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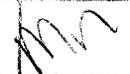
1 FENNEMORE CRAIG
 2 A Professional Corporation
 3 Norman D. James (No. 006901)
 4 Jay L. Shapiro (No. 014650)
 5 3003 North Central Ave., Suite 2600
 6 Phoenix, Arizona 85012
 7 Telephone (602) 916-5000
 8 Attorneys for Far West Water and Sewer, Inc.

2009 DEC 15 P 12:18
 AZ CORP COMMISSION
 DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

DEC 15 2009

DOCKETED BY 

BEFORE THE ARIZONA CORPORATION COMMISSION

8 IN THE MATTER OF THE APPLICATION
 9 OF FAR WEST WATER AND SEWER, INC.,
 10 AN ARIZONA CORPORATION, FOR
 11 APPROVAL OF INTERIM RATES AND
 12 CHARGES.

DOCKET NO. WS-03478A-08-0608

NOTICE OF FILING

12 Applicant Far West Water and Sewer, Inc. ("Far West"), in accordance with the
13 request of the Commissioners, hereby submits the following:

14 Tab 1: A copy of the documents held by Citizens Title & Trust, as escrow agent,
 15 in connection with pending loan transaction initiated by the shareholders of Far West to
 16 secure debt financing, a portion of which will be contributed as equity to Far West. The
 17 borrower, Las Barrancas Golf & Country Club, L.L.C., is an Arizona limited liability
 18 company, and its managing member is H & S Developers, Inc., an affiliate of Far West.
 19 As indicated in the documents, the escrow was opened on October 29, 2009.

20 Tab 2: A schedule listing the creditors that are owed funds in connection the
 21 construction of the upgrades to Far West's wastewater collection and treatment system.
 22 These creditors will be paid from the proceeds of the equity contribution, allowing the
 23 new facilities to be completed. The Yuma Mesa Irrigation District is also listed as a
 24 creditor because Far West depends on the district for access to Colorado River water and
 25 also requires immediate payment to ensure the availability of surface water for utility
 26 service.

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DATED this 15th day of December, 2009.

FENNEMORE CRAIG, P.C.

By *Norm D. James*
Norman D. James

Jay L. Shapiro
3003 North Central Avenue
Suite 2600
Phoenix, Arizona 85012

ORIGINAL and 13 copies delivered
this 15th day of December, 2009 to:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

COPY hand-delivered
this 15th day of December, 2009 to:

Chairman Kristin Mayes
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Commissioner Gary Pierce
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Commissioner Paul Newman
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Commissioner Sandra Kennedy
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

1 Commissioner Bob Stump
2 Arizona Corporation Commission
3 1200 W. Washington St.
4 Phoenix, AZ 85007

5 Sheila Stoeller
6 Aide to Chairman Kristin Mayes
7 Arizona Corporation Commission
8 1200 W. Washington Street
9 Phoenix, AZ 85007

10 Antonio Gill
11 Aide to Commissioner Gary Pierce
12 Arizona Corporation Commission
13 1200 W. Washington Street
14 Phoenix, AZ 85007

15 Jennifer Ybarra
16 Aide to Commissioner Paul Newman
17 Arizona Corporation Commission
18 1200 W. Washington Street
19 Phoenix, AZ 85007

20 Katherine Nutt
21 Aide to Commissioner Sandra D. Kennedy
22 Arizona Corporation Commission
23 1200 W. Washington Street
24 Phoenix, AZ 85007

25 Trisha Morgan
26 Aide to Commissioner Bob Stump
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

27 **COPY** sent via e-mail and U.S. mail
28 this 15th day of December, 2009, to:

29 Jane Rodda, Administrative Law Judge
30 Hearing Division
31 Arizona Corporation Commission
32 400 West Congress
33 Tucson, AZ 85701

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36

1 **COPY** hand-delivered
2 this 15th day of December, 2009 to:

3 Kevin Torrey, Esq., Legal Division
4 Arizona Corporation Commission
5 1200 West Washington
6 Phoenix, AZ 85007

7 Michelle Wood, Esq.
8 Residential Utility Consumer Office
9 1110 W. Washington St., Suite 220
10 Phoenix, Arizona 85007

11 **COPY** mailed
12 this 15th day of December, 2009 to:

13 Seth and Barbara Davis
14 2006 S. Arboleda Drive
15 Merced, CA 95341

16 By Mary Lase
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2266696

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LENDER ESCROW INSTRUCTIONS

Escrow No. 09030061-003-TKS Office 1540 South Second Avenue Date October 29, 2009 Escrow Officer Trudy Styron

Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company HEREIN CALLED BORROWER

whose address is 12486 Foothills Blvd., Yuma, AZ 85367 Phone 928-342-3344

_____ HEREIN CALLED LENDER

whose address is _____ Phone _____
 hereby employ Citizens Title & Trust to act as Escrow Agent in connection with a loan on the following described property situated in Yuma County, Arizona, by Borrower to Lender upon the following terms and conditions which shall be complied with by said parties on or before October 30, 2009 or as soon thereafter as possible, except as otherwise specified herein.

See Exhibit A attached hereto and made a part hereof.

Escrow Agent is instructed that all items checked thus (x) under the columns headed Borrower and Lender are the obligations which each will pay:

		Borrower	Lender
To be evidenced by a (Mortgage/Deed of Trust) and promissory note, on forms used or prescribed by lender, in the sum of <u>\$8,500,000.00</u> to be executed by Borrower to Lender. See ADDITIONAL ESCROW INSTRUCTIONS AND GENERAL PROVISIONS TO ESCROW NO. 09030061-003-TKS, attached hereto and made a part hereof. Cash handed Escrow Agent herewith by Lender: <u>N/A</u> Cash to be handed Escrow Agent by Lender on or before: <u>N/A</u> Upon recordation of instruments, an ALTA EXTENDED Lender's Policy of Title Insurance is to be issued as herein provided, and proceeds of the Deed of Trust paid to Borrower.	<u>\$8,500,000.00</u>	Escrow Fee	✓
		Lenders Policy Fee	✓
		Recording Fees	
		Deed - 3 Warranty Deeds	✓
		Mortgage/Deed of Trust	✓
		Release of Mortgage, if any	✓
		Licensed Real Estate Broker's Commission in the amount of <u>\$N/A</u>	
		Taxes: ALL 2009 REAL ESTATE TAXES	✓
		Paving liens and other special assessments and charges, IF ANY	✓
		Yuma W.U. Assn. or other irrigation project assessments and charges, IF ANY	✓
Fire/Liability Insurance, if any required by new lender, is to be handled between borrower/lender DIRECT AND OUTSIDE OF THIS ESCROW			
Annual Service Fee <u>\$N/A</u>			

Buyers execution of Lender's loan documents shall evidence Buyer's/Borrower's approval of the terms and conditions as contained thereon, and shall be considered escrow agents authority to proceed with the closing of this transaction in accordance with the terms and conditions contained herein

Escrow Agent will NOT be obtaining proper Loss Payable clauses to be attached to any fire/liability insurance policies in connection with this escrow, if required by lender. There shall be no responsibility upon the part of the Escrow Agent to see that the insurance provided for herein is renewed upon expiration or otherwise kept in force.

The title insurance provided for herein, shall be subject to the conditions and stipulations of and evidenced by the regular or A.L. T.A. Additional Coverage, (whichever is designated) form of Lenders Policy of the Title Insurance of Stewart Title Guaranty Company with a limit of liability equal to the total amount of the note and encumbrance, insuring the Lender against loss or damage as therein stated. Subject to Building and other restrictive covenants to which the property is subject; easements and rights of way for roadways, canals, laterals, ditches and public utilities over the across the property; and terms and conditions agreed upon herein between Borrower and Lender.

Escrow Agent is to pay from said funds, all amounts necessary to procure delivery of such documents required to enable it to issue the title policy specified above, and to pay all charges and obligations payable by Borrower affecting said property, and which are now due or delinquent.

If Escrow Agent is unable to comply with these instructions within the time specified, Lender may withdraw all money and papers belonging to Lender, on demand; but, in the absence of such demand, Escrow Agent shall proceed to comply with these instructions as soon as practicable.

All money payable hereunder shall be paid to Escrow Agent, which, upon receipt thereof, shall deposit such funds in a Yuma, Arizona, Bank in a general escrow account from which all disbursements shall be made by check of Escrow Agent.

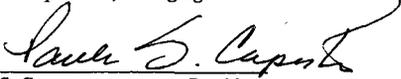
Time is declared to be the essence of these instructions.

The note, mortgage/or Deed of Trust, any fire insurance policies and title insurance policy shall be mailed to Lender, upon the closing of this escrow.

BORROWER(S):

Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company

BY: H & S Developers, Inc.,
an Arizona Corporation, managing member

BY: 
Paula S. Capestro President

2. ADJUSTMENTS AND PRORATIONS:

Close of escrow is the day documents are recorded and shall be the date used for all prorations unless instructed otherwise and agreed to in writing by both parties. Escrow Agent is not responsible for any payment, adjustment or prorations of a Homeowner's Association (or similar) charge, fee, or unrecorded lien unless such item is set forth in the Escrow Instructions.

3. SPECIAL RECORDINGS:

If you arrange for and complete a "Special Recording", meaning recording the documents called for in this escrow at any time other than the standard 8:00 a.m. recording time for title insurance companies, then all parties hereto represent and warrant that during the period of time between the standard recording time and the time the documents are actually recorded pursuant to the Special Recording, no additional liens, encumbrances, or exceptions to the title, whether voluntary or involuntary, of any kind or nature, will attach to or be recorded against the subject property, nor will the subject property be otherwise transferred or conveyed. All parties hereto expressly agree to INDEMNIFY and HOLD CITIZENS TITLE & TRUST HARMLESS from and against any and all claims, losses, or damages, resulting from any such additional liens, encumbrances, exceptions to title, transfers or conveyances.

4. DELIVERY OF FUNDS/DOCUMENTS:

All disbursements of funds and/or instruments of this escrow shall be mailed, unregistered, to the designated party in accordance with and subject to these Escrow Instructions, at the address of the party set forth herein.

