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SALT RIVER AGENCY

BUSINESS LEASE B-191-1

Between

CERTAIN ALLOTTED LANDOWNERS OF LAND
WITHIN THE SALT RIVER PIMA-MARICOPA
INDIAN COMMUNITY

("Lessor")

and

SALT RIVER COMMUNITY GOLF ENTERPRISES

("Lessee")

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BUSINESS LEASE B-250

THIS BUSINESS LEASE B-250 is made and entered into this ____ day of _____, 19____, by and between CERTAIN ALLOTTED LANDOWNERS OF LAND WITHIN THE SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY identified on Exhibit "A" attached hereto, hereinafter collectively called the "Lessor," whose address is Rt. 1, Box 216, Scottsdale, Arizona 85256 and SALT RIVER COMMUNITY GOLF ENTERPRISES, a Division of the Salt River Pima-Maricopa Indian Community, hereinafter called the "Lessee," whose address is _____, under the provisions of the Act of November 2, 1966 (80 Stat. 1112), as amended (25 U.S.C. 416, et seq.), as supplemented by Part 162.20, et seq., Leasing and Permitting, of the Code of Federal Regulations, Title 25 - Indians, and any amendments thereto relative to business leases on restricted Indian lands, all of which by reference are made a part hereof.

1. Definitions.

For the purpose of this Lease, the following terms shall have the meanings set forth below:

A. Approved Encumbrance. A mortgage, deed of trust, lien or other security interest in or against Lessee's interest in the Leased Premises meeting the requirements of Article 19 below, and which has been approved by the Lessor, the Community and the Secretary.

B. Approved Encumbrancer. The holder of an Approved Encumbrance.

C. Approved Sublease or Sublease. A sublease of all or

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any part of the Leased Premises meeting the requirements of Article 15A or 15A(1) below.

D. Basic Rent - Commercial Buildings. As provided in Article 5B below.

E. Basic Rent - Golf course. As provided in Article 5A below.

F. Basic Rent - Hotel. As provided in Article 5C below.

G. Commercial Buildings. Restaurants and eating establishments, retail and professional and business offices to be developed within the Development Pads of the Leased Premises.

H. Community. the Salt River Pima-Maricopa Indian Community, a federally recognized Indian tribe.

I. Covenants, Conditions and Restrictions or CC&R's. As described in Article 47 below.

J. Developer Sublessee. A Sublessee of a portion of the Leased Premises that, pursuant to its Sublease, constructs one (1) or more Commercial Buildings.

K. Development Pads. Those parcels designated on the final site plan described in Article 44 hereof. Development Pads may be used for the development of Commercial Buildings or hotel structures. All or portions of Development Pads may be subleased to Developer Sublessees subject to the provisions of Article 15 hereof.

L. Fair Annual Rental. Fair Annual Rental shall be determined by the following procedure: Lessee shall provide an MAI

appraisal to Lessor, the Community and the Secretary indicating the Fair Annual Rental for the Leased Premises which, for the purposes of this definition only shall be determined by an appraisal of the Fair Annual Rental of the leased Premises as unimproved real property being put to its highest and best use under the terms and conditions of this Lease. In the event the Fair Annual Rental as shown in Lessee's MAI appraisal is acceptable to Lessor, the Community and the Secretary, such Fair Annual Rental shall be the Rent under the circumstances set out in Article 7A.2 of this Lease.

In the event that such Fair Annual Rental is not acceptable to Lessor, the Community and the Secretary, then Lessor shall provide an MAI appraisal to Lessee showing the Fair Annual Rental for the leased Premises which, for the purpose of this definition only shall be determined by an appraisal of the Fair Annual Rental of the Leased Premises as unimproved real property being put to its highest and best use under the terms and conditions of this Lease.

In the event that the difference between the Fair Annual Rental as shown in Lessee's appraisal and that shown in Lessor's appraisal is ten percent (10%) or less, then the Rent under the provisions of Article A.2 of this Lease shall be the average of the two appraisals.

In the event that the difference between Lessor's appraisal and Lessee's appraisal is more than ten percent (10%), Lessee's appraiser and Lessor's appraiser shall select a third MAI appraiser who shall determine the Fair Annual Rental of the Leased Premises which, for the purposes of this definition only shall be determined

by an appraisal of the Fair Annual Rent of the Leased Premises as unimproved land being put to its highest and best use under the terms and conditions of this Lease. The Rent for the purposes of Article 7A.2 of this Lease shall be deemed to be the average of the two closest appraisals of Fair Annual Rental.

M. Golf Courses. A public golf course, including, if Lessee so elects, a driving range, pro shop, putting course, golf school and chipping range to be developed on approximately three hundred twenty-five (325) acres of the Leased Premises.

N. Governmental Authority. Any governmental or quasi-governmental entity, regardless of how constituted, having or claiming jurisdiction over the Leased Premises or any portion thereof, or over the design, planning, construction, use, operation, maintenance or occupancy of all or any portion of the Leased Premises.

O. Gross Rental Receipts - Commercial Buildings. All income, including money and any Other Things Of Value, ["Other Things of Value" means the use of Commercial Buildings or portions of them by Developer Lessees or their respective affiliates for their own purposes other than subleasing. The value to be attributed to such use shall be the Gross Rental Receipts - Commercial Buildings received on account of all other occupied space in Commercial Buildings on the Leased Premises divided by the number of occupied square feet in such buildings multiplied by the number of square feet used by such Developer Sublessees or affiliates.] received by or paid to Lessee, a Developer Sublessee

or their respective affiliates, whether individuals, corporations, partnerships, or other legal entities, or received by or paid to others for Lessee's, such Developer Sublessee's or their respective affiliates' use and benefit, derived from the subleasing, subrenting, permitting, contracting or other use of the Commercial Buildings developed on Leased Premises or any portion thereof. Gross Rental Receipts - Commercial Buildings shall not include the following: (i) any ad valorem taxes paid by other than the Lessee or the Developer Sublessee for the account of the Lessee or the Developer Sublessee; (ii) amounts collected and paid out for rental, sales or excise taxes imposed by governmental authority, where such taxes are paid by a sublessee, licensee or concessionaire as a separate item; (iii) income from the sale of fixtures or goodwill, or the recovery of costs from the sale of improvements constructed by the Lessee on the Leased Premises; and (iv) gross sales of Sublessees, licensees, concessionaires or other occupants of the Leased Premises. Bad debts or charge-backs may be deducted as they arise.

P. Gross Rental Receipts - Hotel. All income, including money and any other things of value, received by or paid to Lessee or its affiliates, whether individuals, corporations, partnerships, or other legal entities, or received by or paid to others for Lessee's or its affiliate's use and benefit, derived from the subleasing, subrenting, permitting, contracting or other use of premises within a Hotel (excluding, however, meeting rooms, banquet facilities and ballrooms). Gross Rental Receipts - Hotel

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shall not include the following: (i) any ad valorem taxes paid by other than the Lessee for the account of the Lessee; (ii) amounts collected and paid out for rental, sales or excise taxes imposed by governmental authority, where such taxes are paid by a sublessee, licensee or concessionaire as a separate item; (iii) income from the sale of fixtures of goodwill, or the recovery of costs from the sale of improvements constructed by the Lessee on the Leased Premises; (iv) gross sales of Sublessees, licensees, concessionaires or other occupants of the Leased Premises; and (v) Hotel Occupancy Gross Sales (as defined in Article 1R below). Bad debts or charge-backs may be deducted as they arise.

Q. Gross Sales - Golf Course Property. The entire amount of the actual receipts of Lessee, Sublessees and/or concessionaires, from all sales or services made or performed from the Golf courses developed on the Leased Premises and whether such sales shall be evidenced by check, credit, charge account, exchange or otherwise, and shall include, but not be limited to, the amounts received from the sale of goods, wares and merchandise and for services performed, together with all receipts from order taken, received or filled at the Golf Course developed on the Leased Premises. Gross Sales - Golf Course shall not include and there shall be deducted therefrom the following: (i) returns or refunds, or credits received in settlement of claims for loss or damage to goods, wares or merchandise; (ii) all sales taxes, excise taxes, gross receipts taxes and similar taxes whether imposed under any existing or future Legal Requirement; (iii) any receipts from the

transfer of goods, wares or merchandise from the Golf course developed on the Leased Premises to any other business enterprise operated by Lessee or its affiliates not for the purpose of consummating a sale made at the Leased Premises; (iv) any receipts from the delivery of goods, wares or merchandise from the Golf course developed on the Leased Premises to any manufacturers or suppliers thereof for any purposes except to sell; (v) all receipts from vending machines or telephones installed by Lessee on the Golf Course developed on the Leased Premises, except such portion thereof as may be retained by Lessee; (vi) all sales to employees made at the normal trade discount; (vii) direct expenses of credit card sales paid by Lessee to the issuers of such credit cards; (ix) sales discounts or non-cash donations to non-profit, charitable or religious organizations; (x) the selling price of fixtures, furniture, machinery, equipment and trade fixtures which are not stock-in-trade; (xi) bad debts and chargebacks; (xii) the proceeds of any Approved Encumbrance; and (xiii) any amounts payable to Lessee in connection with an assignment of this Lease or any Substitute Lease.

R. Gross Sales - Hotel. The entire amount of the actual receipts of Lessee, Sublessees, assignees and/or concessionaires, from all sales or services made or performed from the Hotel developed on the Leased Premises and whether such sales shall be evidenced by check, credit, charge account, exchange or otherwise, and shall include but not be limited to, the amounts received from the sale of goods, wares and merchandise and for

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services performed, together with all receipts from orders taken, received, or filled at the Hotel developed on the Leased Premises. Gross Sales - Hotel shall not include, and there shall be deducted therefrom the following: (i) returns or refunds, or credits received in settlement of claims for loss or damage to goods, wares or merchandise; (ii) all sales taxes, excise taxes, gross receipts taxes and similar taxes whether imposed under any existing or future legal requirement; (iii) any receipts from the transfer of goods, wares or merchandise from the Hotel developed on the Leased Premises to any other business enterprise operated by Lessee or its affiliates not for the purpose of consummating a sale made at the Leased Premises; (iv) any receipts from the delivery of goods, wares or merchandise from the hotel developed on the Leased Premises to any manufacturers or suppliers thereof for any purposes except to sell; (v) all receipts from vending machines, weighing machines, stamp machines or telephones installed by Lessee in the Hotel developed on the Leased Premises, except such portion thereof as may be retained by Lessee; (vi) all sales to employees made at the normal trade discount; (vii) all lottery ticket sales (but only to the extent the sale of lottery tickets is permitted by the Community); (viii) direct expenses of credit sales paid by Lessee to the issuers of such credit cards; (ix) sales discounts or non-cash donations to non-profit, charitable or religious organizations; (x) the selling price of fixtures, furniture, machinery, equipment and trade fixtures which are not stock-in-trade; (xi) bad debts and charge backs; (xii) the proceeds of any

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Approved Encumbrance; (xiii) Gross Rental Receipts - Hotel; and (xiv) any amounts payable to Lessee in connection with an assignment of this Lease or any Substitute Lease for the purposes of this Lease, "Hotel Food Gross Sales" shall be that portion of Gross Sales - Hotel received from the sale of food, "Hotel Beverage Gross Sales" shall be that portion of Gross Sales - Hotel received from the sale of beverages. "Hotel Occupancy Gross Sales" shall be that portion of Gross Sales - Hotel received from the use or occupancy of guest rooms at the Hotel, and "Miscellaneous Hotel Gross Sales" shall be all other Gross Sales - Hotel.

S. Lease. This Business Lease B-___.

T. Lease Term. As provided in Article 3 below.

U. Lease Year. Each period of twelve (12) consecutive months, commencing on each July 1 and ending on the next succeeding June 30, except that the first Lease Year shall begin when the Lease Term shall commence and shall end at midnight on the next succeeding June 30 which is at least twelve (12) months after the date on which the Lease Term shall commence, in which event the first Lease Year may consist of more than twelve (12) months.

V. Leased Premises or Premises. That certain property located in Maricopa County, Arizona, and legally described on Exhibit "C" attached hereto, together with a right of ingress and egress thereto and all easements, rights-of-way, privileges, licenses, appurtenances, water and well rights and other rights and benefits belonging to, running with or in any way related to such real property and all of the improvements now or hereafter located

thereon.

W. Legal Requirements. All statutes, laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions of federal and Community governmental entities and other governmental entities having jurisdiction affecting either the Leased Premises or the construction, use, occupancy, repair, renovation, replacement or alteration thereto, whether now or hereafter enacted and enforced, including any of the same which may (i) require repairs, modifications or alterations in or to any portion of the Leased Premises; or (ii) in any way limit, restrict or impose conditions upon the use and authorizations and regulations relating to the Leased Premises, and all covenants, agreements, restrictions and encumbrances contained in any instruments, either of record or known to Lessee (other than encumbrances created by Lessor without the consent of Lessee), at any time in force or effect pertaining to the Leased Premises or any portion thereof or interest therein.

X. Lessee. Salt River Community Golf Enterprises, a division of the Salt River Pima-Maricopa Indian Community.

Y. Lessor. Those certain allotted landowners of land within the Salt River Pima-Maricopa Indian Community identified on Exhibit "A" attached hereto.

