAZA 31 & 32, as recorded in Book 297 of Maps, page 34, records of Maricopa County, Arizona;

Thence North 10 degrees 05 minutes 36 seconds East along said projection, a distance of 5.85 feet to the southeasterly corner of said Lot 589;

Thence Southeasterly along a curve concave to the Southwest, having a radius of 1065.00 feet, a central angle of 05 degrees 30 minutes 49 seconds, an arc length of 102.10 feet, said curve being a Southwesterly boundary of Tract "A" of said WEST PLAZA 31 & 32 to a point on the East-West mid-section line of said Section 10 and from which the center of said Section 10 bears North 89 degrees 50 minutes 00 seconds East, a distance of 918.65 feet, said point being on the South line of said Tract "A", WEST PLAZA 31 & 32, and said point also being on the North line of said Tract "A", LA BUENA VIDA PHASE I;

Thence South 89 degrees 50 minutes 00 seconds West along the East-West mid-section line of said Section 10, a distance of 40.76 feet to the POINT OF BEGINNING;

EXCEPT that portion conveyed to the United States of America, with relocated irrigation facility, by that certain Deed recorded In Document No. 2002-0519920, records of Maricopa County, Arizona, and more particularly described therein.

PARCEL NO.8:

A parcel of land lying in and being a part of Tract "C", AMENDED PLAT OF WEST PLAZA 31 & 32, according to Book 317 of Maps, page 13, records of Maricopa County, Arizona, being a part of the North half of Section 10, Township 2 North, Range 1 East of the Gun and Salt River Base and Meridian, Maricopa county, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of Lot 133 of said AMENDED PLAT OF WEST PLAZA 31 & 32, and the TRUE POINT OF BEGINNING;

Thence South 30 degrees 53 minutes 40 seconds East, a distance of 60.10 feet;

Thence South 24 degrees 00 minutes 20 seconds East, a distance of 60.10 feet;

Thence South 17 degrees 17 minutes 01 seconds East, a distance of 60.10 feet;

Thence South 10 degrees 25 minutes 43 seconds East, a distance of 60.10 feet;

Thence South 06 degrees 10 minutes 53 seconds East, a distance of 64.56 feet to the Southwest corner of Lot 129 of said WEST PLAZA 31 & 32, being a point on a curve to the right, through a central angle of 08 degrees 19 minutes 55 seconds, a radius of 1065.00 feet, a distance of 154.86 feet;

Thence North 19 degrees 57 minutes 25 seconds West, a distance of 299.01 feet to the Southeast corner of Lot 290 of said WEST PLAZA 31 & 32;

Thence North 80 degrees 06 minutes 49 seconds East, a distance of 166.75 feet to the TRUE POINT OF BEGINNING.

EXHIBIT B
(Assignment and Assumption of Lease)

That certain Lease Agreement for Development and Operation of Public Golf Course dated April 22, 1997 between the City of Glendale, Arizona, as lessor, and Par Golf, L.L.C., as lessee, as the same has been previously assigned and amended.