5. AUTHORIZATION TO FURNISH COPIES:

You are authorized to furnish copies of any documents relative to this escrow to the real estate broker(s), respective agent(s), lender(s), and/or attorney(s) representing the principals in this escrow.

6. RIGHTS OF CANCELLATION:

If either party elects to cancel these Instructions because of the failure of the other party to comply with any of the terms hereof within the time limits provided herein, said party so electing to cancel shall deliver to Escrow Agent a written notice to the other party and Escrow Agent demanding that said other party comply with the terms hereof within thirteen (13) days from the receipt of said notice by Escrow Agent. Escrow Agent shall within three (3) business days after receipt of said notice mail a copy of the notice to each of the principals at the addresses stated in the escrow. In the event the other party shall fail within said thirteen (13) day period to comply with all of the terms hereof, these Instructions shall become cancelled and Escrow Agent is thereupon authorized to:

- pay to the party electing to cancel any earnest money deposited hereunder by said other party, after deducting any charges;
- pay to said other party any other money deposited hereunder by said other party, after deducting any charges remaining unpaid;
- pay to the party electing to cancel any money deposited by said party, after deducting any charges remaining unpaid;
- return all documents deposited hereunder to the party who delivered the same except documents executed by both Seller and Buyer, which shall be marked "cancelled" and retained in the files of the Escrow Agent. If, under these Instructions, a commission is to be paid to a real estate broker, then, notwithstanding any conflicting provisions herein contained, the party obligated to pay the commission shall not acquiesce in any mutual cancellation of these Instructions without having first delivered said-broker's written consent to Escrow Agent.

Upon the cancellation of these Instructions for any reason, should any funds, after deducting Escrow Agent's charges, become payable to a party obligated hereunder to pay said commission, then Escrow Agent shall pay to the real estate broker therefrom a sum equal to one-half of the earnest money deposited by any other party and payable to the party so obligated, but not more than the full amount of such commission.

7. CONFLICTING INSTRUCTIONS OR DEMANDS:

In the event conflicting demands or instructions are received from any of the parties hereto, or if Escrow Agent is required by any provision of this agreement to determine if any party is in default or not in default under this agreement, Escrow Agent may stop all further proceedings without liability and take no further action until otherwise directed either by the principal's mutual written instructions or final order of a court of competent jurisdiction. The principals hereto expressly agree that you, as Escrow Agent, have the absolute right at your election to file an action in interpleader requiring the principals to answer and litigate their several claims and rights amongst themselves and you are authorized to deposit with the Clerk of the Court all documents and funds held in this escrow. In the event such action is filed, or you are required to respond to any legal summons or proceedings, or if any action to determine the rights of the parties regarding the documents or funds deposited into this escrow is brought by you, we jointly and severally agree to pay your cancellation charges and costs, expenses and reasonable attorney's fees expended or incurred by you as a result of any of the above-described events. Upon the filing of any such action, you shall thereupon be fully released and discharged from all obligations to further perform any duties or obligations imposed by the, terms of this escrow.

8. NO DUTY TO ADVISE:

The principals understand and agree that Escrow Agent is not an attorney and that Escrow Agent is not by training, education or skill capable of advising on legal, business, tax, or other consequences of any provisions set forth in these Escrow Instructions. Escrow Agent is to be considered as a depository only and shall not be liable or responsible in any manner whatsoever for the sufficiency or correctness as to form, manner of execution, or validity of any instrument deposited in this escrow, nor as to the identity, authority, or rights of any person executing the same. Your duties shall be limited to the safekeeping of such money, instruments and other

Initial Initial

Initial Initial

documents received by you as, Escrow Agent, and delivery of same in accordance with the written Escrow Instructions accepted by you in this escrow. Your knowledge of matters affecting the subject property or concerning the parties hereto does not create liability or duty in addition to your responsibility under these Instructions. The principals hereby indemnify and hold harmless Escrow Agent, its officers, agents and employees from and against any and all claims, loss, damages, costs, charges, judgments, attorney's fees or other sums which said parties may have paid out, suffered or incurred by reason of, relating to, or in any manner connected with, directly or indirectly, the performance of the services in this transaction.

9. DISCRETIONARY TERMINATION:

At the sole discretion of Escrow Agent, you may elect to terminate this escrow relationship with the principals in this escrow. Upon such termination, all funds and documents on deposit shall be returned to the appropriate parties.

10. NOTICES AND DEMANDS:

The respective addresses of Seller and Buyer as set forth herein or the last notice of change filed with Escrow Agent by the respective parties shall be used by Escrow Agent in mailing any notices or demands to either party. If no address has been so filed, Escrow Agent shall deposit said notice or demand to the party, General Delivery, in the United States mail.

11. NOTICE REQUIRING 1099-S AS REQUIRED BY INTERNAL REVENUE SERVICE:

Upon request, the appropriate principal shall provide all information necessary, including a taxpayer identification number, for the preparation of Form 1099-S as required by Internal Revenue Service in connection with the closing and completion of this transaction. If such party fails to furnish such information, such party shall be subject to complying with the required Internal Revenue Regulations.

12. COUNTERPARTS:

These Instructions may be executed in counterparts, each of which so executed, irrespective of the date of execution and delivery, shall be deemed an original and said counterparts together shall constitute one and the same document.

13. NO ACTIVITY:

If there is no written activity delivered by a principal to this escrow within any six (6) month period after the time limit date as set forth in these Instructions or any written extension thereof, Escrow Agent's obligations shall terminate at its option and all documents, funds or other items held by Escrow Agent shall be returned to the respective parties entitled thereto, less any fees and charges herein provided. Further, this escrow shall be subject to a \$50.00 annual dormant account fee which shall be assessed in the event of no activity as described herein.

14. CONDITIONS AND LIMITATIONS:

There are some matters for which Citizens Title & Trust does not attempt to investigate or determine and for which it assumes no liability. While not a complete list, experience has shown that among these, the following deserve your particular consideration:

Unrecorded mechanic's and materialmen's liens
Current personal property taxes and pending real estate tax resolutions
Utility charges, such as electric, gas, water and sewer
Charges for irrigation, water and power
Boundary lines, location of improvements and possession
Compliance with limitations on use of the property, such as zoning and building ordinances and building and other restrictions
Premiums for fire insurance policies provided for herein, determination that the premiums are paid and policies are in effect
Proposed improvement assessments, not yet liens.

15. BINDING:

All terms of these Instructions shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective legal representatives, successors, and assigns.

16. CAPTIONS:

Captions in these Instructions are inserted for convenience of reference only and do not define, describe or limit the scope of the intent of these Instructions or any of the terms thereof.

17. MAILING:

The mailing of any such instrument by Escrow Agent in the manner herein provided shall constitute notice of the contents of such instrument to the party to whom the instrument is directed as of the date of such mailing and no further notice thereof shall be required.

18. COMPLIANCE DATES:

The day provided herein within which compliance with any requirement must be met shall end at the close of the then regularly established public business hours of Escrow Agent for such day, provided, should Escrow Agent be closed during any of said business hours of said day such requirement may be met on the next succeeding day on which Escrow Agent is open for business throughout said business hours.

19. TITLE INSURANCE:

The title insurance provided for herein, shall be subject to the conditions of and evidenced by the regular form of Owner's Title Insurance Policy of Stewart Title Guaranty Company, Houston, Texas, with a limit of liability equal to the total amount to be paid by Buyer. Said policy, upon issuance, shall insure Buyer against loss by reason of defects in the title to the property on the date of filing for record of documents as provided herein subject to exceptions as may be applicable in addition to the regular printed exceptions contained in Schedule "B" thereof.

20. RELEASE OF EARNEST MONEY:

In the event of a dispute between Buyer and Seller regarding earnest money deposited with Escrow Company, Buyer and Seller authorize Escrow Company to release earnest money pursuant to the terms and conditions of these instructions and the separate real estate contract, if applicable. Buyer and Seller specifically authorize Escrow Company to act in its sole and absolute discretion in the release of earnest money. Buyer and Seller agree to hold harmless and indemnify Escrow Company against any claim, action or lawsuit of any kind, and from any loss, judgment, or expense, including costs and attorneys' fees, arising from or relating in any way to the release of earnest money.

Initial



**INSTRUCTION TO ESCROW HOLDER TO PREPARE AND RECORD
WARRANTY DEED**

October 29, 2009

To: **Citizens Title & Trust**
Re: Escrow No.: **09030061 - 003 - TKS**

Escrow Holder is instructed to prepare and record a Warranty Deed from Citizens Title & Trust, an Arizona Corporation, as Trustee under Trust No. 95, and not personally, AND Paula Capestro and Sandra Braden and Norman Bruce Jacobson, as Successor Trustees to Henry Schechert, as Trustee of the Henry Schechert and Dorothy Schechert Trust dated March 24, 1982, (Grantors) to Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company, (Grantee) covering real property in the County of Yuma, State of California, as described in Exhibit "A" attached hereto and made a part hereof, to facilitate the closing of the above referenced escrow.

FURTHER, the undersigned instruct Escrow Holder that they freely and willingly signed the Warranty Deed dated October 28, 2009, copy of same attached hereto and made a part hereof, which Escrow Agent is instructed to record at close of escrow and;

That they expect no portion of the loan proceeds to be paid to them the close of escrow.

Citizens Title & Trust and Escrow Holder is to be relieved from any further liability in this matter. In the event of cancellation of this escrow, Escrow Agent is instructed to return the executed deed to:

H & S Developers, Inc.
ATTN: Paula S. Capestro
12486 Foothills Blvd.
Yuma, AZ 85367

All other Terms and Conditions to remain the same.

Our signatures hereon designate our full approval thereof.

Each of the undersigned states that he has read the foregoing amended instructions and understands and agrees to them. The undersigned also acknowledges receipt of a copy of these amended instructions.