Z. Net Cash Flow - Golf Course Property. The balance of the Gross Sales - Golf Course Property amount after the deduction therefrom of (1) all amounts attributable to cost of sales for merchandise and food and beverages; (ii) all operating

expenses of the Golf Course Property including, but not limited to: payroll and benefits, utilities, equipment lease and rental, repairs and maintenance, general and administrative and management fees and costs; (iii) and all amounts paid as interest expense and principal repayment for loans made for the development and construction of Golf Course Property and for the reconstruction and improvement of the Golf Course Property as well as loans made for the purchase or financing of items of personal property used in the operation of the Golf Course Property.

AA. Additional Rent - Commercial Buildings. As described in Article 5B.2 below.

AB. Additional Rent - Golf Course Property. As described in Article 5A.2.d below.

AC. Additional Rent - Hotel. As described in Article 5C.2 below.

AD. Person. An individual, corporation, partnership, joint venture, association, firm, joint stock company, trust, unincorporated association or other legal entity.

AE. Price Index. The consumer price index compiled and published by the United States Department of Labor, Bureau of Labor Statistics, designated "CONSUMER PRICE INDEX - U.S. CITY AVERAGE FOR URBAN WAGE EARNERS AND CLERICAL WORKERS, 1967 = 100, ALL ITEMS."

AF. Prime Rate. The rate of interest publicly announced, quoted, or published by Bank of America Arizona, or its successor, from time to time, at its main office in Phoenix,

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Arizona, as its "prime rate."

AG. Removable Personal Property. All personal property, of every kind and nature, belonging to Lessee or any Sublessee, excluding, however, property which normally would be attached or affixed to the buildings, improvements or the Leased Premises in such a manner that such property would become a part of the realty, regardless of whether such property is in fact so placed in or on or affixed to the buildings, improvements or the Leased Premises.

AH. Rent or Rental. Basic Rent - Commercial Buildings, Basic Rent - Golf Course Property, Basic Rent - Hotel, Additional Rent - Golf Courses, Additional Rent - Commercial Buildings, Additional Rent - Hotel.

AI. Rental Bond. As provided in Article 13 below.

AJ. Required Consent. Any governmental approval or other consent, license, grant, authorization or agreement from any Governmental Authority or any public or private provider of public utility services, the procurement or maintenance of which may reasonably be necessary, desirable or appropriate as a condition or prerequisite to the proper development, improvement, use, occupancy or operation of all or any portion of the Leased Premises in accordance with the provisions of this Lease.

AK. Hotel. A hotel which may include restaurants and gift shops and, meeting, banquet and recreational facilities.

AL. Secretary. The Secretary of the Interior, United States Department of the Interior or his or her authorized representative.

AM. Subleases. A lessee of all or any portion of the Leased Premises pursuant to an Approved Sublease.

AN. Substitute Lease. As described in Article 2 below.

AO. Superintendent. The Superintendent, Field Administrator, Coordinator or other officer in charge of the Salt River Agency, Bureau of Indian Affairs.

2. Demise of Leased Premises.

For and in consideration of the Rents and Agreements hereinafter set forth, the Lessor hereby leases the Leased Premises to the Lessee, and the Lessee hereby leases and accepts the Leased Premiss from Lessor.

3. Lease Term.

The term of this Lease shall be sixty-five (65) years beginning on the date this Lease is approved by the Secretary (the "Lease Term"). If said approval is not granted in writing by the Secretary on or before the ninetieth (90th) day after this Lease is delivered to the Salt River Agency of the Bureau of Indian Affairs then this Lease may be canceled by either party by a writing addressed to the other party. The date of approval by the Secretary shall be noted by an attachment to this Lease marked Exhibit "D".

4. Permitted Uses of Leased Premises.

The purpose of this Lease is to bring about the commercial development of the Leased Premises. The development and use of the Leased Premises will be consistent with the plan of development provided in this Lease, the permitted uses described herein and

with the zoning ordinances of the Community. The permitted uses are: two eighteen hole Golf Courses; Commercial Buildings; one or more Hotels; and such other uses as are normally or reasonably incidental to the foregoing uses. The Lessee shall develop all of the structures on the Leased Premises except that Lessee may, with the approvals required pursuant to Article 15 of this lease, sublease any portions of the Leased Premises not designated for Golf Course and related uses to a Developer Sublessee for the development of any of the permitted uses. Any Sublessee under this Lease will be subject to the use requirements of this Lease and with the zoning and other development and planning ordinances of the Community. If the Lessee or any Sublessee uses the Leased Premises for any use inconsistent with the provisions of this Article 4 without the prior written permission of the Lessor and the Community, such misuse shall constitute a default and a breach of this Lease. Lessee agrees not to use or cause to be used any part of the Leased Premises for any unlawful conduct or purpose. Lessee further covenants and agrees that it will not commit or permit on the Leased Premises any act that causes waste or a nuisance or which create a hazard to health of persons or to property wherever such persons or property may be.

5. Rent.

All monies payable under this Lease as Rent or otherwise shall be payable to the Community which shall receive all payments for and on behalf of Lessor, each of whom hereby acknowledge that such payment shall constitute payment in fact and each of whom hereby

irrevocably, for the Lease Term, designates the Community as its agent and attorney-in-fact for the receipt of such payments. Lessor agrees that no enforcement action or default against Lessee shall be made by or on behalf of Lessor in the event the Community fails to pay any sum due to Lessor herein, where such sums have been tendered to the Community in accordance with the provisions of this Article 5. All Rent of every category and description shall be payable to the Lessor in accordance with the respective ownership interests of each of the Allotted Landowners comprising the Lessor and without regard to the ownership of the portions of Leased Premises upon which the Golf Course Property, Commercial Buildings and/or Hotels may be situate.

A. Golf Course Property.

1. Basic Rent - Golf Course Property. The Rent as set forth in Subparagraphs 1(a) and 1(b) below shall be deemed "Basic Rent - Golf Course Property".

(a) Commencement of Lease Term until an Occupancy Permit is Issued for the Golf Course Property by the Community's Community Development Department. The Basic Rent - Golf Course Property for the period beginning on the commencement of the Lease Term and continuing until an occupancy certificate is issued for the Golf Course Property by the Community's Community Development Department shall be payable annually, in advance, at the rate of Five Hundred Dollars (\$500.00) per acre per year.

(b) Upon the Issuance of an Occupancy Permit.
The Basic Rent - Golf Course Property for the period beginning on

the first day after an occupancy permit has been issued for the Golf Course Property and ending on the last day of the next full lease year shall be at the rate of One Thousand Dollars (\$1,000.00) per acre per year; and for the next full year at the rate of Two Thousand Dollars (\$2,000.00) per acre per year; and for the remaining years of this Lease at the rate of Three Thousand Dollars (\$3,000.00) per acre per year. Basic Rent - Golf Course Property shall be payable monthly in advance.

2. Additional Rent - Golf Course Property.

Commencing with the Lease Year in which the Certificate of Occupancy for the Golf Course Property is issued as provided in Article 5A.1.(b) hereof the Additional Rent - Golf Course Property will be for the first fifteen years of this Lease the amount by which an amount equal to sixty percent (60%) of Net Cash Flow - Golf Course Property exceeds the amount of the Basic rent - Golf Course Property and after first deducting as a credit any such amount which has been paid pursuant to Article 5A.2(a) below and for the sixteenth through the last year of this Lease the amount calculated according to this sentence using an amount equal to seventy percent (70%). Such rent will be paid 120 days after the end of each Lease Year.

(a) Interim Payments of Additional Rent.

Commencing with the first (1st) year after Additional Rent - Golf Course Property is payable and continuing through the tenth (10th) Lease Year, Additional Rent - Golf Course Property, if any, shall be paid as follows: An amount equal to seventy-five percent (75%)

of said Additional Rent payable by Lessee for the immediately preceding Lease Year shall be paid by Lessee, monthly, in advance, together with the monthly installments of Basic Rent - Golf Course Property. The calculation of Additional Rent shall be preliminarily made so that payment of the Additional Rent installment due for the first (1st) day of each Lease Year shall be timely paid. In addition, commencing with the eleventh (11th) Lease Year, said Additional Rent, if any, shall be paid as follows: An amount equal to eighty percent (80%) of the average of the Additional Rent payable by Lessee for the immediately preceding five (5) Lease Years shall be paid by Lessee, monthly, in advance, together with the monthly installments of Basic Rent - Golf Course Property. The calculation of Additional Rent shall be preliminarily made so that payment of the said Additional Rent installment due the first day of each five (5) Lease Year period shall be timely paid. After the accounting required under Article 43 is submitted, the said Additional Rent due for each Lease Year shall be adjusted to reflect the results of the accounting. The interim payments of said Additional Rent shall be adjusted in accordance with the provisions of this Article 5.A.3. prior to the sixteenth (16th) twenty-first (21st), twenty-sixth (26th), thirty-first (31st), thirty -sixty (36th), forty-first (41st), forty-sixth (46th) Lease Years.

3. Development Pad Vacant Land. The Basic Rent for Development Pad Vacant Land shall be payable annually in advance at the rate of Five Hundred Dollars (\$500.00) per acre per

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year.

B. Commercial Buildings

1. Basic Rent - Commercial Buildings. The Rent set forth in Subparagraphs 1(a) through 1(d) below shall be deemed "Basic Rent - Commercial Buildings". The three (3) categories of land for the purposes of Basic Rent - Commercial Buildings under this Lease are:

(a) Lands for which a building permit for construction of offsite improvements has been issued by the Salt River Pima-Maricopa Indian Community Development Department. Basic Rent - Commercial Buildings for such land shall be Two Thousand and No/100 Dollars (\$2,000.00) per acre, per year. Basic Rent - Commercial Buildings shall be payable monthly, in advance, and shall be prorated to reflect that portion of the Lease Year for which Basic Rent - Commercial Buildings under this Subparagraph 1(a) shall apply. Such Basic Rent - Commercial Buildings shall be effective upon the issuance of a building permit by the Community Development Department for offsite improvements upon such land. Subsequent to the issuance of the building permit as set forth herein, Lessee shall have the right to install utilities, roads and other improvements pursuant to the plans and specifications approved by the Community necessary to make specific portions of the Leased Premises ready for building construction.

(b) Lands for which a building permit has been issued by the Salt River Pima-Maricopa Indian Community Development Department for the construction of specific improvements to be

occupied by Lessee or offered for Sublease. The Basic Rent - Commercial Buildings for such land shall be Four Thousand and No/100 Dollars (\$4,000.00) per acre, per year. Basic Rent - commercial Buildings shall be payable monthly, in advance, and shall be prorated to reflect that portion of the Lease Year for which Basic Rent - Commercial Buildings under this Subparagraph 1(b) shall apply. Such Basic Rent - Commercial Buildings shall be effective upon the issuance of a building permit by the Community Development Department.

(c) Lands for which a certificate of occupancy has been issued by the Salt River Pima-Maricopa Indian Community Development Department. The Basic Rent - Commercial Buildings for such land shall be Ten Thousand Nine Hundred and No/100 Dollars (\$10,900.00) per acre during the first (1st) Lease Year; Eleven Thousand Three Hundred Fifty and No/100 Dollars (\$11,350.00) per acre during the second (2nd) Lease Year; Twelve Thousand One Hundred and No/100 Dollars (\$12,100.00) per acre during the third (3rd) Lease Year; Twelve Thousand Seven Hundred and No/100 Dollars (\$12,700.00) per acre during the fourth (4th) Lease Year; Thirteen Thousand Three Hundred and No/100 dollars (\$13,300.00) per acre during the fifth (5th) Lease Year; Thirteen Thousand Nine Hundred and No/100 dollars (\$13,900.00) per acre during the sixth (6th) Lease Year; Fourteen Thousand Five Hundred and No/100 Dollars (\$14,500.00) per acre during the seventh (7th) Lease Year and thereafter. Basic Rent - Commercial Buildings shall be prorated to reflect that portion of the Lease Year for which Basic Rent -

Commercial Buildings under this Subparagraph 1(c) shall apply. Basic Rent - Commercial Buildings under this Subparagraph 1(c) shall be effective upon the issuance of a certificate of occupancy by the Community Development Department.

2. Additional Rent - Commercial Buildings.

(a) From and after the beginning of the first (1st) Lease Year, the Rent due Lessor for the portion of the Leased Premises devoted to Commercial Buildings will be Basic Rent - Commercial Buildings plus Additional Rent - Commercial Buildings, if any. From the beginning of the first (1st) Lease Year and for seven (7) Lease Years thereafter, the Additional Rent - Commercial Buildings will be the amount by which an amount equal to twenty percent (20%) of the Gross Rental Receipts - Commercial Buildings exceeds the amount of Basic Rent - Commercial Buildings; for the Lease Year thereafter and until and including the thirty-fifty (35th) Lease Year, the Additional Rent - Commercial Buildings will be the amount by which an amount equal to twenty-four percent (24%) of the Gross Rental Receipts - Commercial Buildings exceeds the amount of Basic Rent - Commercial Buildings; during the last thirty (30) Lease Years, the Additional Rent - Commercial Buildings will be the amount by which an amount equal to twenty-seven percent (27%) of the Gross Rental Receipts - Commercial Buildings exceeds the amount of Basic Rent - Commercial buildings.

(c) For each Lease Year, Additional Rent - Commercial Buildings, if any, shall be paid as follows: an amount equal to seventy-five (75%) of the prior Lease Year's Additional

Rent - Commercial Buildings shall be paid in twelve (12) equal monthly installments in advance. The calculation of the Additional Rent - Commercial Buildings shall be preliminarily made so that payment of the Additional Rent - Commercial Buildings installment due on the first day of the first month of each Lease Year shall be timely made. After the accounting required under Article 43 below is submitted, the Additional Rent - Commercial Buildings shall be adjusted to reflect the accounting. For each Lease Year after the tenth (10th) year in which Additional Rent - Commercial Buildings is due, the projected Additional Rent - Commercial Buildings for the ensuing Lease Year shall be average of the Additional Rent - Commercial Buildings paid during the prior five (5) years. In the event that the projected Additional Rent - Commercial Buildings as so calculated is greater than one hundred fifty percent (150%) or is less than fifty percent (50%) of the prior year's Additional Rent - Commercial Buildings actually paid or due to be paid, the parties agree that they will meet and confer to arrive at a reasonable projection of Additional Rent - Commercial Buildings for the purposes of this Subparagraph 2(c). In the event that the prepayment of Additional Rent - Commercial Buildings results in an overpayment to the Lessor of Rent for the portion of the Leased Premises devoted to Commercial Buildings for any lease Year, the amount of such overpayment, as determined in accordance with Article 43 below, shall be credited against the next Rent payment or payments due to be made by Lessee for the portion of the Leased Premises devoted to Commercial Buildings until the entire amount of

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overpayment has been credited.

C. Hotel

1. Basic Rent - Hotel. The Rent as set forth in Subparagraphs 1(a) through 1(c) below shall be deemed "Basic Rent - Hotel", which Rent shall be adjusted during the Lease Term, in accordance with the provisions of Article C.3 below. The three (3) categories of land for purposes of Basic Rent - Hotel under this Lease are:

(a) Lands for which a building permit for construction of offsite improvements has been issued by the Salt River Pima-Maricopa Indian Community Development Department. Basic Rent - Hotel for such land shall be Two Thousand and No/100 Dollars (\$2,000.00) per acre, per year. Basic Rent - Hotel shall be payable monthly, in advance, and shall be prorated to reflect that portion of the Lease Year for which Basic Rent - Hotel under this subparagraph 1(a) shall apply. Such Basic Rent - Hotel shall be effective upon the issuance of a building permit by the Community Development Department for offsite improvements upon such land. Subsequent to the issuance of the building permit as set forth herein, Lessee shall have the right to install utilities, roads and other improvements pursuant to the plans and specifications approved by the Community necessary to make specific portions of the Leased Premises ready for building construction.

(b) Lands for which a building permit has been issued by the Salt River Pima-Maricopa Indian Community Development Department for the construction of specific improvements comprising

a Hotel. The Basic Rent - Hotel for such land shall be Four Thousand and No/100 Dollars (\$4,000.00) per acre per year. Basic Rent - Hotel shall be payable monthly, in advance and shall be prorated to reflect that portion of the Lease Year for which Basic Rent - Hotel under this Subparagraph 1(b) shall apply. such Basic Rent - Hotel shall be effective upon the issuance of a building permit by the Community Development Department.

(c) Lands for which a certificate of occupancy has been issued by the Salt River Pima-Maricopa Indian Community Development Department. The Basic Rent - Hotel for such land shall be Ten Thousand Nine Hundred and No/100 Dollars (\$10,900.00) per acre during the first (1st) Lease Year; Eleven Thousand Three Hundred Fifty and No/100 Dollars (\$11,350.00) per acre during the second (2nd) Lease Year; Twelve Thousand One Hundred and No/100 Dollars (\$12,100.00) per acre during the third (3rd) Lease Year; Twelve Thousand Seven Hundred and No/100 Dollars (\$12,700.00) per acre during the fourth (4th) Lease Year; Thirteen Thousand Three Hundred and No/100 Dollars (\$13,300.00) per acre during the fifth (5th) Lease Year; Thirteen Thousand Nine Hundred and No/100 Dollars (\$13,900.00) per acre during the sixth (6th) Lease Year; Fourteen Thousand Five Hundred and No/100 Dollars (\$14,500.00) per acre during the seventh (7th) Lease Year and thereafter. Basic Rent - Hotel shall be prorated to reflect that portion of the Lease Year for which Basic Rent - Hotel under this Subparagraph 1(c) shall apply. Basic Rent - Hotel under this Subparagraph 1(c) shall be effective upon the issuance of a certificate of occupancy by the

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Community Development Department.

2. Additional Rent - Hotel

(a) The Rent due for the portion of the Leased Premises devoted to a Hotel for each Lease Year shall be the higher of the Basic Rent - Hotel or the sum of (i) three percent (3%) of Miscellaneous Hotel Gross Sales, plus (ii) five percent (5%) of Hotel Occupancy Gross Sales, plus (iii) four percent (4%) of Hotel Beverage Gross Sales, plus (iv) three and one-half percent (3 1/2%) of Hotel Food Gross Sales, and plus (v) the Specified Percentage (as hereinafter defined) of Gross Rental Receipts - Hotel for each such Lease Year. For the purposes of this Lease, the "Specified Percentage" shall be five percent (5%) for the first (1st) Lease Year through the seventh (7th) Lease Year, Twenty Percent (20%) for the eighth (8th) Lease Year through the fifteenth (15th) Lease Year, Twenty-Four Percent (24%) for the sixteenth (16th) Lease Year through the thirty-fifth (35th) Lease Year and Twenty-seven Percent (27%) for the thirty-sixth Lease Year through the Fiftieth (50th) Lease Year.

(b) For each Lease Year, Additional Rent - Hotel, if any, shall be paid as follows: An amount equal to seventy-five (75%) of the prior Lease Year's Additional Rent - Hotel shall be paid in twelve (12) equal monthly installments in advance. The calculation of the Additional Rent shall be preliminary made so that payment of the Additional Rent - Hotel installment due on the first day of the first month of each Lease Year shall be timely made. After the accounting required under

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Article 43 below is submitted, the Additional Rent - Hotel shall be adjusted to reflect the accounting. For each Lease Year after the tenth (10th) year in which Additional Rent - Hotel is due, the projected Additional Rent - Hotel for the ensuing Lease Year shall be the average of the Additional Rent - Hotel paid during the prior five (5) years. In the event that the projected Additional Rent - Hotel as so calculated is greater than one hundred fifty percent (150%) or is less than fifty percent (50%) of the prior year's Additional Rent - Hotel actually paid or due to be paid, the parties agree that they will meet and confer to arrive at a reasonable projection of Additional Rent - Hotel for purposes of this subparagraph 2(b). In the event that the prepayment of Additional Rent - Hotel results in an overpayment to the Lessor of Rent for the portion of the Leased Premises devoted to the Hotel for any Lease Year, the amount of such overpayment as determined in accordance with Article 43 below, shall be credited against the next Rent payment or payments due to be made by Lessee for the portion of the Leased Premises devoted to the Hotel until the entire amount of overpayment has been credited.

D. Timely Payment. All Rent shall be paid without prior notice or demand on or before the fifteenth (15th) day of each calendar month. Past due Rent shall bear interest at the Prime Rate plus five (5) percentage points from the date due until paid, but this provision shall not be construed to relieve Lessee from its obligation to make timely Rent payments, nor of the operation of the provisions of this Lease relating to default.

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E. Alternate Payment Provision. The provisions of this Article 5 notwithstanding, in the event of the death of any of the allotted landowners comprising the Lessor during the Lease Term and while the Leased Premises are in trust or restricted status, all Rent remaining due or payable to the decedent or his representative under the provisions of this Lease shall be paid to the official of the Bureau of Indian Affairs having jurisdiction over the Leased Premises. The Lessee's obligation under this Article 5E shall commence upon written notice from the Community to Lessee of the identity of the deceased landowner and his or her percentage interest in the Rent payment.

6. Business Hours and Activity.

A. Golf Course Property. Lessee agrees that subject to damage or destruction, inclement weather, remodeling, reconstruction of the Golf Course Property market conditions and the requirements of professional golf course managers, upon development of the Golf Course Property on the Leased Premises, that at all times during this Lease, it will keep the Golf Course Property on the Leased Premises actively used. Subject to the foregoing, the Golf Course Property on the Leased Premises shall be

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open for business during the regular and customary hours of golf courses in Maricopa County, Arizona and on all business days, in good faith, so that Lessor will at all times receive the maximum income under the Additional Rent - Golf Course Property provisions of this Lease.

B Hotel. Lessee agrees that subject to damage or destruction, remodeling, local and/or regional market conditions impacting upon the demand for hotel facilities and seasonal closures, upon development of the Hotel on the Leased Premises, that at all times during this Lease, it will keep the Hotel on the Leased Premises actively used. Subject to the foregoing, the Hotel and, subject to the turnover of Sublessees, all businesses in the Hotel, shall be conducted during the regular and customary hours of such business and on all business days in good faith, so that Lessor will at all times receive the maximum income under the Additional Rent - Hotel provisions of this Lease.

C. Commercial Buildings. Lessee agrees that subject to damage or destruction, remodeling, local and/or regional market conditions impacting upon the demand for Commercial Building facilities, upon development of any Commercial Building on the Leased Premises, that at all times during this Lease, it will keep each such Commercial Building on the Leased Premises actively used. Subject to the foregoing, and, subject to the turnover of Sublessees, all businesses in each such Commercial Building shall be conducted during the regular and customary hours of such business and on all business days in good faith, so that Lessor

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will at all times receive the maximum income under the Additional Rent - Commercial Buildings provisions of this Lease.

7. Improvements and Completion of Development.

All buildings and improvements developed on the Leased Premises shall be constructed in accordance with the quality standards and provisions set forth on Exhibit "E" attached to this Lease. If the Lessee fails to commence construction of the Golf Course Property, the Commercial Buildings and/or the Hotel within the time frames set forth in Exhibit "F", Basic Rent and Golf Course Property, Basic Rent - Commercial Buildings and/or Basic Rent - Hotel shall be subject to adjustment in accordance with the provisions of Article 7B below (except that if Lessor has refused to approve a Sublease pursuant to Article 15(a) hereof, and such disapproval has caused or contributed to the cause for failure to construct the improvement within the time required by Exhibit "A" and such disapproval was commercially unreasonable, then the provisions of this Article 7 shall not apply).

(1) Require that the Basic Rent as adjusted pursuant to Article 5C payable under this Lease increase ten percent (10%) at the beginning of the next Lease Year. For each Lease Year thereafter that the Lessee fails to complete such full improvement, development and construction, the Basic Rent payable under this Lease shall be increased additionally by two percent (2%) of the previous year's Basic Rent;

OR

(2) Require that the Basic Rent payable under this Lease

shall be increased to the Fair Annual Rental as determined by appraisal in accordance with the provisions of Article 1K above, if the Fair Annual Rental of the undeveloped portion of the Leased Premises has increased since the effective date of this Lease. If this option is selected by the Lessor, the Basic Rent payable under this Lease shall be similarly increased at the end of every five (5) year period thereafter until the full improvement, development and construction is accomplished, according to the schedule set forth on Exhibit "K" attached hereto;

AND

(3) Modify the Lease to exclude that portion of the Leased Premises that has not been developed;

OR

(4) Cancel this Lease for that portion of the Leased Premises.

8. Substitute Lease.

It is further agreed that (i) upon completion of the development of the Commercial Buildings, the Golf Course Property and/or a Hotel(s), or (ii) consistent with needs incident to debt and/or equity financing, or (iii) to accommodate the needs of Sublessees and to facilitate development of the Leased Premises, Lessee shall be entitled to any reasonable subdivisions of the Leased Premises, and a separate Lease containing all of the applicable terms and provisions of this Lease (a "Substitute Lease") shall be executed by the parties hereto covering only such parcel or subdivision of the Leased Premises, and this Lease shall

then terminate with respect to such parcel or subdivision and be superseded by the terms of such Substitute Lease. The respective priority positions of the Lessor, Lessee and any Approved Encumbrancer shall be identified and preserved in the same manner as prior to the execution of such Substitute Lease. The obligations of Lessee to pay percentage Rent - Commercial Buildings as provided in Article 5D of this Lease shall not be diminished by this Article 8 and Gross Rental Receipts - Commercial Buildings under any Substitute Lease shall be aggregated with Gross Rental Receipts - Commercial Buildings under this Lease for the purpose of computing Additional Rent - Commercial Buildings. The form of Substitute Lease shall be submitted to Lessor and the Secretary for approval. The approval of the Substitute Lease form shall constitute approval of any Substitute Lease hereunder which is executed by Lessor in such form, and no further approval shall be required, including the approval of the Secretary and the Community.

9. Title to Buildings and Improvements.

All buildings and improvements that may be placed upon, installed in or attached to the Leased Premises by Lessee or a Sublessee shall be the property of and assets of Lessor. Lessee shall during the Lease Term, be solely entitled to any rights or benefits associated with such buildings and improvements. The Lessor shall have the right to require Lessee to remove any or all of the buildings or improvements on the Leased Premises at the termination of the Lease upon the reasonable determination of the

Lessor that the buildings or improvements or any of them have no commercial value, by written notification to Lessee no later than ninety (90) days after the termination of this Lease. If so notified, Lessee, at Lessee's sole cost and expense, shall remove said buildings or improvements within six (6) months thereafter, and shall restore that portion of the Leased Premises as nearly as possible to the condition existing at the time this Lease commenced.