Citizens Title & Trust, an Arizona Corporation
As Trustee under Trust No. 95, and not personally

Donna Oglesby Trust Officer (Grantor)

Paula Capestro, Sandra Braden and Norman Bruce Jacobson,
As Successor Trustees to Henry Schechert, as Trustee of the
Henry Schechert and Dorothy Schechert Trust dated March 24, 1982

Paula Capestro, Successor Trustee (Grantor)

Sandra Braden, Successor Trustee (Grantor)

Norman Bruce Jacobson, Successor Trustee (Grantor)

Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company

BY: H & S Developers, Inc.,
an Arizona Corporation, managing member

BY: _____
Paula S. Capestro President (Grantee)



INSTRUCTION TO ESCROW HOLDER TO PREPARE AND RECORD
WARRANTY DEED

October 29, 2009

To: Citizens Title & Trust

Re: Escrow No.: 09030061 - 003 - TKS

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FURTHER, the undersigned instruct Escrow Holder that they freely and willingly signed the Warranty Deed dated October 28, 2009, copy of same attached hereto and made a part hereof, which Escrow Agent is instructed to record at close of escrow and;

That they expect no portion of the loan proceeds to be paid to them the close of escrow.

Citizens Title & Trust and Escrow Holder is to be relieved from any further liability in this matter. In the event of cancellation of this escrow, Escrow Agent is instructed to return the executed deed to:

H & S Developers, Inc.
ATTN: Paula S. Capestro
12486 Foothills Blvd.
Yuma, AZ 85367

All other Terms and Conditions to remain the same.

Our signatures hereon designate our full approval thereof.

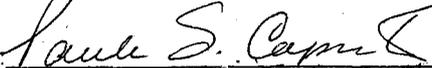
Each of the undersigned states that he has read the foregoing amended instructions and understands and agrees to them. The undersigned also acknowledges receipt of a copy of these amended instructions.

Citizens Title & Trust, an Arizona Corporation
As Trustee under Trust No. 95, and not personally

Donna Oglesby Trust Officer (Grantor)

Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company

BY: H & S Developers, Inc.,
an Arizona Corporation, managing member

BY: 
Paula S. Capestro President (Grantee)

1540 South Second Avenue, Yuma, AZ 85364
Phone: (928) 783-1261 • Fax: (928) 343-0476

amdpeig

RECORDING REQUESTED BY
Citizens Title & Trust
AND WHEN RECORDED MAIL TO:
LAS BARRANCAS GOLF & COUNTRY
CLUB, LLC
12486 FOOTHILLS BLVD.
YUMA, AZ 85367

ESCROW NO.: 09030061 - 003 - TKS

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Warranty Deed

EXEMPT FROM AFFIDAVIT OF VALUE FILING UNDER A.R.S. 11-1134B-7

Grantors and Grantee Principals are one and the same

For the consideration of Ten Dollars, and other valuable considerations, I or we,

Citizens Title & Trust, an Arizona Corporation, as Trustee under Trust No. 95, and not personally, AND Paula Capestro, Sandra Braden and Norman Bruce Jacobson, as Successor Trustees to Henry Schechert, as Trustee of the Henry Schechert and Dorothy Schechert Trust dated March 24, 1982

do/does hereby convey to

Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company
the following real property situated in Yuma County, ARIZONA:

See Exhibit A attached hereto and made a part hereof.

IN COMPLIANCE WITH SECTION 33-404 OF A.R.S., THE NAME AND ADDRESS OF THE BENEFICIARIES OF THE ABOVE NAMED TRUSTS IS: H & S DEVELOPERS, INC., AN ARIZONA CORPORATION, WHOSE ADDRESS IS: 12486 FOOTHILLS BLVD., YUMA, AZ 85367

SUBJECT TO: Current taxes and other assessments, reservations in patents and all easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations, and liabilities as may appear of record.

And I or we do warrant the title against all persons whomsoever, subject to the matters set forth above.

Dated: October 28, 2009

Citizens Title & Trust, an Arizona Corporation,
as Trustee under Trust No. 95, and not personally

Donna Oglesby, Trust Officer (Grantor)

State of ARIZONA

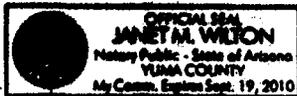
County of Yuma

} SS

This instrument was acknowledged before me this 30 day of October, 2009 by Donna Oglesby who acknowledged hereto to be the Trust Officer of Citizens Title & Trust, an Arizona corporation, as Trustee under Trust No. 95, and not personally, and that she, as such officer, being authorized so to do, executed the foregoing instrument for the purposes there contained, by signing on behalf of the Corporation by herself as such officer

Notary Public

My commission will expire 9-19-10



SEE FOLLOWING PAGE FOR ADDITIONAL GRANTOR SIGNATURES AND NOTARY ACKNOWLEDGMENT

Paula Capestro, Sandra Braden and Norman Bruce Jacobson,
As Successor Trustees to Henry Schechert, as Trustee of the
Henry Schechert and Dorothy Schechert Trust dated March 24, 1982

Paula Capestro

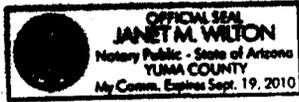
Paula Capestro, Successor Trustee (Grantor)

Sandra Braden

Sandra Braden, Successor Trustee (Grantor)

Norman Bruce Jacobson, Successor Trustee (Grantor)

State of ARIZONA } SS
County of Yuma

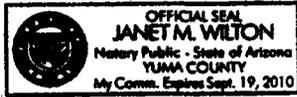


This instrument was acknowledged before me this 30 day
of October, by Paula Capestro, Successor Trustee to
Henry Schechert, as Trustee of the Henry Schechert and
Dorothy Schechert Trust dated March 24, 1982

Notary Public *Janet M. Wilton*

My commission will expire 9-19-2010

State of ARIZONA } SS
County of Yuma



This instrument was acknowledged before me this 30 day
of October, by Sandra Braden, Successor Trustee to
Henry Schechert, as Trustee of the Henry Schechert and
Dorothy Schechert Trust dated March 24, 1982

Notary Public *Janet M. Wilton*

My commission will expire 9-19-2010

State of ARIZONA } SS
County of Yuma

This instrument was acknowledged before me this _____ day
of _____, by Norman Bruce Jacobson, Successor
Trustee to Henry Schechert, as Trustee of the Henry
Schechert and Dorothy Schechert Trust dated March 24,
198

Notary Public _____

My commission will expire _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

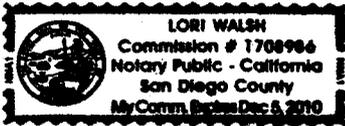
County of SANDIEGO

On Oct. 30, 2009 before me, Lori Walsh, Notary Public

personally appeared Paula Capestro

personally known to me

(or proved to me on the basis of satisfactory evidence)



to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Place Notary Seal Above

Lori Walsh

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document Warranty Deed
Title or Type of Document:

Document Date: Oct. 28, 2009 Number of Pages: 2

Signer(s) Other Than Named Above: Sandra Braden, Norman Bruce Jacobson

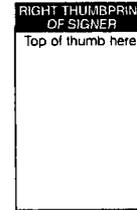
Capacity(ies) Claimed by Signer(s)

- Signer's Name: _____
- Individual
 - Corporate Officer — Title(s): _____
 - Partner — Limited General
 - Attorney in Fact
 - Trustee
 - Guardian or Conservator
 - Other: _____



Signer Is Representing: _____

- Signer's Name: _____
- Individual
 - Corporate Officer — Title(s): _____
 - Partner — Limited General
 - Attorney in Fact
 - Trustee
 - Guardian or Conservator
 - Other: _____



Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego

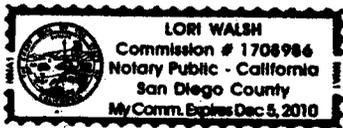
On Oct. 30, 2009 before me, Lori Walsh, Notary Public

personally appeared Paula Capestro

- Personally known to me
- (or proved to me on the basis of satisfactory evidence)

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Place Notary Seal Above

Lori Walsh

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Warranty Deed

Document Date: Oct. 28, 2009 Number of Pages: 2

Signer(s) Other Than Named Above: Sandra Braden, Norman Bruce Jacobson

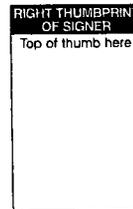
Capacity(ies) Claimed by Signer(s)

- Signer's Name: _____
- Individual
 - Corporate Officer — Title(s): _____
 - Partner — Limited General
 - Attorney in Fact
 - Trustee
 - Guardian or Conservator
 - Other: _____



Signer Is Representing: _____

- Signer's Name: _____
- Individual
 - Corporate Officer — Title(s): _____
 - Partner — Limited General
 - Attorney in Fact
 - Trustee
 - Guardian or Conservator
 - Other: _____



Signer Is Representing: _____

RECORDING REQUESTED BY
Citizens Title & Trust
AND WHEN RECORDED MAIL TO:
LAS BARRANCAS GOLF & COUNTRY
CLUB, LLC
12468 FOOTHILLS BLVD.
YUMA, AZ 85367

ESCROW NO.: 09030061 - 003 - TKS

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Warranty Deed

EXEMPT FROM AFFIDAVIT OF VALUE FILING UNDER A.R.S. 11-1134B-7

Grantors and Grantee Principals are one and the same

For the consideration of Ten Dollars, and other valuable considerations, I or we,
Paula Capestro, Sandra Braden and Norman Bruce Jacobson, as Successor Trustees to Henry Schechert, as Trustee of
the Henry Schechert and Dorothy Schechert Trust dated March 24, 1982
do/does hereby convey to

Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company
the following real property situated in Yuma County, ARIZONA:

See Exhibit A attached hereto and made a part hereof.

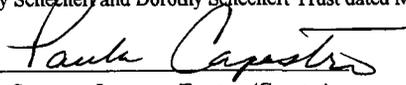
IN COMPLIANCE WITH SECTION 33-404 OF A.R.S., THE NAME AND ADDRESS OF THE BENEFICIARY OF THE ABOVE NAMED
TRUST IS: H & S DEVELOPERS, INC., AN ARIZONA CORPORATION, WHOSE ADDRESS IS: 12486 FOOTHILLS BLVD., YUMA,
AZ 85367

SUBJECT TO: Current taxes and other assessments, reservations in patents and all easements, rights of way, encumbrances,
liens, covenants, conditions, restrictions, obligations, and liabilities as may appear of record.

And I or we do warrant the title against all persons whomsoever, subject to the matters set forth above.