10. Construction, Maintenance, Repair, Alteration.

All improvements placed on the Leased Premises shall be constructed in a good and workmanlike manner and in compliance with all Legal Requirements. All parts of buildings exposed to perimeter properties shall present a pleasant appearance and all service areas shall be screened from public view. The Lessee shall have the right at any time during the Lease Term to make limited alterations, additions or repairs to any improvement on the Leased Premises in an amount not to exceed Two Hundred Fifty thousand and No/100 Dollars (\$250,000.00) on the exterior of any single building or improvement during any Lease Year. Such sum shall be subject to adjustment in accordance with changes in the Price Index. Except as set forth in Article 42 below, removal or demolition of any improvements, alterations, additions or repairs to any improvements in excess of the above amount shall not be made without the prior consent of the Lessor and the Community and the approval of the Secretary, which consent and approval shall not be unreasonably withheld or delayed. Lessee shall prepare and submit its plans for

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removal or demolition of improvements or alterations, additions or repairs to any improvements in excess of the above amount to the Lessor, the Community and the Secretary in writing. Unless earlier approved, or rejected in writing, such plans shall be deemed approved thirty (30) days following submission. Lessee shall, at all times during the term of this Lease and at the Lessee's sole cost and expense, maintain the Leased Premises and all improvements thereon in good order and repair and in a neat, sanitary and attractive condition and in compliance with all Legal Requirements.

11. Non-Responsibility Notices.

Prior to the commencement or construction of any improvements on the Leased Premises, or any repair or alteration thereto, the Lessee shall give the Lessor and Secretary ten (10) days advance notice in writing of its intention to begin such construction, repair or alteration, in order that non-responsibility notices may be posted and recorded as may be provided by any applicable laws. Lessor hereby authorizes the Secretary to post said notices on Lessor's behalf. Nothing contained in this lease shall be construed as a waiver of the immunity of trust or restricted property from mechanic's or materialmen's liens or as an obligation of the Secretary or Lessor to post non-responsibility notices while the Leased Premises are in a trust or restricted status.

12. Rental Bond.

Within one hundred fifty (150) days after the date of approval of this Lease by the Secretary, the Lessee shall post a bond (the "Rental Bond") in a form satisfactory to the Community, Lessor and

Secretary in a penal sum of not less than the aggregate of the second year's Basic Rent - Golf Course Property which bond shall be deposited with the Secretary. The Rental Bond shall be maintained at all times in an amount not less than the sum of the Basic Rent payments to become due and payable during the ensuing twelve (12) calendar months of the Lease, unless and until the requirement for the Rental Bond is waived by the Lessor, the Community and the Secretary. Should Lessee fail to post the Rental Bond within the specified one hundred fifty (150) day period, or thereafter fail to maintain the Rental bond, Lessee shall be deemed to be in default. Should a waiver of the Rental Bond be granted, the Lessor and Secretary may later reinstate the requirement of the Rental Bond and Lessee hereby agrees to comply with said requirement. Lessee may furnish a corporate surety bond, or in lieu thereof, may deposit with the Secretary cash or negotiable United States Treasury Bonds or other negotiable Treasury obligations in the appropriate amount, together with a power of attorney, empowering the Secretary, in the event of Lessee's default in any of the provisions of Article 5 above to pay over such cash, or to dispose of any such bonds and pay over the proceeds derived therefrom, to or for the benefit of the Lessor, subject to Lessee's privilege of curing said default as hereinafter provided. Any other type of security which may be offered by Lessee to satisfy the requirements of this Article 12 will be given reasonable consideration by the Lessor and the Secretary, and it is agreed that acceptance of security in lieu of those described above shall not be unreasonably

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withheld or delayed. It is agreed that the Rental Bond required by this Article 12 shall guarantee payment of Basic Rent only and that any corporate surety bond shall be in continuous form and may be subject to the provisions that the surety may terminate the rental Bond thirty (30) days subsequent to the then next ensuing anniversary date of this Lease by giving at least forty-five (45) days written notice to the Lessor and the Secretary. If U.S. Treasury Bonds are provided, Lessee agrees to make up any deficiency between the value of the Treasury Bonds and the required Rental Bond. Interest on the Treasury Bonds shall be paid to Lessee.

13. Performance Bond.

Before beginning construction of any buildings and improvements on the Leased Premises, Lessee agrees to provide security to guarantee completion of the buildings and improvements and payment in full of claims of all persons for work performed on, or materials furnished for construction. Lessee may provide said security by either:

A. Posting a corporate surety bond in an amount equal to the cost of each building or other improvement, said bond to be deposited with the Secretary and to remain in effect until the buildings and improvements are satisfactorily completed. Said bond shall be conditioned upon the faithful performance of Lessee, in completing the buildings and improvements as provided for in this Lease, and shall be further conditioned on the payment by Lessee of all just claims of all persons for work performed on or materials

furnished for construction. The bond shall allow the right of action to recover upon the bond in any suit brought for failure to complete the buildings and improvements and/or for failure to pay for work performed or in material furnished for construction; or

B. Depositing in escrow, with an institution reasonably acceptable to the Community, the Lessor and the Secretary, negotiable United States Treasury Bonds or cash, in an amount sufficient to pay the entire cost of construction of each building or other improvement then to be erected on the Leased Premises. The escrow instructions shall include provisions for disbursement in installments upon certification of Lessee's architect as construction progresses. The Lessor and the Secretary shall have access to all information relative to the disbursement of funds through said escrow. The escrow instructions shall also provide that not less than ten percent (10%) of such funds shall be withheld by the escrow holder until the period fixed by law for the filing of all mechanics' or materialmen's liens on such improvement shall have expired or until a reasonably acceptable title company issues a title insurance policy which, in substance, insures the Lessor and Secretary against any loss they shall sustain by reason of any statutory liens for labor or material arising out of any work or improvement described in said escrow instructions; that if mechanics' or materialmen's liens are filed, the funds so withheld shall then be used to discharge such liens; and that if no such liens are filed with the statutory period for filing, the withheld funds shall then be disbursed to the Lessee. If U.S. Treasury

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Bonds are provided, Lessee agrees to make up any deficiency caused by a decrease in the value of the deposited U.S. Treasury bonds; or

C. Such other security as may be reasonably acceptable to Lessor, the Community and the Secretary.

14. Public Liability Insurance.

At all times during the Lease Term, Lessee shall carry a public liability insurance policy with coverages of not less than Five Million, Five Hundred Thousand and No/100 dollars (\$5,500,000.00), combined single limit coverage, per occurrence. Five Hundred Thousand and No/100 Dollars (\$500,000.00) of this coverage shall be in the form of primary coverage and the remaining Five Million and No/100 Dollars (\$5,000,000.00) shall be pursuant to an umbrella liability insurance policy of not less than Five Million and No/100 Dollars (\$5,000,000.00), combined single limit, per occurrence. Upon the issuance of the certificate of occupancy for a Hotel(s), Lessee shall increase the liability coverage of the umbrella liability insurance policy to Ten Million and No/100 Dollars (\$10,000,000.00), combined single limit, per occurrence. All policies shall be written to protect both Lessee and Lessor. Evidence of the foregoing reasonably acceptable to the Secretary shall be furnished to the Secretary.

15. Sublease, Assignment, Transfer.

A. Sublease. This Lessee shall not, except as expressly authorized herein, sublease all or any part of the Leased Premises, without the approval of the Secretary, the Community and the Lessor, which approval will not be unreasonably withheld or

delayed. No Sublease shall be valid or binding without the approval of the Secretary, the Community and the Lessor, and then only upon the condition that each Sublessee has agreed in writing that, in the event of conflict between the provisions of this Lease and of its Sublease, the provisions of this Lease shall govern. The Secretary, the Lessor and the Community shall either approve or state with reasonable specificity their reasons for disapproval of a proposed Sublease within thirty (30) days after the proposed sublease is submitted for approval. The failure of the Secretary, the Lessor and Community to so act within the thirty (30) day period provided for in this Article 15A shall constitute approval of the proposed Sublease by the Lessor and Community. Any Sublease made except as aforesaid shall be deemed a breach of this Lease.

(1) Short Term Subleases. Unless the procedures of Article 15A are followed, or Subleases not exceeding fifteen (15) years, prior to offering commercial or office space within the Commercial Buildings or retail space within a Hotel for Sublease, Lessee shall submit to the Community, the Lessor and the Secretary, for approval, proposed schedules of Sublease rent, which shall show minimums, but not maximum rents proposed to be charged to Sublessees. Such rent schedules shall be subject to annual review at the written request of the Lessor, the Community or the Secretary. In conjunction with the submission of the schedules of rent, Lessee shall also submit to the Lessor, the Community and the Secretary, for approval, proposed sublease forms and an assignment of Sublease form for use in subleasing such commercial or office

space within the Commercial Buildings. Approval of the within described forms and schedules of rents by the Lessor, the Community and the Secretary shall constitute approval of all Subleases of such commercial or office space and assignments of said Subleases entered into by the Lessee pursuant to this lease which are consistent with such schedule and are on said forms. Copies of such Sublease and assignment forms shall be furnished to the Lessor, the Community and the Secretary. The Sublease form shall provide that the Sublessee shall be subject to and bound by each and all of the conditions of this Lease. No such subletting shall affect any of the obligations or liabilities of the Lessee hereunder. The term, including any option period, of Subleases on the preapproved forms as described in this Article 5A(1) shall not exceed fifteen (15) years. The Lessor, the Community and the Secretary may, on an annual basis, request the Lessee to submit revised schedules of Sublease rent and such Sublease rents may be adjusted with the written consent and agreement of the Lessee, Lessor and the Secretary. Such adjusted Sublease rents shall become effective as the then existing Subleases are terminated or expire.

B. Assignment or Transfer. The Lessee shall not assign or transfer all or any part of its interest in this Lease without the written approval of the Lessor, the Community, the Secretary and Approved Encumbrancers, which approval shall not be unreasonably withheld or delayed. No such assignment or transfer shall be valid or binding without such approval, and then only upon

the condition that the assignee or other successor in interest, excepting an Approved Encumbrancer, shall agree in writing to be bound by each and all of the covenants and conditions of this Lease. Any such assignment or transfer not complying with the provisions of this Article 15B shall be deemed a breach of this Lease. The Lessor, the Community and the Secretary shall either approve or state, with reasonable specificity, their reasons for disapproval of any proposed assignment or transfer within sixty (60) days after it is submitted for approval. The obligations of Lessee to pay Additional Rent - Commercial Buildings as provided in Article 5D of this Lease shall not be diminished by this Article 15B and Gross Rental Receipts - Commercial Buildings under any assignment or transfer shall be aggregated with Gross Rental Receipts - Commercial Buildings under this Lease for the purpose of computing Additional Rent - Commercial Buildings.

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16. Status of Subleases.

Termination of this Lease, by cancellation or otherwise shall not serve to cancel Approved Subleases and/or subtenancies, but shall operate as an assignment to Lessor of any and all such Subleases and/or subtenancies. Provided that a sublessee is not in default under the terms of its Sublease, Lessor shall honor such Sublease and shall not disturb the tenancy of such Sublessee. If Lessee shall so request, within forty-five (45) days after receipt of such request, the Lessor, the Community and the Secretary shall execute, acknowledge and deliver to a Sublessee, ~~one or more non-~~ disturbance agreements, in a form reasonably satisfactory to such

Sublessee, whereby Lessor, the Community and the Secretary expressly agree that, notwithstanding any default by Lessee hereunder, or any termination or alteration of this Lease, the Lessor, the Community and the Secretary shall honor and acknowledge the continuing validity of such Sublessee's Sublease.

17. Agreements for Utility Facilities.

A. Lessor May Provide. The Community reserves the right to provide to the Lessee, either through its own resources or by contract with other governmental or private entities, utility services, including gas, water, electric, telephone, television and sewer facilities, at appropriate rates and charges; provided however, that such utility services shall be of a quality, capacity and at substantially similar rates as would be available to Lessee within the political boundaries of the City of Scottsdale. In the event Lessee has, at its expense, constructed utility facilities or is in the process of constructing such facilities, the Community will not provide service within the Leased Premises without first purchasing those facilities from the Lessee at a cash price which is equal to the "straight line" depreciated value thereof. Except as otherwise limited herein, the Community shall have the absolute right to purchase such utility facilities for the purpose of interconnecting such facilities with an existing Community utility system. Lessor, the Community and the Secretary hereby grant to Lessee the right to install and operate utility services, including sewer, water, electric, gas, telephone and television, etcetera, in the event the Community is unable to provide such utility services

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within the time frame necessary to meet Lessee's timetable for development of the Leased Premises, or if the Community is unable to provide such utility services at a quality, capacity and at substantially similar rates as would be available to the Lessee within the political boundaries of the City of Scottsdale. In the event that such utility improvements constructed by Lessee or a Developer Sublessee are purchased by the Community, the capacity of such utilities to serve the additional developments on the Leased Premises planned by Lessee and any Developer Sublessee shall be computed. That capacity, together with the capacity being used by Lessee and any Developer Sublessee at the time of the acquisition by the Community, shall remain available to Lessee and any Developer Sublessee for uses on the Leased Premises. The Lessor and the Secretary shall cooperate with Lessee to the end that such agreements may be consummated and further agree to grant rights-of-way and/or easements for the completion of such utilities, in accordance with and subject to the terms of this Lease. The Lessee shall furnish to the Community, the Lessor and the Secretary executed copies of any proposed agreement together with a plat or diagram showing the true location of the utility lines to be constructed in accordance with such proposed agreement. Lessee shall not enter into such proposed agreement until the Community Council approves the proposed location of the utility facilities to be constructed, which approval shall not be unreasonably withheld or delayed. The proposed location of utility facilities may be approved contemporaneously with or prior to the approval of this

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Lease. A copy of the executed agreement shall be furnished to the Community, the Lessor and the Secretary, together with the final plat or diagram of the utility installation. If sewer and water facilities are not immediately and readily available for use in developing the Leased Premises either from public utility companies, other third parties or the Community, Lessee shall have the right to use temporary facilities such as septic tanks and other procedures, subject to the approval of the Community, which approval will not be unreasonably or arbitrarily withheld or delayed.

B. Security and Fire Protection. Lessee shall have the right, subject to the laws of the Community, to maintain or employ a private security force and contract for fire protection for the Leased Premises all at Lessee's expense.

C. Water Charges. Lessee shall procure and maintain, throughout the Lease Term, all permits and licenses required by the Community in connection with withdrawing groundwater from the wells located on the Leased Premises. Lessor and the Community agree that the use of the groundwater for watering the Golf Course Property shall constitute an agricultural use of groundwater and not a commercial use. Although the Community does not presently charge agricultural users a water usage fee measured by the volume of groundwater withdrawn, if the Community should in the future impose a fee for the withdrawal of groundwater for agricultural purposes, the fee charged to Lessee shall be no greater than the fee charged by the Community to other users of groundwater for

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agricultural purposes.

18. Rights-of-Way for Streets and Utility Facilities.

Lessor hereby consents to the granting of rights-of-way for streets and utility facilities necessary to the full enjoyment of the Leased Premises and development thereof, according to the plans to be approved by Lessor and the Community in accordance with the provisions of Article 44 below. While it is intended that this provision shall be self operative, Lessor agrees to execute, acknowledge and deliver to Lessee such instruments or documents reasonably necessary to effectuate the provisions of this Article 18. Such rights-of-way are to be granted by the Secretary in accordance with the approved general development plan and pursuant to the Act of February 5, 1948 (62 Stat. 17), and any amendments thereto as supplemented by regulations of the Secretary applicable thereto. Such grants of rights-of-way are subject, however, to the approval of the Community Council which approval shall not be unreasonably withheld or delayed.

19. Encumbrance.

A. The Lessee, from time to time during the Lease Term, may make one or more Approved Encumbrances upon Lessee's leasehold interest in this Lease, or any part thereof, or any of the improvements on the Leased Premises by mortgage to any person, firm, corporation or other entity or combination thereof, and assign this Lease, or any part or parts thereof, as collateral security therefor provided that:

(1) The Lessee or the holder of the Approved

Encumbrance shall promptly deliver to the Lessor in the manner herein provided for the giving of notice to the Lessor, a true copy of the Approved Encumbrance and of any assignment thereof, and shall notify the Lessor of the address to which notices may be sent;

(2) An Approved Encumbrance shall be utilized for the development and improvement of the Leased Premises in such amount as the Lessee determines to be appropriate and the Secretary may approve, or to secure such other obligations as the Secretary may approve;

(3) No Approved Encumbrance shall extend to or affect the reversionary interest and estate of Lessor in and to the Leased Premises, or in any way attach to or affect the Leased premises from and after any expiration or termination of this Lease;

(4) An Approved Encumbrance shall provide that any notice of default thereunder shall be delivered to Lessor, as well as to Lessee, and that Lessor shall have the right to cure such default if the Lessee fails to do so. Lessor shall have the same time period as is available to the Lessee within which to cure a default, which time period will not commence until the expiration of the time period available to Lessee. Neither Lessor's right to cure a default nor Lessor's exercise of such right shall be deemed to be an assumption by Lessor of liability under the Approved Encumbrance; and

(5) From and after receiving notice of the

existence of an Approved Encumbrance, Lessor and Lessee shall not mutually agree to cancel, surrender, modify or amend this Lease in any respect without the prior written consent of the Approved Encumbrancer.

B. with respect to any Approved Encumbrance made in accordance with the provisions of this Article 19, and until the time, if any, that said mortgage shall be satisfied of record or said Approved Encumbrancer shall give to Lessor written notice that said mortgage has been satisfied, the following provisions shall apply:

(1) For the purposes of this Article 19, and throughout this Lease, the term "Approved Encumbrance" shall mean a mortgage on Lessee's interest in this Lease, which shall be deemed to include a deed of trust and such other types of security instruments as are commonly given to secure loans or advances on, the unpaid purchase price of leasehold estates and the construction and permanent financing and refinancing of improvements under the laws of the State of Arizona and the note or other credit instrument secured thereby.

(2) For the purposes of this Article 19, and throughout this Lease, the term "Approved Encumbrancer" shall mean the holder of record of any Approved Encumbrance including the trustee and beneficiary under a deed of trust, and the parties secured by any other security instrument.

(3) If Lessor shall give any notice, demand, election or other communication (collectively, "Messages") to

Lessee hereunder, Lessor shall at the same time give a copy of each such Message to each Approved Encumbrancer at the address theretofore designated by each Approved Encumbrancer. Copies of Messages shall be sent by registered or certified mail, and shall be deemed given upon the earlier of actual receipt or seventy-two (72) hours after the date such copy is deposited in a United States Post Office with postage charges prepaid. No Message given by Lessor to Lessee shall be effective unless and until a copy of said Message shall be given to each Approved Encumbrancer pursuant to this Article 19. In the case of an assignment of the mortgage or change in address of the Approved Encumbrancer, the assignee or Approved Encumbrancer, by written notice to Lessor, may change the address to which copies of Messages are to be sent. Lessor shall not be bound to recognize any assignment of the mortgage unless and until Lessor shall be given written notice of such assignment and the name and address of the assignee, and thereafter such assignee shall be deemed to be an "Approved Encumbrancer" under this Lease.

(4) Each Approved Encumbrancer, after receiving notice in accordance with subsection (3) of this Article 19B, will have forty-five (45) days more than is given the Lessee after notice to it, to remedy any default or to cause the same to be remedied.

(5) In case the Lessee shall default under any of the provisions of this Lease, each Approved Encumbrancer shall have the right to make good such default whether the same consists of the failure to pay rent or the failure to perform any other matter

or thing which the Lessee is hereby required to do or perform, and the Lessor shall accept such performance on the part of the Approved Encumbrancer as though the same had been done or performed by the Lessee.

(6) Lessee may delegate irrevocably to an Approved Encumbrancer the authority to exercise any or all of Lessee's rights hereunder, but no such delegation shall be binding upon Lessor unless and until either Lessee or the Approved Encumbrancer shall give to Lessor a true copy of a written instrument effecting such delegation. Such delegation of authority may be effected by the terms of the Approved Encumbrance itself, in which case the service upon Lessor of an executed counterpart or certified copy of the Approved Encumbrance, together with a written notice specifying the provisions therein which delegate such authority to the Approved Encumbrancer, shall be sufficient to give Lessor notice of such delegation.

(7) Any Approved Encumbrancer may, at the time of any damage or destruction, by fire or otherwise, to the Leased Premises or any machines, fixtures or equipment therein, or improvements thereon, at its sole cost and expense, repair the same or construct new improvements, as the case may be, and in such event, if the Approved Encumbrancer repairs or constructs, it shall be subrogated to the rights of Lessor and Lessee to all insurance proceeds payable as a result of such damage or destruction, and shall be entitled, if Lessee is not then in default hereunder, to have (and Lessee hereby authorizes Lessor to do so) all insurance

proceeds paid out by Lessor in the same manner and in every respect as if the Approved Encumbrancer were the Lessee hereunder.

(8) In the case of any default hereunder to the Lessee, other than in the payment of money, the Lessor will take no action to effect a termination of this Lease by reason of any such default without first giving to the Approved Encumbrancer a reasonable time within which either (i) to obtain possession of the Leased Premises (including possession by a receiver) and cure such default in the case of a default which is susceptible of being cured when the Approved Encumbrancer has obtained possession, or (ii) to institute foreclosure proceedings and complete such foreclosure, or otherwise acquire the Lessee's interest under this Lease with diligence and continuity in the case of a default which is not susceptible of being cured by the Approved Encumbrancer; provided, however, that the Approved Encumbrancer shall not be required to continue such possession or continue such foreclosure proceedings if the default which would have been the reason for termination shall be cured.

(9) Any Approved Encumbrancer may become the legal owner and holder of Lessee's interest in this Lease by foreclosure of its Approved Encumbrance or as a result of the assignment of this Lease in lieu of foreclosure. No Approved Encumbrancer, however, shall become liable under the provisions of this Lease, unless and until such time as it becomes, and then only for as long as it remains, the owner of the Lessee's interest in the leasehold estate. If an Approved Encumbrancer shall acquire Lessee's

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interest in this Lease as a result of a sale under such Approved Encumbrance pursuant to a judgment of foreclosure and sale, or through any transfer in lieu of foreclosure, or through settlement of or arising out of any pending or contemplated foreclosure action, such Approved Encumbrancer shall have the privilege of transferring its interest in this Lease to a nominee or assignee without the prior consent of Lessor; provided, however, that there shall be delivered to Lessor in due form for recording, within ten (10) days after the date of such transfer, (a) a duplicate of the instrument of assignment and (b) an instrument of assumption by the assignee of all of the Lessee's obligations under the Lease, and said Approved Encumbrancer shall be relieved of any further liability under this Lease from and after such transfer. Any purchaser at a foreclosure sale, other than an Approved Encumbrancer, must assume this Lease and it shall have no right with respect to the Leased Premises unless it so assumes and delivers a duplicate of the assumption agreement (to be executed in due form for recording) with ten (10) days after such purchaser acquires title to the Lessee's interest in this Lease.

(10) In the event of the termination of this Lease or of any succeeding lease made pursuant to the provisions of this Article 19B(10) prior to its stated expiration date, the Lessor will enter into a new lease of the Leased Premises with the Approved Encumbrancer or, if there be more than one Approved Encumbrance, then with the Approved Encumbrancer entitled under Subparagraph (a) of this Article 19B(10), or, at the request of

such Approved Encumbrancer, to its designee or nominee, for the remainder of the Lease Term, effective as of the date of such termination, at the Rent and upon all the covenants, conditions, agreements, terms, provisions and limitations contained in this Lease, provided that:

(a) Such Approved Encumbrancer makes written request upon the Lessor for such new lease within forty (40) days after the date of such termination, and such written request is accompanied by payment to the Lessor of all amounts then due hereunder;

(b) Such Approved Encumbrancer pays, or causes to be paid, to the Lessor, at the time of the execution and delivery of said new lease, any and all sums which would at the time of the execution and delivery thereof be due under this Lease but for such termination, and pays or causes to be paid to Lessor any and all expenses, including reasonable attorneys' fees, court costs and disbursements incurred by the Lessor in connection with any such default and termination, as well as in connection with the execution and delivery of such new lease, less the net income collected by the Lessor subsequent to the date of termination of this Lease and prior to the execution and delivery of the new lease, any excess of such net income over the aforesaid sums and expenses to be applied in payment of the rent thereafter becoming due under said new lease; and

(c) If more than one such Approved Encumbrancer makes written request upon the Lessor in accordance

with the provisions of Subparagraph (a) of this Article 19B, the new lease shall be delivered pursuant to the request of the Approved Encumbrancer whose Approved Encumbrance is prior in lien, and the written request of any Approved Encumbrancer whose Approved Encumbrance is subordinate in lien shall be void and of no force or effect; such new lease executed and delivered in accordance with the provisions of this Article 19B shall provide that, with respect to each and every Sublease which immediately prior to the termination of the term of this Lease was superior to the lien of the Approved Encumbrance held by the Approved Encumbrancer who obtains such new lease, by entering into such new lease, the Lessee thereunder shall be deemed to have recognized the sublessee under the Sublease pursuant to the terms of the Sublease as though the Sublease had never terminated but had continued in full force and effect after the termination of the term of this Lease, and to have assumed all of the obligations of the Lessor under the Sublease accruing from and after the termination of the term of this Lease, except that the obligation of the Lessee under such new lease on any covenant of quiet enjoyment, expressed or implied, contained in the Sublease, shall be limited to the acts of such Lessee and those claiming by, under or through such Lessee.

(d) Each Sublessee of the Leased Premises whose Sublease was in force and effect immediately prior to termination of this Lease, and which did not expire of its own terms prior to the delivery of said new lease, shall attorn to the Lessee under said new lease; furthermore, each Sublessee who

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hereafter subleases a portion of the Leased Premises shall be deemed to have agreed to the provisions of this subsection.

(11) Any new lease made in accordance with the provisions of Article B(10), and the leasehold estate thereby created, shall, subject to the same conditions contained in this Lease, continue to maintain the same priority as this Lease with regard to any mortgage on the Leased Premises or any part thereof or any other lien, charge or encumbrance thereon, whether or not the same shall then be in existence.

(12) Upon the execution and delivery of a new lease in accordance with the provisions of Article B(10), all Subleases which theretofore may have been assigned and transferred to the Lessor shall thereupon be assigned and transferred without recourse by the Lessor to the Approved Encumbrancer, as the new Lessee.

(13) Any Approved Encumbrancer may freely assign all of its right, title and interest in and to the new lease without obtaining Lessor's prior consent and in no event shall an Approved Encumbrancer be under any obligation or liability whatsoever except as herein expressly provided beyond the period of its occupancy of the Leased Premises (or portion thereof) under the new lease.

(14) If under the provisions of Article 19B(9), or if under any new lease made in accordance with the provisions of Article 19B(10), an institutional investor shall be the Lessee as a trustee, each and every obligation of such trustee shall be binding upon it solely in its fiduciary capacity and shall have no force and effect against such institutional investor in its

individual capacity.