Dated: October 28, 2009

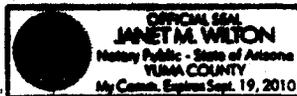
Paula Capestro, Sandra Braden and Norman Bruce Jacobson,
As Successor Trustees to Henry Schechert, as Trustee of the
Henry Schechert and Dorothy Schechert Trust dated March 24, 1982


Paula Capestro, Successor Trustee (Grantor)

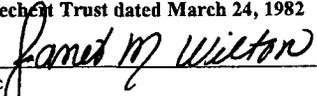
State of ARIZONA

County of Yuma

} SS



This instrument was acknowledged before me this 30 day
of October, by Paula Capestro, Successor Trustee to
Henry Schechert, as Trustee of the Henry Schechert and
Dorothy Schechert Trust dated March 24, 1982


Notary Public

My commission will expire 9-19-2010

SEE FOLLOWING PAGE FOR ADDITIONAL GRANTOR SIGNATURES AND NOTARY ACKNOWLEDGMENTS

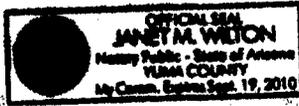
Paula Capestro, Sandra Braden and Norman Bruce Jacobson,
As Successor Trustees to Henry Schechert, as Trustee of the
Henry Schechert and Dorothy Schechert Trust dated March 24, 1982

Sandra Braden
Sandra Braden, Successor Trustee (Grantor)

Norman Bruce Jacobson
Norman Bruce Jacobson, Successor Trustee (Grantor)

State of ARIZONA } SS
County of Yuma

This instrument was acknowledged before me this 30 day
of October, by Sandra Braden, Successor Trustee to
Henry Schechert, as Trustee of the Henry Schechert and
Dorothy Schechert Trust dated March 24, 1982

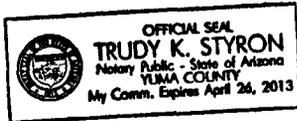


Janet M. Wilton
Notary Public

My commission will expire 9-19-2010

State of ARIZONA } SS
County of Yuma

This instrument was acknowledged before me this 4th day
of Nov, 2009, by Norman Bruce Jacobson, Successor
Trustee to Henry Schechert, as Trustee of the Henry
Schechert and Dorothy Schechert Trust dated March 24,
198



Trudy K. Styron
Notary Public

My commission will expire 4-26-13

**DIRECTIVE TO CITIZENS TITLE & TRUST,
an Arizona Corporation as Trustee under Trust No. 95, and not personally**

Date: October 29, 2009

RE: **ESCROW NO.: 09030061-003-TKS**
Instruction to prepare and record all necessary documents/instruments, affecting subject properties as more fully described in Exhibit "A" Legal Descriptions attached hereto and made a part hereof with reference to above escrow number.

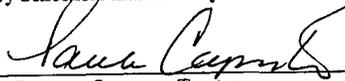
TO: **Citizens Title & Trust, an Arizona Corporation, as Trustee under Trust No. 95,
and not personally**

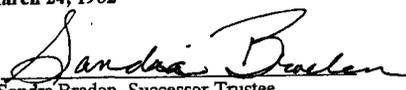
The undersigned, Paula Capestro, Sandra Braden and Norman Bruce Jacobson, as Successor Trustees to Henry Schechert, as Trustee of the Henry Schechert and Dorothy Schechert Trust dated March 24, 1982 AND Paula S. Capestro, President of H & S Developers, Inc., an Arizona Corporation, managing member of Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company, authorizes and instructs Donna Oglesby as Trust Officer to Citizens Title & Trust, an Arizona Corporation as Trustee under Trust No.95, and not personally to execute all documents required to facilitate the closing of the above referenced escrow.

**OUR SIGNATURES HEREON DESIGNATES OUR FULL APPROVAL OF THIS DIRECTIVE DATED
OCTOBER 29, 2009 TO CITIZENS TITLE & TRUST**

The undersigned states that she has read the foregoing Directive and understands and agrees to this Directive. The undersigned also acknowledges receipt of a copy of this Directive.

**Paula Capestro, Sandra Braden and Norman Bruce Jacobson,
As Successor Trustees to Henry Schechert, as Trustee of the
Henry Schechert and Dorothy Schechert Trust dated March 24, 1982**

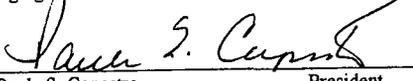

Paula Capestro, Successor Trustee


Sandra Braden, Successor Trustee

Norman Bruce Jacobson, Successor Trustee

**LAS BARRANCAS GOLF & COUNTRY CLUB, LLC,
an Arizona Limited Liability Company**

BY: **H & S DEVELOPERS, INC., an Arizona Corporation,
managing member**

BY: 
Paula S. Capestro President



**INSTRUCTION TO ESCROW HOLDER TO PREPARE AND RECORD
WARRANTY DEED**

October 29, 2009

To: **Citizens Title & Trust**

Re: Escrow No.: 09030061 - 003 - TKS

Escrow Holder is instructed to prepare and record a Warranty Deed from Paula Capestro and Sandra Braden and Norman Bruce Jacobson, as Successor Trustees to Henry Schechert, as Trustee of the Henry Schechert and Dorothy Schechert Trust dated March 24, 1982, (Grantors) to Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company, (Grantee) covering real property in the County of Yuma, State of California, as described in Exhibit "A" attached hereto and made a part hereof, to facilitate the closing of the above referenced escrow.

FURTHER, the undersigned instruct Escrow Holder that they freely and willingly signed the Warranty Deed dated October 28, 2009, copy of same attached hereto and made a part hereof, which Escrow Agent is instructed to record at close of escrow and;

That they expect no portion of the loan proceeds to be paid to them the close of escrow.

Citizens Title & Trust and Escrow Holder is to be relieved from any further liability in this matter. In the event of cancellation of this escrow, Escrow Agent is instructed to return the executed deed to:

H & S Developers, Inc.
ATTN: Paula S. Capestro
12486 Foothills Blvd.
Yuma, AZ 85367

All other Terms and Conditions to remain the same.

Our signatures hereon designate our full approval thereof.

Each of the undersigned states that he has read the foregoing amended instructions and understands and agrees to them. The undersigned also acknowledges receipt of a copy of these amended instructions.

Paula Capestro, Sandra Braden and Norman Bruce Jacobson,
As Successor Trustees to Henry Schechert, as Trustee of the
Henry Schechert and Dorothy Schechert Trust dated March 24, 1982

Paula Capestro, Successor Trustee (Grantor)

Sandra Braden, Successor Trustee (Grantor)

Norman Bruce Jacobson, Successor Trustee (Grantor)

Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company

BY: H & S Developers, Inc.,
an Arizona Corporation, managing member

BY: Paula S. Capestro President (Grantee)

TRUST CERTIFICATION

October 29, 2009

TO: Citizens Title & Trust

Re: The Henry Schechert and Dorothy Schechert Trust dated March 24, 1982 made under the laws of the State of Arizona by

Henry Schechert

Dorothy Schechert

The undersigned certify to you that as of the date hereof:

1. The above Trust Agreement has not been revoked and is in full force and effect.
2. The following are now acting as Successors Trustees under the Trust Agreement and are the only Trustees qualified to act:

Paula Capestro, Sandra Braden and Norman Bruce Jacobson

3. The successor Trustee(s) under said Trust Agreement are as follows:

Paula Capestro, Sandra Braden and Norman Bruce Jacobson

4. The Trust Agreement has not been amended except as follows:

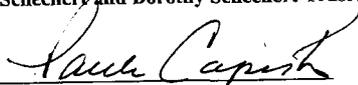
NONE

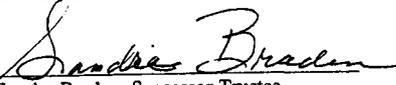
5. The attached copy of the Trust document is a true copy of the original which is in our possession and the attached copies of the amendments set forth in Item 4 are true copies of the originals which are in our possession.
6. The Beneficiaries for the above referenced trust are as follows:

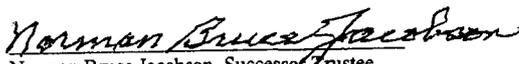
H & S Developers, Inc., an Arizona Corporation

c/o Paula S. Capestro, President, whose mailing address is; 12486 Foothills Blvd, Yuma, AZ 85367

**Paula Capestro, Sandra Braden and Norman Bruce Jacobson,
As Successor Trustees to Henry Schechert, as Trustee of the
Henry Schechert and Dorothy Schechert Trust dated March 24, 1982**

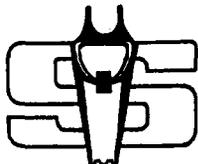

Paula Capestro, Successor Trustee


Sandra Braden, Successor Trustee


Norman Bruce Jacobson, Successor Trustee

ALTA Commitment Form
COMMITMENT FOR TITLE INSURANCE

Issued by



Sanctity of Contract®

STEWART TITLE®
GUARANTY COMPANY

STEWART TITLE GUARANTY COMPANY, a Texas Corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

This Commitment shall not be valid or binding until countersigned by a validating officer or authorized signatory.

IN WITNESS WHEREOF, Stewart Title Guaranty Company has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

Countersigned by:

Kaufman
Authorized Signature
Citizens Title & Trust
Company
Yuma, AZ 85364
City, State

stewart®
title guaranty company



Stewart Morris Jr.
Senior Chairman of the Board
William S. Morris
Chairman of the Board
Michael Steinhilber
President

CONDITIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and the Conditions and Stipulations, and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

As to ALTA 2006 Policy forms:

5. The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.alta.org/>.

STEWART TITLE® GUARANTY COMPANY

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2029, Houston, Texas 77252.

SCHEDULE A

Order Number: 09030061

Escrow Officer: Trudy Styron

Effective Date: October 22, 2009 at 5:00 p.m.