(15) Lessor shall, upon request of an Approved Encumbrancer, execute, acknowledge and deliver to each Approved Encumbrancer, an agreement prepared at the sole cost and expense of Lessee, in a form satisfactory to such Approved Encumbrancer, between Lessor, Lessee and Approved Encumbrancer, agreeing to all of the provisions of Articles 19A and 19B.

(16) Lessor agrees that the name of any Approved Encumbrancer may be added as a named insured or to the "loss payable endorsement" of any and all insurance policies required to be carried by Lessee hereunder on the condition that the insurance proceeds are to be applied in the manner specified in the Approved Encumbrance. The proceeds of any insurance policies arising from a condemnation are to be held by any Approved Encumbrancer and distributed pursuant to the provisions of this Lease, but the Approved Encumbrancer may reserve its right to apply to the mortgage debt all, or any part, of Lessee's share of such proceeds pursuant to such mortgage.

(17) As to any Approved Encumbrance, Lessor consents to a provision therein for an assignment of rents due to Lessee from Sublessees to the holder thereof, effective upon any default under the Approved Encumbrance, and to a provision therein that the holder thereof in any action to foreclose the same shall be entitled to the appointment of a receiver.

(18) Simultaneously with the making of a new lease as is contemplated by Article 19B(10), the party obtaining the new

lease and all other parties junior in priority in interest in the Leased Premises shall execute, acknowledge and deliver such new instruments, including new mortgages and new Subleases, as the case may be, and shall make such payments and adjustments among themselves, as shall be necessary and proper for the purpose of restoring each of such parties to, as nearly as reasonable possible, the respective interests and status with respect to the property which was possessed by it prior to the termination of this Lease as aforesaid.

(19) Nothing herein contained shall be deemed to impose any obligation on the part of Lessor to deliver physical possession of the Leased Premises to any Approved Encumbrancer, or to its nominee. Lessor agrees, however, that Lessor will, at the sole cost and expense of such Approved Encumbrancer, or its nominee, cooperate in the prosecution of summary proceedings to evict the then defaulting lessee.

(20) Lessor agrees that if any Approved Encumbrancer to whom Lessee proposed to make an Approved Encumbrance on Lessee's leasehold estate hereby created shall require as a condition to making any loan secured by such mortgage that Lessor agree to reasonable modifications of this Lease, then Lessor will enter into an agreement with Lessee, in recordable form, making the reasonable modifications that are requested by such lender, provided that such changes are reasonable, and do not unreasonably expand or enlarge Lessor's obligations under this Lease, and do not change or modify the basic purpose of this Lease, the Lease Term, the rental, or any

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other substantive rights of the parties.

C. Lessee and its Sublessees may, from time to time and subject to applicable Legal Requirements, encumber trade fixtures, inventory, furniture and equipment without the consent of the Lessor, the Community or the Secretary, except that in the case of furniture, fixtures, inventory and equipment in any Hotel located on the Leased Premises, no encumbrancing of such personality may take place without the prior approval and consent of the Lessor and the Community. The Lessor and the Community shall either approve or state with reasonable specificity their reasons for disapproval of such proposed encumbrance within thirty (30) days after the proposed encumbrance is submitted for approval. The failure of the Lessor and Community to so act within the thirty (30) day period provided for in this Article 19C shall constitute approval of the proposed encumbrance by the Lessor and Community.

20. Liens, Taxes, Assessments, Utility Charges.

Lessee shall not permit to be enforced against the Leased Premises, or any part thereof, any liens arising from any work performed, materials furnished, or obligations incurred by Lessee, and Lessee shall discharge or post a bond against all such liens before an action is brought to enforce the same. Lessee shall pay, when and as the same become due and payable, all taxes, assessments, licenses, fees and other like charges levied during the Lease Term upon or against the Leased Premises, all interests therein and property thereon, for which either the Lessee or Lessor may become liable. Upon written request, the Lessee shall furnish

to the Secretary written evidence, duly certified, that any and all taxes required to be paid by Lessee have been paid, satisfied or otherwise discharged. Lessee shall have the right to contest any claim, tax or assessment against the Leased Premises or any interests therein and property thereon by posting bonds to prevent enforcement of any lien resulting therefrom. Lessee agrees to protect and hold harmless the Lessor, the Secretary and the Leased Premises and all interests therein and improvements thereon from any and all claims, taxes, assessments and like charges and from any lien therefor or sale or other proceedings to enforce payment thereof, and all costs in connection therewith. Lessor shall promptly execute and deliver for filing any appropriate documents with reference to the real estate tax exemption of the Leased Premises when so requested by Lessee. In addition to the Rent, taxes and other charges herein described, Lessee shall pay all charges for water, sewerage, gas, electricity, telephone and other utility services supplied to the Leased Premises as the same shall become due.

21. Lessor's Paying Claims.

Lessor shall have the right to pay any lien or charge payable by Lessee under this Lease, or settle any action therefor, if the Lessee, after written notice from the Lessor or the Secretary, fails to pay or to post bonds against enforcement. All costs and other expenses incurred by Lessor in so doing shall be paid to Lessor by Lessee upon demand, with interest from date of payment until repaid at the rate of interest two (2) percentage points

greater than the Prime Rate. Failure to make such repayment on demand shall constitute a breach of the covenants of this Lease.

22. Tax Competitive.

Lessor agrees that any taxes levied by the Community against the Lessee, the leasehold interest of Lessee, the improvements or Sublessees or any activities or operations incidental to the Leased Premises or the use thereof, ("Community Taxes") will not, when added to applicable state and local taxes otherwise levied thereon, exceed taxes levied upon premises, activities, uses and operations of identical value and character within the political boundaries of the City of Scottsdale and the Scottsdale Unified School District.

23. Eminent Domain.

A. Definition of Terms, Lessee's Option. The term "Total Taking", as used in this Article 23A, means the taking by a Governmental Authority of the entire Leased Premises in fee under the power of eminent domain or a voluntary transfer in lieu thereof. The term "Partial Taking", means any other taking by a Governmental Authority in fee under the power of eminent domain (or a voluntary transfer in lieu thereof), except that if one quarter or more by area, but not all of the Leased Premises is so taken, then Lessee shall have the option, exercisable within sixty (60) days after the date of such taking, by notice in writing to Lessor and the Secretary, and with the consent of all Approved Encumbrancers, to have such Partial Taking deemed to be a "Total Taking".

B. Total Taking. In case of a Total Taking, the

Leasehold estate of Lessee and its liability for payment of Rental of every kind whatsoever (except accrued Additional Rent - Commercial buildings, Additional Rent - Hotel and Participation Rent, if any) shall cease and terminate as of the date possession of the Leased Premises shall be so taken.

C. Partial Taking. In case of a Partial Taking, this Lease shall terminate as to the portion of the Leased Premises so taken as of the date on which possession of said portion is taken, but this Lease shall continue in full force and effect as to the remainder of the Leased Premises. Thereafter, each ensuing installment of Rent shall be abated in the ratio that the value of the Leased Premises taken as unimproved real property being put to its highest and best use bears to the total value of the Leased Premises as unimproved real property being put to its highest and best use prior to such taking. Unless otherwise agreed to between Lessor and Lessee and approved by the Secretary, such values shall be determined by the method set forth in Article 8B, above.

D. Refund of Advance Rentals. There shall be no refund of Basic Rent paid in advance because of either a Total or Partial Taking of the Leased Premises. However, in the event of an overpayment of Rent due to a Partial Taking (determined with reference to the abatement of Rent in Article 19C above), any such overpayment shall be credited toward future payments of Rents as the same become due.

E. Allocation of Awards. In the event of either a Partial or Total Taking of the Leased Premises, Lessor shall be

entitled to that portion of the entire award (subject to the rights of any Approved Encumbrancer) made with respect to the then discounted present value of the Basic Rent - Commercial Buildings, Basic Rent - Golf Course, Basic Rent - Hotel, Additional Rent - Commercial Buildings, Additional Rent - Hotel and Additional Rent payable under this Lease for the remainder of the Lease Term, and then discounted present value of the residual value of the Leased Premises to Lessor upon the termination of this Lease. Lessee, or any Approved Encumbrancer, as their interests may appear, shall be entitled to that portion of the entire award made with respect to the taking of the improvements erected on the Leased Premises by Lessee and with respect to Lessee's leasehold interest in the Leased Premises (which interest shall be the total value of the Leased Premises minus Lessor's interest in the Leased Premises as set forth above). All compensation and damages awarded for the taking of the Leased Premises or the improvements or any portion thereof shall, except as otherwise herein provided, and except as to such compensation as may be deemed "relocation benefits", belong to and be the sole property of Lessor.

F. Taking for a Term. In case the Leased Premises or any portion thereof are taken for a term of years, then Lessee shall remain bound by all of the terms and provisions of this Lease and shall be entitled to the entire award made in connection with such taking; except such part, if any, as is allocable to a period beyond the Lease Term.

G. Voluntary Conveyance. A voluntary conveyance by

Lessor to a Governmental Authority under a threat of a taking under the power of eminent domain, in lieu of formal proceedings, shall be deemed to be a taking within the meaning of this Article 23.

24. Default.

Time is of the essence of this Lease. Should Lessee default in any payment of monies or fail to post any bond as required by the terms of this Lease, and if such default shall continue uncured for the period of twelve (12) days after certified mailing of written notice thereof by the Secretary to Lessee, or should Lessee breach any other covenant of this Lease, and if the breach of such other covenant shall continue uncured for a period of sixty (60) days (or if such breach of such other covenant cannot reasonably be cured within sixty (60) days, Lessee shall have a reasonable time to cure such breach provided that Lessee proceeds in good faith and with due diligence) after written notice thereof by the Secretary to Lessee, then the Lessor and the Secretary may (provided that such default is not then the subject of arbitration in accordance with the provisions of Article 38, below) either:

A. Proceed by suit or otherwise to enforce collection or to enforce any other provision of this Lease; or

B. Re-enter the Leased Premises and remove all persons and property therefrom, excluding the person and property belonging to sublessees, and

(1) Re-let the Leased Premises in a commercially reasonable manner, without terminating this Lease, as the agent and for the account of Lessee, but without prejudice to the right to

terminate this Lease thereafter, and without invalidating any right of Lessor and the Secretary or any obligation of Lessee hereunder. The terms and conditions of such re-letting shall be at the discretion of Lessor and the Secretary, who shall have the right to alter and repair the Leased Premises as they deem advisable, and to re-let with or without any equipment or fixtures situated thereon. If a sufficient sum is not thus realized to liquidate the total amount due, including reasonable attorney's fees and real estate commissions actually paid, Lessee shall pay to Lessor monthly, when due, any deficiency, and Lessor or the Secretary may sue thereafter as each monthly deficiency shall arise; or

(2) Subject to the provisions of Subparagraphs 20A(4) and (5) and 20B(3), (4), (5) and (8) above, terminate this Lease at any time even though Lessor and the Secretary may have exercised the rights outlined in Subparagraph 20B(1) above.

Any action taken or suffered by Lessee as a debtor under any insolvency or bankruptcy act shall constitute a breach of this Lease. In such event, the Lessor and the Secretary shall have the options set forth in Articles 24A and B above.

No waiver of a breach of any of the covenants of this Lease shall be construed to be a waiver of any succeeding breach of the same or any other covenant. Lessor shall make commercially reasonable efforts to re-let and shall maintain the Leased Premises.

25. Attorney's Fees.

If action be brought by Lessor in unlawful detainer, for Rent

or any other sums of money due under this Lease, or if either party shall bring an action to enforce performance of any of the covenants and conditions of this Lease whether in court or pursuant to the Arbitration provisions set forth in Article 38 below, the losing party shall pay such reasonable attorney's fees of the prevailing party, as may be determined and fixed by the Court (or Arbitration panel) as a part of the costs in any such action.

26. Holding over.

Holding over by the Lessee after the termination or expiration of this Lease shall not constitute a renewal or extension of this Lease or give the Lessee any rights hereunder in or to the Leased Premises. Lessee agrees to remove all Removable Personal Property prior to the termination or expiration of this Lease; provided, however, that if this Lease is terminated prior to the expiration date, Lessee shall have thirty (30) days after the termination date to remove all its Removable Personal Property. Should the Lessee fail to remove any Removable Personal Property within the specified time, Lessor shall have the right to remove it and dispose of it or have it stored, all at Lessee's expense.

27. No Partnership.

Lessee and Lessor are not in partnership. Except for the approvals of Lessor required under this Lease to insure the beneficial use of the premises, Lessee shall have complete control over the operation of the business conducted on the premises. The Addition Rent provisions of this Lease do not reflect any ownership right of Lessor to the businesses operated under the terms of the

Lease but reflect the provisions of 25 C.F.R. 162.8 that consideration for the Lease be based primarily on percentages of income produced by the land subject of this Lease.

28. Termination of Federal Trust.

Nothing contained in this Lease shall operate to delay or prevent a termination of Federal trust responsibilities with respect to the Leased Premises by the issuance of a fee patent or otherwise during the Lease Term; however, such termination shall not serve to abrogate this Lease. Lessor, Lessee and its surety or sureties and Approved Encumbrancers shall be notified of any such change in the status of the Leased Premises.

29. Lessee's Obligations to the United States.

While the Leased Premises are held in trust by the United States or subject to a restriction against alienation imposed by the United States, all of the Lessee's obligations under this Lease, and the obligations of Lessee's sureties, are to the United States as well as to the Lessor.