Title Officer: Mandi Smith

- | | |
|---|---------------------|
| 1. Policy or Policies to be issued: | Amount of Insurance |
| (a) Owner's: | \$ |
| Proposed Insured: | |
|
 | |
| (b) Lender's: ALTA 2006 Loan Policy (Extended Coverage) | \$ 8,500,000.00 |
| Proposed Insured: | |
| To Come | |
|
 | |
| (c) Lender's: None | \$ |
| Proposed Insured: | |
2. The estate or interest in the land described or referred to in this Commitment and covered herein is:
 FEE
3. Title to said estate or interest in said land is at the effective date hereof vested in:
 Henry Schechert, Trustee of the Henry Schechert and Dorothy Schechert Trust dated March 24, 1982
4. The land referred to in this Commitment is described as follows:
 See Exhibit A attached hereto and made a part hereof.
5. The Deed of Trust to be insured and the assignments thereof, if any are described as follows:
 Deed of Trust given to secure the original amount of \$8,500,000.00, and any other amounts payable under the terms thereof
 Dated: _____
 Trustor: Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company
 Trustee: _____
 Beneficiary: To Come
 Recorded: _____, in _____

Order Number: 09030061

Exhibit A

PARCEL NO. 1:

A portion of Section 14, Township 9 South, Range 21 West of the Gila and Salt River Base and Meridian, Yuma County, Arizona, more particularly described as follows:

Beginning at the Southwest corner of Section 14 also being the intersection of Avenue 14E and 48th Street;

Thence along the West line of said Section 14 and center line of Avenue 14E, North 00°01'20" East, a distance of 1,319.88 feet to a point on the North boundary line of Foothills Mobile Estates No. 7 (as recorded in Book 10 of Plats, pages 9 & 10);

Thence leaving said section line North 89°53'50" East, a distance of 50.00 feet to the True Point of Beginning;

Thence North 00°01'20" East, a distance of 415.38 feet;

Thence South 52°40'36" East, a distance of 142.14 feet;

Thence South 74°33'21" East, a distance of 131.08 feet;

Thence South 63°55'04" East, a distance of 67.43 feet;

Thence North 00°01'20" East, a distance of 679.62 feet;

Thence North 89°58'40" West, a distance of 300.00 feet;

Thence North 00°01'20" East, a distance of 375.32 feet;

Thence North 00°01'04" East, a distance of 1,229.80 feet;

Thence South 75°29'34" East, a distance of 199.96 feet;

Thence South 67°29'44" East, a distance of 369.53 feet;

Thence South 89°58'23" East, a distance of 1,292.42 feet;

Thence South 63°28'05" East, a distance of 154.84 feet to the beginning of a non tangent curve to left having a local tangent bearing of South 07°29'48" West and a radius of 1,040.00 feet and a delta angle of 02°52'04";

Thence along said curve for an arc distance of 52.05 feet;

Thence South 04°37'44" West, a distance of 247.83 feet;

Thence South 85°04'26" West, a distance of 827.68 feet;

Thence North 71°49'07" West, a distance of 748.86 feet;

Thence South 06°14'18" West, a distance of 475.94 feet;

Thence South 21°08'21" East, a distance of 755.74 feet;

Thence South 41°18'02" East, a distance of 155.96 feet;

Thence South 82°14'45" East, a distance of 278.73 feet;

Thence North 84°14'39" East, a distance of 934.86 feet to the beginning of a non tangent curve to the left having a local tangent bearing of South 19°34'29" East and a radius of 920.00 feet and a delta angle of 03°06'11";

Thence along said curve for an arc distance of 49.82 feet;

Thence South 22°40'39" East, a distance of 259.89 feet;

Thence South 77°19'49" West, a distance of 172.63 feet;

Thence South 22°40'39" East, a distance of 1,116.05 feet;

Thence South 81°23'00" East, a distance of 198.94 feet;

Order Number: 09030061

Thence South 22°40'39" East, a distance of 40.15 feet to the beginning of a tangent curve to the right having a radius of 960.00 feet and a delta angle of 22°36'55";
Thence along said curve for an arc distance of 378.92 feet;
Thence South 00°03'44" East, a distance of 370.02 feet to the beginning of a tangent curve to the right having a radius of 20.00 feet and a delta angle of 89°59'44";
Thence along said curve for an arc distance of 31.41 feet;
Thence South 89°56'00" West, a distance of 2,186.68 feet to a point on the Easterly boundary line of Foothills Mobile Estates No. 7;
Thence along said Easterly boundary line North 34°09'01" West, a distance of 319.11 feet (calculated) (a distance of 319.36 feet (recorded));
Thence North 06°10'05" East (recorded), a distance of 523.08 feet (recorded);
Thence North 27°59'55" West (recorded), a distance of 414.77 feet (recorded);
Thence North 03°34'52" West (recorded), a distance of 119.45 feet (recorded);
Thence South 89°53'50" West, a distance of 70.35 feet to the True Point of Beginning;

EXCEPT 1/16th of all oil, gases, and other hydrocarbon substances, coal, stone, metals, minerals, fossils and fertilizers of every name and description and except all materials which may be essential to the production of fissionable material as reserved in Arizona Revised Statutes.

PARCEL NO. 2:

A portion of Section 14, Township 9 South, Range 21 West of the Gila and Salt River Base and Meridian, Yuma County, Arizona, more particularly described as follows:

Beginning at the Southwest corner of Section 14 being the intersection of Avenue 14E and 48th Street;
Thence along the South Section line of said Section 14, North 89°56'00" East, a distance of 2,692.70 feet;
Thence leaving said South section line North 00°03'44" West, a distance of 440.02 feet to the beginning of a tangent curve to the left having a radius of 1,000.00 feet and a delta angle of 22°36'55";
Thence along said curve for an arc distance of 394.71 feet;
Thence North 22°40'39" West, a distance of 1,079.71 feet;
Thence North 67°19'21" East, a distance of 40.00 feet to the True Point of Beginning;
Thence North 22°40'39" West, a distance of 409.73 feet to the beginning of a tangent curve to the right having a radius of 840.00 feet and a delta angle of 04°52'54";
Thence along said curve for an arc distance of 71.57 feet;
Thence North 71°13'20" East, a distance of 1,540.08 feet to the beginning of a tangent curve to the left having a radius of 100.00 feet and a delta angle of 71°11'37";
Thence along said curve for an arc distance of 124.26 feet;
Thence North 00°01'44" East, a distance of 130.83 feet;
Thence North 89°58'45" West, a distance of 220.18 feet;
Thence North 74°44'55" West, a distance of 1,130.38 feet;
Thence North 84°54'32" West, a distance of 195.86 feet;
Thence North 04°37'44" East, a distance of 230.23 feet to the beginning of a tangent curve to the right having a radius of 960.00 feet and a delta angle of 01°55'27";
Thence along said curve for an arc distance of 32.24 feet;
Thence North 89°57'27" East, a distance of 301.01 feet;

Order Number: 09030061

Thence South 83°53'41" East, a distance of 1,030.85 feet;
Thence South 71°51'10" East, a distance of 897.28 feet;
Thence South 00°01'37" West, a distance of 120.89 feet to the beginning of a non tangent curve to the left having a local tangent bearing of North 89°58'23" West and a radius of 400.00 feet and a delta angle of 52°42'01";
Thence along said curve for an arc distance of 367.92 feet;
Thence South 37°19'36" West, a distance of 766.05 feet;
Thence South 65°57'35" West, a distance of 485.20 feet;
Thence South 87°14'24" West, a distance of 384.08 feet;
Thence South 59°42'08" West, a distance of 496.00 feet to the True Point of Beginning;

EXCEPT 1/16th of all oil, gases, and other hydrocarbon substances, coal, stone, metals, minerals, fossils and fertilizers of every name and description and except all materials which may be essential to the production of fissionable material as reserved in Arizona Revised Statutes.

PARCEL NO. 3:

A portion of Section 14, Township 9 South, Range 21 West of the Gila and Salt River Base and Meridian, Yuma County, Arizona, more particularly described as follows:

BEGINNING at the Southwest corner of Section 14 being the intersection of Avenue 14E and 48th Street;
Thence along the South section line of said Section 14, North 89°56'00" East a distance of 2,692.70 feet;
Thence leaving said South section line North 00°03'44" West, a distance of 407.48 feet;
Thence North 89°56'16" East, a distance of 40.00 feet to the True Point of Beginning;
Thence North 00°03'44" West, a distance of 32.54 feet to the beginning of a tangent curve to the left having a radius of 1,040.00 feet and a delta angle of 22°36'55";
Thence along said curve for an arc distance of 410.50 feet;
Thence North 22°40'39" West, a distance of 131.44 feet;
Thence North 56°51'14" East, a distance of 863.46 feet;
Thence North 72°49'48" East, a distance of 305.96 feet to the beginning of a tangent curve to the right having a radius of 150.00 feet and a delta angle of 78°59'02";
Thence along said curve for an arc distance of 206.78 feet;
Thence South 28°11'10" East, a distance of 76.33 feet;
Thence North 69°55'36" East, a distance of 691.57 feet;
Thence North 23°03'39" East, a distance of 1,119.68 feet to the beginning of a tangent curve to the right having a radius of 160.00 feet and a delta angle of 66°57'58";
Thence along said curve for an arc distance of 187.00 feet;
Thence South 89°58'23" East, a distance of 170.73 feet to a point along the Westerly right of way of Avenue 14E;
Thence South 00°03'26" West, a distance of 106.03 feet;
Thence South 00°00'27" East, a distance of 1,458.73 feet;
Thence South 89°02'19" West, a distance of 127.15 feet;
Thence South 60°18'38" West, a distance of 647.91 feet;
Thence South 74°23'29" West, a distance of 1,685.19 feet;
Thence North 89°58'46" West, a distance of 189.93 feet to the True Point of Beginning;

Order Number: 09030061

EXCEPT 1/16th of all oil, gases, and other hydrocarbon substances, coal, stone, metals, minerals, fossils and fertilizers of every name and description and except all materials which may be essential to the production of fissionable material as reserved in Arizona Revised Statutes.

PARCEL NO. 4:

A portion of Section 13, Township 9 South, Range 21 West of the Gila and Salt River Base and Meridian, Yuma County, Arizona, more particularly described as follows:

Beginning at the Southwest corner of Section 13;

Thence along the West Section line of said Section 13, North 00°00'27" West, a distance of 2,216.59 feet;

Thence leaving said West section line North 89°59'33" East, a distance of 50.00 feet to the True Point of Beginning;

Thence North 00°00'27" West, a distance of 423.02 feet;

Thence North 00°03'26" East, a distance of 168.46 feet;

Thence North 56°20'02" East, a distance of 1,182.27 feet to the beginning of a tangent curve to the right having a radius of 170.00 feet and a delta angle of 145°08'11";

Thence along said curve for an arc distance of 430.63 feet;

Thence North 65°59'17" East, a distance of 306.61 feet;

Thence South 71°01'55" East, a distance of 415.83 feet to the beginning of a tangent curve to the right having a radius of 178.03 feet and a delta angle of 190°59'32";

Thence along said curve for an arc distance of 593.46 feet;

Thence South 65°00'26" West, a distance of 1,673.76 feet;

Thence South 89°18'11" West, a distance of 246.07 feet to the True Point of Beginning;

EXCEPT 1/16th of all oil, gases, and other hydrocarbon substances, coal, stone, metals, minerals, fossils and fertilizers of every name and description and except all materials which may be essential to the production of fissionable material as reserved in Arizona Revised Statutes.

SCHEDULE B

Order Number: 09030061

Showing matters which will be excepted in the Policy unless the same are disposed of to the satisfaction of the Company.

- i. Defects, liens, encumbrances, adverse claims or other matters, if any, created first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
- ii. Subject to the usual printed exclusions and exceptions contained in the regular form of policy, reprinted for reference on the Addendum attached hereto.

The following matters will be excepted in Schedule B of the policy to be issued:

1. Taxes and assessments collectible by the County Treasurer, a lien payable but not yet due for the 2nd ½ of the year 2009.
2. Any action by the County Assessor and/or Treasurer, altering the current or prior tax assessment, subsequent to the date of the Policy of Title Insurance.
3. Water rights, claims or title to water, and agreements, covenants, conditions or rights incident thereto, whether or not shown by the public records.

This exception is not limited by reason of the disclosure of any matter relating to Water Rights as may be set forth elsewhere in Schedule B.
4. Reservations or exceptions in Patents or in Acts authorizing the issuance thereof.
5. Liabilities and obligations imposed upon said land by reason of its inclusion within Yuma Mesa Irrigation and Drainage District.
6. Location of improvements, easements, discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other facts, which a correct survey would disclose.
7. The Right of Entry to prospect for, mine and remove the minerals and all uranium, thorium or any other material necessary to produce fissionable material, as reserved in Patent to said land.
8. Condition to provide reasonable access as set forth in instrument recorded in Docket 1965, page 318.
9. Easement for ingress and egress and rights incident thereto, as set forth in instrument recorded in Docket 2122, page 371.
10. Yuma County Range Disclosure Statement recorded at Fee No. 2004-26534. (Affects Parcel No. 729-01-005 and Parcel No. 729-02-003)

SCHEDULE B (Continued)

Order Number: 09030061

11. Yuma County Range Disclosure Statement recorded at Fee No. 2004-38321. (Affects Parcel No. 729-05-026A)
12. Easement for drainage and rights incident thereto, as set forth in instrument recorded at Fee No. 2004-44529. (Affects Parcel No. 729-01-005 and Parcel No. 729-02-003)
13. Recorded Disclosure for Land Under a Restricted Air Space recorded at Fee No. 2006-45373.
14. Easement for public utility services and rights incident thereto, as set forth in instrument recorded at Fee No. 2007-19972. (Affects Parcel No. 729-01-005 and Parcel No. 729-02-003)
15. Easement for electric lines and appurtenant facilities and rights incident thereto, as set forth in instrument recorded at Fee No. 2007-40977. (Affects Parcel No. 729-01-005 and Parcel No. 729-02-003)
16. Easement for electric lines and appurtenant facilities and rights incident thereto, as set forth in instrument recorded at Fee No. 2008-31659. (Affects Parcel No. 729-01-005 and Parcel No. 729-02-003)
17. Easement for electric lines and appurtenant facilities and rights incident thereto, as set forth in instrument recorded at Fee No. 2008-31660. (Affects Parcel No. 729-01-005 and Parcel No. 729-02-003)
18. Rights of parties in possession on month-to-month tenancy or under written but unrecorded leases.

REQUIREMENTS

Order Number: 09030061

The County Recorder may not accept documents for recording which do not comply with Arizona Revised Statutes 11-480 which, among other things, requires the following:

- a) Print must be ten-point type (pica) or larger.
- b) Margins of at least one-half inch along the left and right sides, one-half inch across the bottom, and on the first page at least two inches on top for recording and return address information. (NOTE: Nothing must be contained in the margin areas, including initials.)
- c) Each instrument shall be no larger than 8-1/2 inches in width and 14 inches in length.

Due to changes in Arizona Revised Statutes the County Recorder may not accept for recording any documents containing any more than five numbers that are reasonably identifiable as being part of an individual's Social Security Number, Credit Card, Charge Card or Debit Card Numbers, Retirement Account Numbers, Savings, Checking or Securities Entitlement Account Numbers.

The following requirements must be met and completed to the satisfaction of the Company before its policy of title insurance will be issued:

1. 2009 Tax Parcel No. 729-01-005 (WOP)
2009 Tax Parcel No. 729-02-003 (WOP)
2009 Tax Parcel No. 729-05-026A (WOP)
2. If title is to be insured in the trustee(s) of the Henry Schechert and Dorothy Schechert Trust dated March 24, 1982t, (or if their act is to be insured), this Company will require a written affidavit and verification by all present trustees that the trust is in full force and effect and has not been revoked or terminated, and that the trustees have the power and authority to execute documents and consummate the transaction(s) contemplated to be insured.
3. FURNISH the Company with proper Certificate by the Owner itemizing all Leases, identifying Lessee, date of Lease, Terms and any Options to Renew. SAID CERTIFICATE SHALL ALSO STATE THAT NONE OF THE LEASES REFERRED TO THEREIN CONTAINS A FIRST RIGHT OF REFUSAL OR OPTION TO PURCHASE. Upon receipt and approval by the Company, Exception No. 29 of Schedule B will be limited to those parties identified in the Certificate.
4. FURNISH the Title Officer with a copy of the Lenders Closing Instructions and/or Attorney Closing Instruction Letter. The right is reserved to make additional exceptions and or requirements upon the examination of said instructions and or letters.

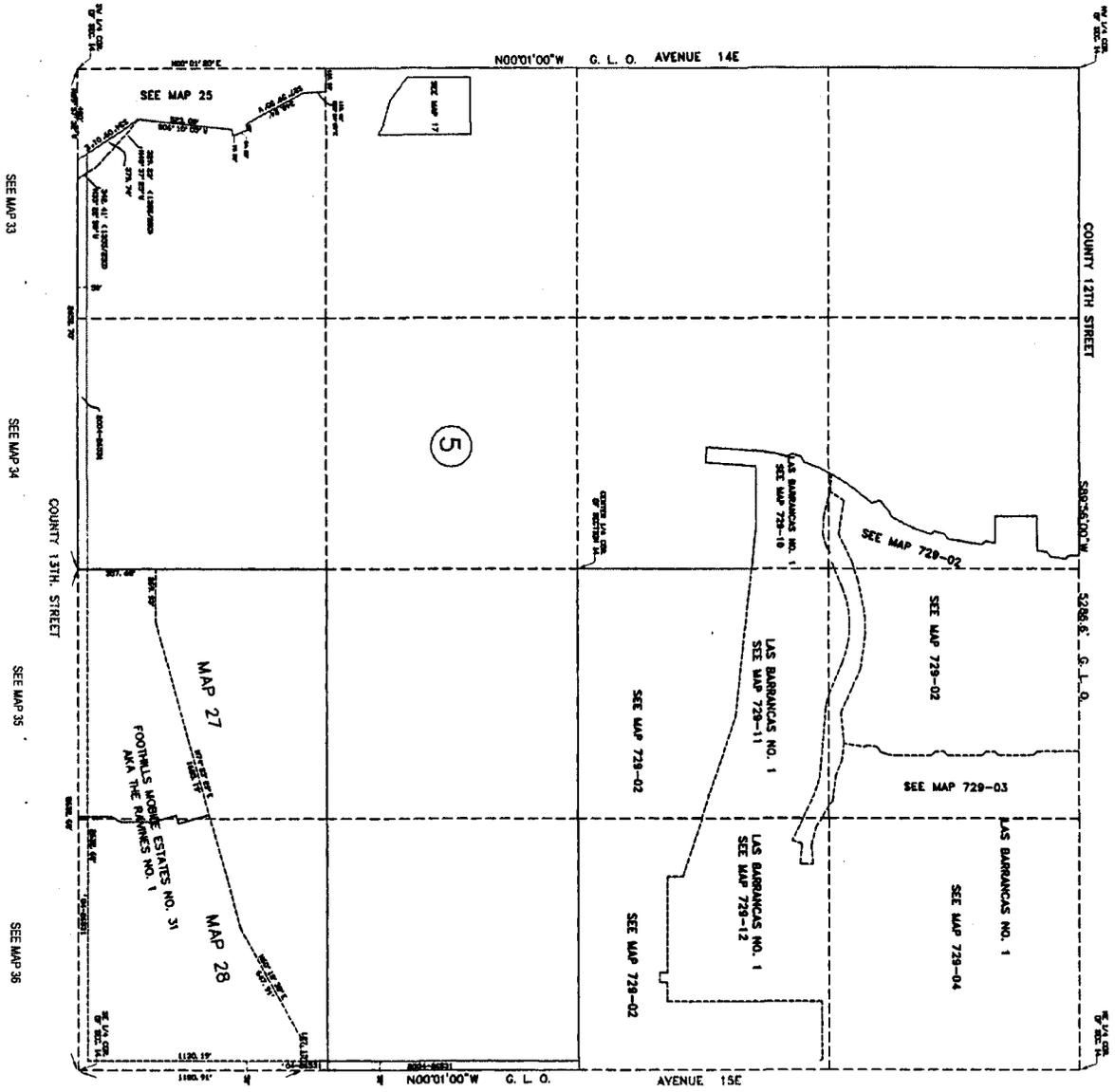
NOTE: Said instructions and/or letters should be furnished as soon as available to avoid any possible delays in closing.