30. Payments and Notices.

All notices, payments and demands shall be sent to the parties hereto at the address herein recited or to such addresses as the parties may hereafter designate in writing:

For Lessor: Lessor - Business Lease B_____
c/o Director, Community Development Department
Salt River Pima-Maricopa Indian Community
Rt. 1, Box 216
Scottsdale, AZ 85256

For Lessee: Salt River Community Golf Enterprises,
a Division of the Salt River Pima-
Maricopa Indian Community
Rt. 1, Box 216

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Scottsdale, AZ 85256

with a copy to:

Richard B. Wilks, Esq.
SHEA & WILKS, P.C.
114 W. Adams, #200
Phoenix, Az 85003-2094

For Community:

Director, Community Development Department
Salt River Pima-Maricopa Indian Community
Rt. 1, Box 216
Scottsdale, AZ 85256

with a copy to:

Richard B. Wilks, Esq.
SHEA & WILKS, P.C.
114 W. Adams, #200
Phoenix, AZ 85003-2094

For Secretary:

Superintendent, Salt River Agency
Bureau of Indian Affairs
Rt. 1, Box 117
Scottsdale, AZ 85256

Notice, demands and payments shall be delivered in person or sent by certified or registered mail, return receipt requested. Service of any notice or demand shall be deemed completed seventy-two (72) hours after deposit in the mail or on the date actually received, whichever occurs first.

31. Inspection.

The Secretary, the Community and the Lessor, and their authorized representatives shall have the right, at any reasonable times during the Lease Term, to enter upon the Leased Premises, or any part thereof, to inspect the same and all buildings and other improvements erected and placed thereon.

32. Delivery of Leased Premises.

At the termination or expiration of this Lease, Lessee will

peaceably and without legal process deliver up the possession of the Leased Premises, in good condition, usual wear and tear excepted.

33. Lease Binding.

This Lease and the covenants, conditions and restrictions hereof shall extend to and be binding upon the successors, heirs, assigns, executors and administrators of the parties hereto.

34. Interest of Member of Congress.

No member of, or delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this Lease or to any benefit that may arise herefrom, but this provision shall not be construed to extend to this Lease if made with a corporation or company for its general benefit.

35. Tax Immunity.

Nothing contained in this Lease shall be deemed to constitute a waiver of applicable laws providing tax immunity to trust or restricted Indian property or any interest therein or income therefrom.

36. Force Majeure.

Whenever under this Lease a time is stated within which or by which original construction, repairs or reconstruction of improvements shall be completed, and if during such period a general or sympathetic strike or lockout, war or rebellion, or some other event occurs or fails to occur beyond Lessee's or Lessor's power to control, or if Lessee is unable, despite the exercise of reasonable and diligent efforts, to obtain any Required Consent,

the period of delay so caused shall be added to the period allowed herein for the completion of such work.

37. Laws and Ordinances of the Community.

The Lessee, Lessee's employees, agents and Sublessees and their employees and agents agree to abide by all laws, regulations and ordinances of the Community now in force and effect, or those that may be hereafter in force and effect.

38. Arbitration.

Any controversy which shall arise between the Lessor and Lessee regarding the rights, duties or liabilities hereunder of Lessor and Lessee, except such in which there is a claim that a lien exists or ought to exist on Lessor's interest in real property within the Community and except such controversies involving a claim for money damages against the Lessor in a sum of less than Fifteen Thousand and No/100 Dollars (\$15,000.00), shall be settled by binding arbitration pursuant to the authority of the Act of November 22, 1983, (7 Stat. 1016). Both Lessor and Lessee may bring actions in Tribal Court for matters and/or sums that are not, pursuant to this Article 38, subject to binding arbitration. Any issues related to an Approved Encumbrance or to a lien against or security interest in the leasehold interest of the Lessee may be subject to binding arbitration. Such binding arbitration shall be conducted, upon the request of either the Lessor or the Lessee before three (3) arbitrators (unless the Lessor and the Lessee agree to one (1) arbitrator) designated by the American Arbitration Association and in accordance with the rules of such Association

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(except as such rules may contemplate state court jurisdiction) and as provided for under the Act of November 22, 1983 (97 Stat. 1016). The conduct of any arbitration shall be solely within the jurisdiction of the United States District Court. The arbitrators designated to act under this Lease shall make their award in strict conformity with such rules and shall have no power to depart from or change any of the provisions thereof except as provided herein.

39. Employment Preference.

A. It is recognized that one of the basic factors involved in this Lease is the fact that substantial and persistent unemployment and underemployment exist within the Community and the project of Lessee hereunder is reasonably calculated to provide more than a temporary alleviation of such unemployment and underemployment.

B. Qualified members of the Community shall receive preference in hiring and in all other aspects of employment with Lessee in connection with the construction and operation of the improvements to be developed on the Leased Premises in accordance with terms of this Lease.

C. Lessee shall notify the Director of the Personnel Department of the Community of all job openings and the required qualifications for such job openings.

D. Lessee shall not employ any person who is not a member of the Community without giving the Director of the Personnel Department of the Community three (3) days notice so that a qualified member of the Community may be referred for employment.

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E. Qualified members of the Community shall have preference in promotions and such openings shall be announced at least three (3) days prior to filling them. Notice, together with the required qualifications for such open position, shall be given to the Director of the Personnel Department of the Community at least three (3) days prior to the filling of any such vacancy if Lessee intends to fill said vacancy with a non-member of the Community.

F. Lessee shall report the following employment information to the Director of the Personnel Department of the Community on January 1 and July 1 of each year designating members and non-members of the Community in separate categories.

- (1) The number of each pay grade;
- (2) All lay-offs and re-calls;
- (3) All promotions/demotions, job reclassification and terminations; and
- (4) The number receiving merit increases and the number denied merit increases.

G. The Community shall notify Lessee, in writing, of business enterprises owned by members of the Community which are qualified to provide maintenance or repair services with respect to the buildings, grounds or equipment. It shall thereafter be the policy of Lessee in connection with the improvements to be developed on the Leased Premises that prior to contracting with any business enterprise which is not owned by (a) member(s) of the Community for maintenance or repair services with respect to the

buildings, grounds or equipment, Lessee shall give to the Community Manager the same notice of contracting opportunity and required qualifications as is given by Lessee in the ordinary course of business.

H. Lessee may vary from the provisions of Article 39C and 39D above in the event of an emergency situation or when it is not reasonable or practical to give the notice referred to above.

I. In the event it is determined, in accordance with the provisions of Article 39I above, that Lessee has committed a pattern and practice of violations of a provision of this Article 39, such a violation shall not be considered a breach or default of this Lease; rather, in such event, a fine, in an amount not to exceed Two Hundred Fifty and No/100 Dollars (\$250.00) per occurrence, may be imposed upon Lessee, which fine shall be paid to the Community to support job training.

J. Lessee agrees to specify and purchase from Salt River Sand & Rock Company, Phoenix Cement Company, or other business enterprises owned by or divisions of the Community ("Community Suppliers") as designated in writing by the Community (a) sand and gravel; (b) cement; (c) asphaltic paving materials; (d) fly ash; and (e) concrete; (the "product") in connection with the improvements to be developed on the Leased Premises to the extent that the quantity, quality, specifications, cost and availability of the product available from Community Supplier are equivalent to or better than those which are required by Lessee and available from other suppliers; provided, however, that (1) this

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Article 39K shall apply only to Lessee, its contractors, subcontractors, and material suppliers of any of them, and shall not be deemed to apply to Sublessees or their contractors, subcontractors or material suppliers of any of them; (2) the contracts under which the product is purchased from the Community Suppliers shall provide equivalent or better terms and conditions, including but not limited to bonds, penalties, and enforceability, as would be available in a contract for the purchase of equivalent product from other suppliers; (3) in the event a Community Supplier fails to comply with the terms and conditions of a contract for the sale of a product entered into pursuant to this Article 39K and is so notified in writing by Lessee, its contractor or subcontractor specifying the lack of compliance, the Lessee's, contractor's or subcontractor's obligation to purchase that product from any Community Supplier shall thereafter cease and be of no further force and effect; (4) any dispute arising under this Article 39K shall be subject to binding arbitration under the provisions of Article 38, above; and (5) no violation of this Article 39K shall be considered a breach or default of this Lease; rather, in such event a fine, in an amount equal to ten percent (10%) of the contract price but in no event more than Fifty Thousand and No/100 Dollars (\$50,000.00) per contract, will be paid by Lessee to the Community to support job training.

K. It is the purpose and intent of the Provisions of this Article 39 that if there are two (2) or more persons qualified for a job opening, and one of such persons is a member of the

Community, the qualified person who is a member of the Community shall be selected. If no qualified member of the Community applies for the job opening, a person who is not a member of the Community may be selected for employment.

40. Validity.

This Lease, and any modifications of or amendments to this Lease, shall not be valid or binding upon either party hereto until approved by the Secretary.

41. Indemnification.

Neither the Lessor, the Community, nor the United States, nor their officers, agents and employees shall be liable for any loss, damage or injury of any kind whatsoever to the person or property of the Lessee or Sublessees or any other person whomsoever, caused by any use of the Leased Premises, or by any defect in any structure erected thereon, or arising from an accident, fire or other casualty on the Leased Premises or from any other cause whatsoever, other than the negligent or willful misconduct of Lessor, the Community, the Secretary or the United States. Lessee hereby waives all claims against the Lessor, the Community and the United States arising from the condition of the Leased Premises and agrees to hold the Lessor, the Community and the United States free and harmless from liability for any loss, damage or injury arising from the use of the Leased Premises by Lessee, together with all costs and expenses in connection therewith, except if caused by the negligent or willful misconduct of Lessor, the Community, the Secretary or the United States. Lessor agrees to defend and hold

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Lessee harmless from the negligent or intentional acts of Lessor.

42. Fire and Damage Insurance.

Lessee shall, from the date of the approval of this Lease and thereafter, carry fire insurance with extended coverage endorsements, to include vandalism, covering the full insurable value of all improvements on the Leased Premises, and naming Lessor as an additional insured. Evidence reasonably acceptable to the Lessor and the Secretary of such coverage shall be furnished to the Lessor and the Secretary.

Lessee shall pay all premiums and other charges for such insurance and shall deposit with the Lessor and the Secretary the receipt for each premium or other charges as paid, or satisfactory evidence thereof. In the event of damage to any improvements on the Leased Premises, subject to the provisions of any Approved Encumbrance or Sublease to the contrary, the Lessee shall reconstruct, or cause to be reconstructed the damaged improvements in compliance with applicable Legal Requirements, and in accordance with plans to be approved pursuant to Article 44 below. Such reconstruction shall commence and be completed within a reasonable time after the damage occurs and shall be pursued diligently. Insurance proceeds shall be deposited in escrow with an institution approved by the Secretary, subject, however, to the provisions of any Approved Encumbrance or Sublease to the contrary. The Lessee shall deposit in said escrow or otherwise provide adequate funds through the use of a letter of credit or loan commitments from reliable lending institutions to reconstruct the damaged

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improvements. Escrow instructions shall include provisions that all funds so deposited shall be used to reconstruct the damaged improvements, and shall be disbursed during the progress of construction on proper architect's, engineer's or contractor's certificates.

If Lessee has not defaulted under this Lease, all money remaining in escrow after reconstruction has been completed shall be paid to Lessee. If a default has taken place which remains uncured, said money shall remain in escrow as security for performance by Lessee until said default is corrected, at which time, such funds remaining in escrow shall be paid to Lessee. If Lessee does not correct the default within the time frames set forth in Article 24, such funds as are necessary to correct the default shall be paid to Lessor, and the balance shall be paid Lessee.

43. Accounting and Audits.

The Lessee shall, not later than one hundred twenty (120) days after the end of each Lease Year, submit to the Lessor, the Community and the Secretary a statement of Gross Rental Receipts, Gross Sales - Golf Course, Adjusted Gross Sales - Golf Course, Gross Sales - Hotel, Net Cash Flow and Adjusted Net Cash Flow. Together with such statements, Lessee shall either (i) tender payment of any Additional Rent - Commercial Buildings, Additional Rent - Hotel, Lessor's Preferred Return and Additional Rent due in accordance with this Lease or (ii) submit a separate statement detailing the amount of overpayment of Rent for the Lease Year,

which amount shall be credited against the next Rent payment or payments due to be made by Lessee until the entire amount of overpayment has been credited. Such statements shall be certified by an authorized officer of Lessee and shall be reviewed by a Certified Public Accountant, licensed in the State of Arizona, and in conformity with standard accounting procedures. Any duly authorized representative of the United States, or any qualified accounting agent or agents appointed by the Lessor, shall have access to, and the right to examine and audit, any or all pertinent books, documents, papers and records, including state and federal income and sales tax returns, of the Lessee and Lessee's Sublessees relating to this Lease, during the normal business hours of any working day. Lessee shall insert in all Subleases a similar provision pertaining to this right of access examination and audit and shall, upon reasonable notice, make available to said representative, agent or agents all books and records of Lessee's Sublessees to which Lessee has the right of access and which may be requested or which may be necessary for completion of a special audit of any or all business conducted pursuant to the provisions of this Lease.