REQUIREMENTS (Continued)

Order Number: 09030061

5. RECORD Deed from Paula Capestro, Sandra Braden and Norman Bruce Jacobson, as Successor Trustees to Henry Schechert, Trustee of the Henry Schechert and Dorothy Schechert Trust dated March 24, 1982, to Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company.
6. RECORD Deed of Trust to be insured.

SEE BOOK 728



SEE BOOK 702

SEE MAP 729-05

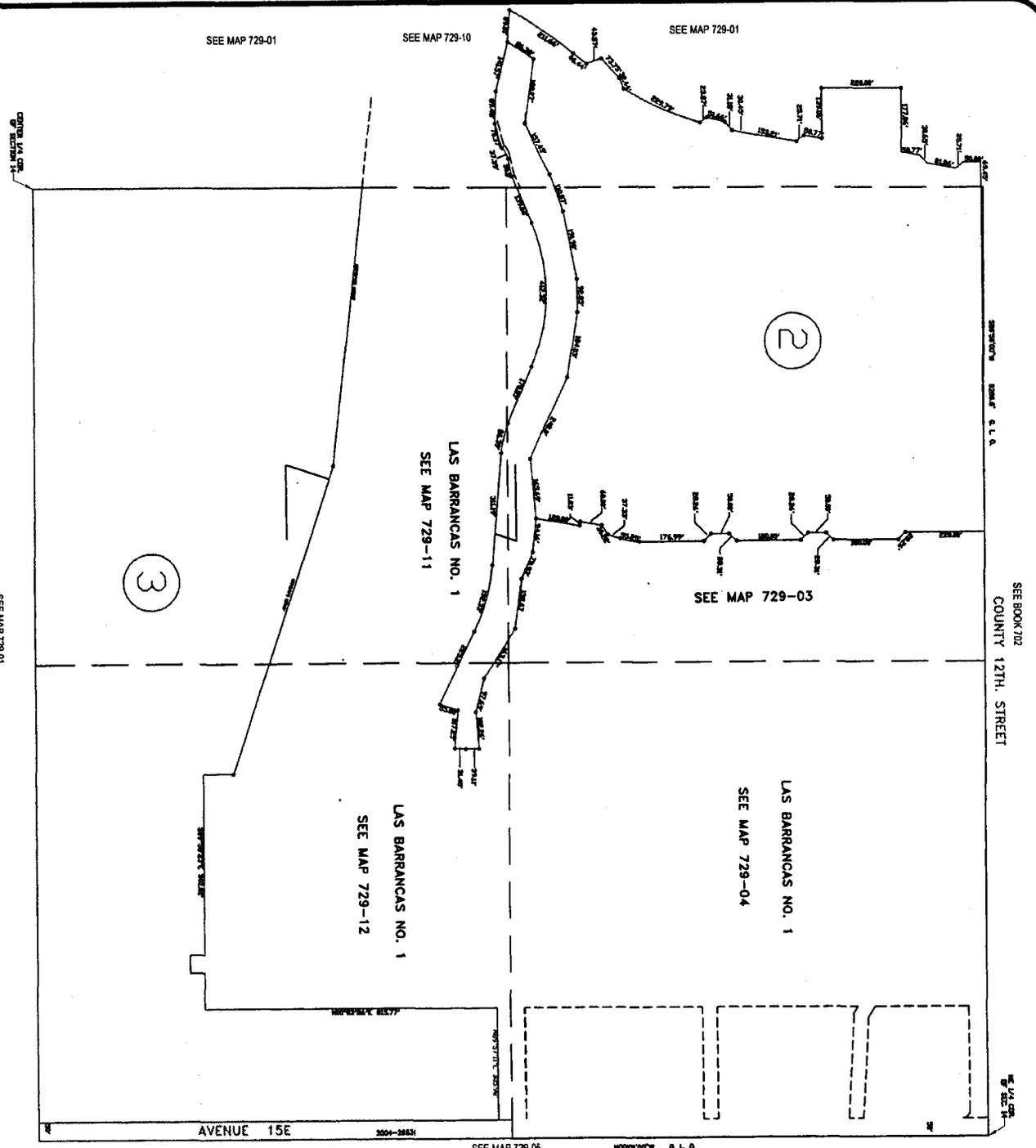


FOR INFORMATION ONLY
 NO LIABILITY ASSUMED
 YUMA COUNTY ASSESSOR
SCALE: 1" = 400'
 MAP LAST AMENDED

729002 CREATED
 729001 FROM CRT. NO.
 729000 FROM CRT. NO.
 01-13-05 005-000 MAPS 728
 01-13-05 005-000 MAPS 728
 01-13-05 005-000 MAPS 728
 01-13-05 005-000 MAPS 728

CREATED BY GARY PERKINS
 GEOGRAPHIC UPDATE ON EXISTING T. TURNER

TOWNSHIP 09S
 RANGE 21W
 SECTION 14
 NW 1/4 & PT OF SE
 1/4 & PART OF SW 1/4
BOOK 729
MAP 01



FOR INFORMATION ONLY
NO LIABILITY ASSUMED
YUMA COUNTY ASSESSOR

SCALE: 1" = 100'

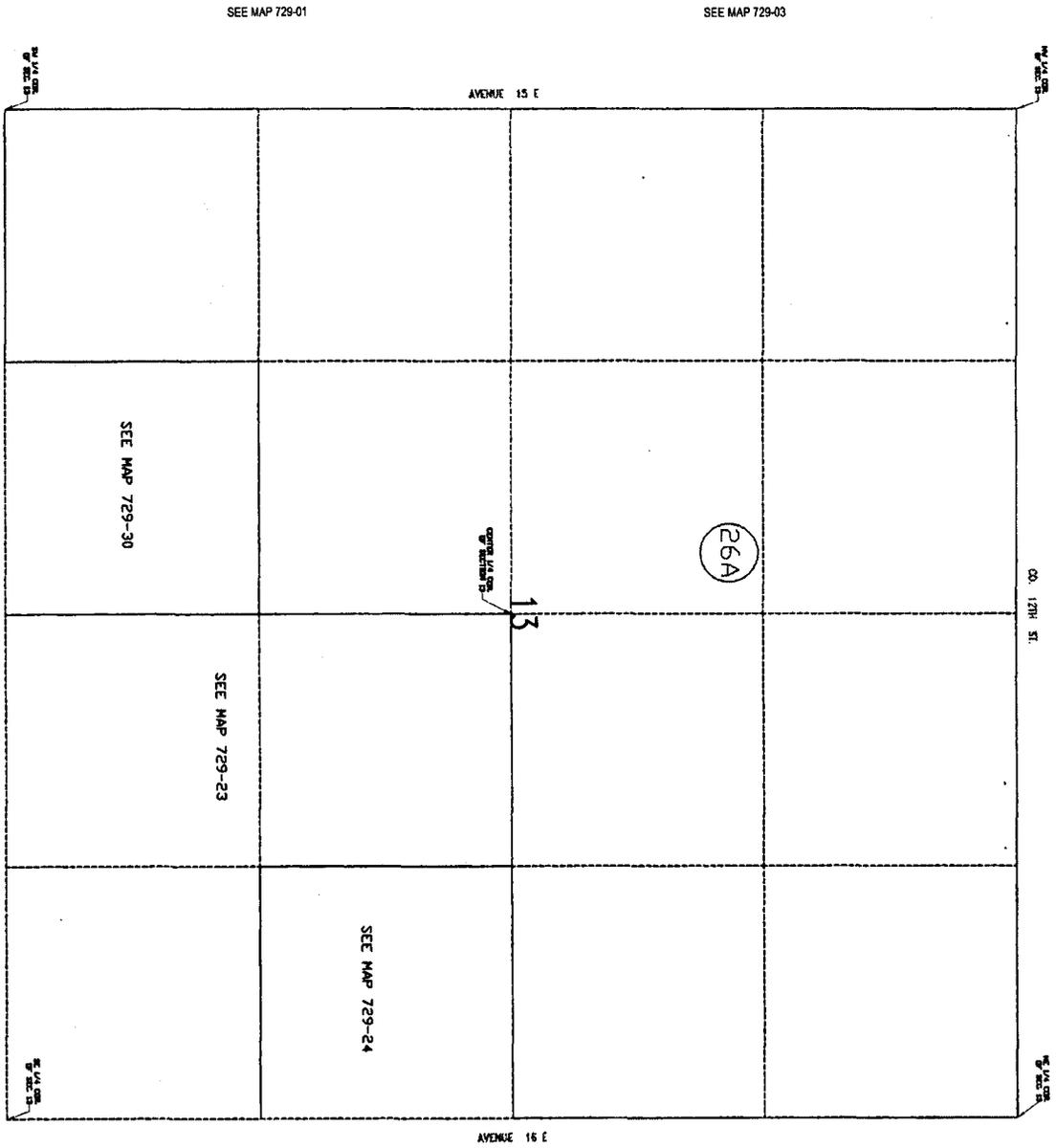
MAP LAST AMENDED

01-23-07 SCS | 001-1002-003 LAS BARRANCAS 1

MAP CREATED BY T. TURNER ON 08/10/07

TOWNSHIP 09S
RANGE 21W
SECTION 14
PT. NE

BOOK 729
MAP 02



FOR INFORMATION ONLY
 NO LIABILITY ASSUMED
 YUMA COUNTY ASSESSOR
SCALE: 1" = 400'
 MAP LAST AMENDED

12/15/02 CREATED

CREATED BY QWAS PERMUDA

TOWNSHIP 09S
 RANGE 21W
 SECTION 13
 N HALF &
 PART OF SW 1/4

BOOK 729
MAP 05

**DIRECTIVE TO CITIZENS TITLE & TRUST,
an Arizona Corporation as Trustee under Trust No. 95, and not personally**

Date: October 29, 2009

RE: **ESCROW NO.: 09030061-003-TKS**
Instruction to prepare and record all necessary documents/instruments, affecting subject properties as more fully described in Exhibit "A" Legal Descriptions attached hereto and made a part hereof with reference to above escrow number.

TO: Citizens Title & Trust, an Arizona Corporation, as Trustee under Trust No. 95,
and not personally

The undersigned, Paula Capestro, Sandra Braden and Norman Bruce Jacobson, as Successor Trustees to Henry Schechert, as Trustee of the Henry Schechert and Dorothy Schechert Trust dated March 24, 1982 AND Paula S. Capestro, President of H & S Developers, Inc., an Arizona Corporation, managing member of Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company, authorizes and instructs Donna Oglesby as Trust Officer to Citizens Title & Trust, an Arizona Corporation as Trustee under Trust No. 95, and not personally to execute all documents required to facilitate the closing of the above referenced escrow.

OUR SIGNATURES HEREON DESIGNATES OUR FULL APPROVAL OF THIS DIRECTIVE DATED OCTOBER 29, 2009 TO CITIZENS TITLE & TRUST

The undersigned states that she has read the foregoing Directive and understands and agrees to this Directive. The undersigned also acknowledges receipt of a copy of this Directive.

**Paula Capestro, Sandra Braden and Norman Bruce Jacobson,
As Successor Trustees to Henry Schechert, as Trustee of the
Henry Schechert and Dorothy Schechert Trust dated March 24, 1982**

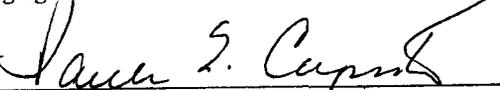

Paula Capestro, Successor Trustee


Sandra Braden, Successor Trustee

Norman Bruce Jacobson, Successor Trustee

**LAS BARRANCAS GOLF & COUNTRY CLUB, LLC,
an Arizona Limited Liability Company**

BY: H & S DEVELOPERS, INC., an Arizona Corporation,
managing member

BY: 
Paula S. Capestro President

**CITIZENS TITLE & TRUST
1540 S. 2ND AVENUE
YUMA, ARIZONA, 85364
928-783-1261**

WIRING INSTRUCTIONS FOR CITIZENS TITLE & TRUST

**SHOULD YOU WISH, YOU MAY WIRE-TRANSFER FUNDS INTO OUR
ESCROW ACCOUNT. PLEASE GIVE YOUR BANK THE FOLLOWING
INSTRUCTIONS:**

**NATIONAL BANK OF ARIZONA
ABA ROUTING #: 122105320
C/O NATIONAL BANK
1800 S. 4TH AVENUE
YUMA, AZ 85364**

PHONE NUMBER: 928-782-7505

ACCOUNT NAME: CITIZENS TITLE & TRUST, ESCROW ACCOUNT

ACCOUNT NO: 0160010136

**SPECIAL INSTRUCTIONS: PLEASE ASK YOUR BANK TO REFERENCE
YOUR LAST NAME AND ESCROW NUMBER AS FOLLOWS:**

- **ESCROW NO. 09030061-003-TKS**
-
- **NAME: Las Barrancas Golf & Country Club, LLC**
-
- **PLEASE NOTE THAT THIS IS NOT AN INTEREST-BEARING
ACCOUNT****

RECORDING REQUESTED BY
Citizens Title & Trust
AND WHEN RECORDED MAIL TO:

ESCROW NO.: 09030061 - 003 - TKS

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DEED OF TRUST AND ASSIGNMENT OF RENTS

Date: _____

TRUSTOR:

Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company
whose mailing address is :

TRUSTEE:

Citizens Title & Trust, an Arizona corporation
whose mailing address is: 1540 South Second Avenue, Yuma, Arizona 85366-0950

BENEFICIARY:

whose mailing address is:

Property situated in the County of **Yuma**, State of **ARIZONA**, as described as follows:

See Exhibit A attached hereto and made a part hereof.

Together with all buildings, improvements and fixtures thereon or hereinafter erected thereon.

Street address if any, or identifiable location of this property:

Various Vacant Land Parcels, Yuma, AZ 85367

THIS DEED OF TRUST, made on the above date by, between and among the TRUSTOR, TRUSTEE and BENEFICIARY above named.

WITNESSETH: That Trustor hereby irrevocably grants, conveys, transfers and assigns to the Trustee in Trust, with Power of Sale, the above described real property (the Trust Property), together with leases, issues, profits, or income therefrom (all of which are hereinafter called "property income"): **SUBJECT**, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such property income.

SUBJECT TO: Current taxes and other assessments, reservations in patents and all easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations, and liabilities as may appear of record.

FOR THE PURPOSE OF SECURING:

- A. Payment of the indebtedness in the principal sum of \$ _____ evidenced by a Promissory Note or Notes of even date herewith, and any extension or renewal thereof, executed by Trustor in favor of Beneficiary or order.
- B. Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a Promissory Note or Notes reciting that they are secured by a Deed of Trust.
- C. Performance of each agreement of Trustor herein contained.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. To keep said property in good condition and repair; not to remove or demolish any building, thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged, or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer, or permit any act upon said property in violation of law; and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. To provide, maintain, and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses of Beneficiary and Trustee, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear or be named, and in any suit brought by Beneficiary or Trustee to foreclose this Deed of Trust.

4. To pay, at least 10 days before delinquent, all taxes and assessments affecting said property; when due, all encumbrances, charges, and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees, and expenses of this Trust, including, without limiting the generality of the foregoing, the fees of Trustee for issuance of any Deed of Partial Release and Partial Reconveyance or Deed of Release and full Reconveyance, and all lawful charges, costs, and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligations secured hereby.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel, and pay his reasonable fees.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, together with interest from date of expenditure at the same rate as is provided for in the note or notes secured by this Deed of Trust or at the legal rate if it secures a contract or contracts other than a promissory note or notes. Any amounts so paid by Beneficiary or Trustee shall become a part of the debt secured by this Deed of Trust and a lien on said premises or immediately due and payable at option of Beneficiary or Trustee.

IT IS MUTUALLY AGREED:

6. That any award of damages in connection with any condemnation or any such taking, or for injury to the property by reason of public use, or for damages for private trespass or injury thereto, is assigned and shall be paid to Beneficiary as further security for all obligations secured hereby (reserving unto the Trustor, however, the right to sue therefor and the ownership thereof subject to this Deed of Trust), and upon receipt of such moneys Beneficiary may hold the same as such further security, or apply or release the same in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

7. That time is of the essence of this Deed of Trust, and that by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

8. That at any time or from time to time, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note(s) for endorsement, and without liability therefor, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, and without affecting the security hereof for the full amount secured hereby on all property remaining subject hereto, and without the necessity that any sum representing the value or any portion thereof of the property affected by the Trustee's action be credited on the indebtedness, the Trustee may: (a) release and reconvey all or any part of said property; (b) consent to the making and recording, or either, of any map or plat of the property or any part thereof; (c) join in granting any easement thereon; (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance, or charge hereof.

9. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note(s) to Trustee for cancellation, and upon payment of its fees, Trustee shall release and reconvey, without covenant or warranty, express or implied, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

10. That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power, and authority, during the continuance of this Trust, to collect the property income, reserving to Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such property income as it becomes due and payable. Upon any such default, Beneficiary may at any time, without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such property income, including that past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such property income, and the application thereof as aforesaid, shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

11. That upon default by Trustor in the payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice thereof, setting forth the nature thereof, and of election to cause to be sold said property under this Deed of Trust. Beneficiary also shall deposit with Trustee this Deed of Trust, said note(s), and all documents evidencing expenditures secured hereby.

Trustee shall record and give notice of Trustee's sale in the manner required by law, and after the lapse of such time as may then be required by law, subject to the statutory rights of reinstatement, the Trustee shall sell, in the manner required by law, said property at public auction at the time and place fixed by it in said notice of Trustee's sale to the highest bidder for cash in lawful money of the United States, Payable at time of sale. Trustee may postpone or continue the sale by giving notice of postponement or continuance by public declaration at the time and place last appointed for the sale. Trustee shall deliver to such purchaser its Deed conveying the property so sold, but without any covenant or warranty, expressed or implied. Any persons, including Trustor, Trustee, or Beneficiary, may purchase at such sale.

After deducting all costs, fees, and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale and reasonable attorney's fees, Trustee shall apply the proceeds of sale to payment of all sums then secured hereby and all other sums due under the terms hereof, with accrued interest; and the remainder, if any, to the person or persons legally entitled thereto, or as provided in A.R.S. 33-812. To the extent permitted by law, an action may be maintained by Beneficiary to recover a deficiency judgment for any balance due hereunder.

In the alternative to foreclosure by trustee's sale, the Beneficiary may foreclose by judicial proceedings, and in such event, the election to declare the unpaid balance immediately due and payable may be made in the complaint. In such judicial proceedings, Beneficiary shall be entitled to reasonable Attorney's fees, costs of foreclosure report, and all sums advanced with interest as provided paragraphs four (4) and five (5) herein.

12. That Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

The undersigned Trustor requests that a copy of any notice of Trustee's sale hereunder be mailed to him at his address hereinbefore set forth.

Trustor

Las Barrancas Golf & Country Club, LLC,
an Arizona limited liability company

BY: H & S Developers, Inc.,
an Arizona Corporation, member

BY:

Paula S. Capestro

ITS: President

State of ARIZONA
County of Yuma

} SS:

On this ____ day of _____, 2009, before me, the undersigned Notary Public, personally appeared Paula S. Capestro, who acknowledged here to be the President of H & S Developers, Inc., an Arizona Corporation, Member of Las Barrancas Golf & Country Club, LLC, an Arizona limited liability company, and that she, as such officer, being authorized so to do, executed the foregoing DEED OF TRUST, for the purposes therein contained, by signing on behalf of the Corporation by herself as such officer.

Notary Public

My commission will expire _____

2

FAR WEST WATER & SEWER, INC.

December 15, 2009

The following is a list of creditors who will be paid when the shareholder loan closes and funds have been contributed Far West. The list is in no particular order. There are other creditors as well, but these are the primary vendors and contractors who are owed funds relating to the wastewater treatment system upgrades. The Yuma Mesa Irrigation District is also included because Far West must purchase Colorado River water from the district.

Yuma Mesa Irrigation District	\$298,107
Zenon Environmental	\$1,568,690
JCI	\$476,743
Trojan UV	\$384,120
Zima Industries	\$193,378
Pentair	\$291,107
EDI	\$60,000
HSI	<u>\$122,548</u>
TOTAL	<u>\$3,394,693</u>