In the event the Lessor should cause to be conducted a special audit of the Lessee's pertinent books, documents, papers and records by a Certified Public Accountant, licensed in the State of Arizona, and if such audit reveals that the Lessor has been paid less than ninety-eight percent (98%) of the amount to which Lessor is entitled for any reporting period covered by the audit, then the

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expense of such audit shall be borne by Lessee, otherwise it will be borne by the Lessor. If such audit reveals that Lessor has been overpaid, Lessor shall immediately remit such overpayment to Lessee. Upon approval by the Secretary, or his authorized representative, the audit so performed shall be binding upon both Lessee and Lessor.

Lessor or the Secretary shall be entitled at any time within two (2) years after the receipt of any payment of Additional Rent - Commercial Buildings, Additional Rent - Hotel and Additional Rent to question the sufficiency of the amount thereof and/or the accuracy of the statements furnished by Lessee to substantiate the same, and shall have the right to examine and/or audit as hereinbefore described. Lessee shall, for such two (2) years period, keep safe and intact all of Lessee's records, books, accounts and other data which in any way bear upon or are required to substantiate in detail any such report, and Lessee shall insert in all Subleases a similar provision requiring retention of records.

44. Plans and Designs.

Attached hereto as Exhibit "B" is a copy of a preliminary site plan for the complete development of the entire Leased Premises. Lessor and the Lessee acknowledge that the preliminary site plan is tentative and is subject to revision based upon local and/or regional market conditions, the requirements of debt and/or equity lenders and investors, the demand for commercial buildings and the requirements of any hotel and golf course operators and managers.

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Accordingly, prior to the date commencement of development of any Hotel and/or Commercial Buildings, as applicable, under this Lease, Lessee shall submit a final site plan for the complete development of the entire Leased Premises to the Lessor and the Community for approval. Following approval by Lessor and the Community of the final site plan and before any comprehensive plans for building improvements are submitted to the Community, Lessee shall submit to the Community for approval total site grading, drainage, utility, roadway and signage plans ("infrastructure plans"). The Community shall approve such infrastructure plans if the same conform generally to the final site plan and applicable Legal Requirements. Before beginning any construction whatsoever on the Leased Premises, the Lessee shall submit to the Community comprehensive plans for the improvements then proposed, which may be submitted in phases; the Community shall approve such plans if the same conform generally to the site plan and infrastructure plans. The community does not, however, assume any responsibility whatsoever for the detailed design of any structure of structures, or for any violation of any applicable Legal Requirements. The Community shall either approve or state, in reasonable specificity, its reasons for disapproval of Lessee's plans within thirty (30) days after receipt thereof from Lessee. No material change will be made in plans after original approval without the further approval of the Community, in which approval shall not be unreasonably withheld or delayed.

45. Title Insurance.

Lessee may obtain, at its expense, an ALTA extended coverage Lessee's policy of title insurance, assuring the conveyance of a valid leasehold interest in the Leased Premises to Lessee, and insuring Lessee's interest in the Leased Premises in a sum deemed necessary by Lessee. In the event that a title search reveals a defect in title, Lessor shall have sixty (60) days within which to remove such defect. If it is not so removed, Lessee may, in its sole discretion, terminate this Lease or the portion thereof affected by such defect, or may continue with this Lease as if no defect existed.

46. Power of Attorney to Spokesmen.

All or a substantial portion of the Leased Premises is owned by individual Allottees who have executed this Lease as Lessor. In various portions of this Lease, the consent or approval of the Lessor is required with respect to a number of items, and in addition, Article 8 above provides that a Substitute Lease may be executed for portions of the Leased Premises or subdivisions thereof, as improvements thereon are completed or incident to financing needs. Since there are a large number of individual Allottees comprising the Lessor, it would be unusually burdensome and inconvenient to the Lessee and to the Lessor for each of the Allottees to be required to personally execute all of those documents or matters which require consent, approval or some other action on the part of the Allottees which comprise the Lessor. Accordingly, those three (3) individuals identified on Exhibit "G" attached hereto who have previously been designated to the position

of Spokesmen for the individual Allottees which comprise the Lessor are hereby irrevocably granted a Durable Power of Attorney to represent and act on behalf of the individual Allottees which comprise the Lessor in regard to all consents, approvals and other actions required or permitted under this Lease. Each of the individual Allottees which comprise the Lessor, by executing this Lease, hereby makes, constitutes and irrevocably appoints each of the Spokesmen designated on Exhibit "G" hereto, his true and lawful attorney, with full power of substitution, for him (her) and in his (her) name, place, and stead, and for his (her) use and benefit, to sign, execute, certify, deliver, acknowledge and record any consent, approval, Substitute Lease, or any other instrument or document required, necessary, advisable or convenient under the terms of this Lease, except any amendment of this Lease, in the same manner as each of the individual Allottees which comprise the Lessor could do if he (she) were personally present taking such action, all in the sole and absolute discretion of such Spokesmen. Each of the individual Allottees which comprise the Lessor acknowledges that the foregoing Irrevocable Durable Power of Attorney (1) is coupled with an interest, and is thereby irrevocable, (2) shall survive the death, dissolution, bankruptcy, incompetency, or legal disability of any Allottee and shall extend to the legal representatives, heirs and assigns of each of them, and (3) is given in consideration of this Lease and of the execution by each individual Allottee which comprises the Lessor of this Lease.

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The individual Allottees which comprise the Lessor agree to have three (3) Spokesmen duly appointed at all times and acknowledge and agree that the action of a majority of the Spokesmen shall be binding upon the Lessor. A spokesman may be removed from that position only by a vote of a Majority of the Individual Allottees which comprise the Lessor. In the event of the death, disability, inability to act, removal or resignation of any Spokesman, a Majority of the Individual Allottees which comprise the Lessor shall have fifteen (15) days within which to appoint a substitute Spokesman in accordance with the provisions of this Article 46. Such substitute spokesman shall be one of the Individual Allottees which comprise the Lessor (or a successor, assign or devisee of such allottee) appointed in accordance with the provisions of this Article 46. In the event a Majority of the Individual Allottees which comprise the Lessor fail to appoint a substitute Spokesman within such fifteen (15) day period, then, the substitute Spokesman shall be appointed by the remaining Spokesmen within ten (10) days after the expiration of said fifteen (15) day period. In the event the Allottees or the remaining Spokesmen fail or refuse, for any reason, to have the Spokesmen appointed, or to appoint a substitute Spokesman when required, either Lessor or Lessee may apply the provisions of Article 38 above to have the Spokesman or Spokesmen appointed by arbitration. As used herein and elsewhere in this Lease, the term "Majority of the Individual Allottees" shall mean those Allottees representing the ownership of a majority (more than one-half (1/2)) of the gross acreage of the

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Leased Premises, regardless of the actual number of allottees involved.

47. Covenants, Conditions and Restrictions.

Covenants, conditions and restrictions, which shall be submitted to and approved by the Community, may thereafter be recorded by Lessee against the Leased Premises and shall be binding upon the interests of Lessee, Lessor, Sublessees and Approved Encumbrancers in the Leased Premises for the duration of the Lease Term.

48. Quiet Enjoyment.

Lessor warrants to Lessee as follows:

A. That Lessor is the owner of equitable title to the Leased Premises, with fee title held in trust by the United States;

B. Lessor has good right to lease the Leased Premises to Lessee for the Lease Term, subject to the approval of the Secretary; and

C. That if Lessee punctually and in accordance with the terms hereof performs the obligations herein contained to be performed by Lessee, Lessee shall have and enjoy, during the Lease Term, the quiet and undisturbed use, possession and enjoyment of the Leased Premises, together with all appurtenances thereto. Lessor shall indemnify Lessee and hold it harmless from any and all claims, demands, costs and liabilities directly or indirectly resulting from or caused by any third party claiming any title to or right of possession of the Leased Premises or any right to receive any portion of the rental to be paid by Lessee hereunder.

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49. Severability.

If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent be valid or unenforceable, (except those which would substantially alter Lessee's monetary obligations hereunder or which would diminish Lessee's obligations to develop the Leased Premises in accordance with this Lease), the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby. Each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

50. Multiple Counterparts.

This Lease may be executed in any number of counterparts, and when so executed, all such counterparts shall constitute a single instrument binding upon all parties hereto notwithstanding the fact that all parties are not a signatory to the original or to the same counterpart. The parties hereto agree that the signature pages from one or more counterparts may be removed from such counterparts and such signature pages may be attached to a single instrument so that the signature of all parties may be physically attached to a single counterpart of this Lease. This Lease shall become effective upon the date of approval by the Secretary of the Interior.

51. Consent of Lessor, the Community, the Secretary, or the Superintendent.

Neither the Lessor, the Community, the Secretary, nor the

Superintendent shall unreasonably withhold or delay the giving of any consent or approval required pursuant to this Lease. In this regard, unless a different period of time is provided, the failure of either the Lessor, the Community, the Secretary or the Superintendent to respond to Lessee's request for consent within forty-five (45) days after submission by Lessee of its request for consent, shall be deemed to be the granting of such consent by the Lessor, the Community, the Secretary and/or the Superintendent as applicable.

52. Companies Bonding and Insuring.

All corporate surety bonds provided by Lessee in accordance with the provisions of this Lease shall be furnished by companies holding Certificates of Authority from the Secretary of the Treasury as acceptable sureties of federal bonds. Insurance policies shall be furnished and maintained by such responsible companies as are rated B + XII or better in the then current edition of the Best's Insurance Guide.

53. Estoppel Certificates.

Lessor, Lessee, the Community and the Secretary shall, within thirty (30) days after receipt of a written request therefor from any of the parties hereto, or an Approved Encumbrancer or its surety, and at no cost and expense to the party requesting the same, execute, have acknowledged and deliver to the requesting party a statement in writing certifying: (1) that this Lease is unmodified and in full force and effect (or, if there has been modifications, identifying such modifications and certifying that

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the Lease, as modified, is in full force and effect); (ii) the dates to which rentals hereunder have been paid; (iii) that neither party is in default under any term, covenant or provision of this Lease (or, if a party is in default specifying each such default); (iv) the address to which notices to a party shall be sent; and (v) such other statements requested in the request as may be true and correct. Lessor, Lessee, the Community and the Secretary acknowledge that any such statement so delivered may be relied upon by any third party dealing with the Lessor, the Lessee, the Community or the Secretary, this Lease or the Leased Premises.

54. Hazardous Materials.

A. Hazardous Materials Laws. "Hazardous Materials Laws" means any and all federal, state or tribal laws, ordinances, rules, decrees, orders, regulations or court decisions (including the so-called "common-law") relating to the hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Leased Premises, or soil and ground water conditions, including, ut not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), as amended, 42 U.S.C. § 9601, et seq., the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq., any amendments to the foregoing, and any similar federal, state or tribal laws, ordinance, rules, decrees, orders or regulations.

B. Hazardous Materials. "Hazardous Materials" means

gasoline, petroleum products, explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, poly-chlorinated biphenyls or related or similar materials, asbestos or any other substance or material as may now or hereafter be defined as a hazardous or toxic substance by any Hazardous Materials Laws.

C. Use. Lessee shall not allow any Hazardous Material to be used, generated, released, stored or disposed of on the Leased Premises, unless: (i) such Hazardous Materials are (a) used in the construction, repair or maintenance of the Leased Premises, (b) used in normal commercial, industrial or retail applications, or (c) sold as retail consumer products; and (ii) such use in compliance with the provisions of this Article 54.

D. Compliance with Laws. Lessee's use of Hazardous Materials on the Leased Premises shall be in compliance with all Hazardous Materials Laws. Lessee shall obtain and maintain in full force and effect all permits, licenses and other governmental approvals required for Lessee's use of Hazardous Materials on the Leased Premises under any Hazardous Materials Laws and shall comply with all terms and conditions thereof. At Lessor's request, Lessee shall deliver copies of, or allow Lessor to inspect, all such permits, licenses and approvals. Lessee shall perform any monitoring, investigation, clean-up, removal and other remedial work (collectively, "Remedial Work") required as a result of any release or discharge by Lessee of Hazardous Materials on the Leased Premises or any violation of Hazardous Materials Laws by Lessee.

E. Compliance with Insurance Requirements. Lessee shall comply with the requirements of its insurers regarding the use of Hazardous Materials at the Leased Premises and with such insurers' recommendations based upon prudent industry practices regarding management of Hazardous Materials.

F. Notice; Reporting. Lessee shall notify Lessor, in writing, within two (2a) business days after any of the following: (a) a release or discharge by Lessee of any Hazardous Materials in quantities that would be reportable to a public agency; (b) Lessee's receipt of any order of a governmental agency requiring any Remedial Work pursuant to any violation by Lessee of Hazardous Materials Laws; (c) Lessee's receipt of any notice of violation by Lessee of any Hazardous Materials Law; or (d) Lessee's receipt of notice of any claims made by any third party against Lessee relating to any loss or injury resulting from the generation, release, storage or disposal at the Leased Premises by Lessee of Hazardous Materials.

G. Termination; Expiration. Upon the termination or expiration of this Lease, Lessee shall remove from the Leased Premises any equipment, improvements or storage facilities installed by Lessee and utilized by Lessee in connection with any Hazardous Materials and shall, clean up, detoxify, repair and otherwise restore Leased Premises to a condition such that Hazardous Materials generated, released, stored or disposed of by Lessee on the Leased Premises, if any, are not present in concentrations not requiring Remedial Work under Hazardous

Materials Laws.

H. Indemnity. Lessee shall protect, indemnify, defend and hold Lessor, the Community and the Secretary harmless for, from and against any and all claims, costs, expenses, suits, judgments, actions, investigations, proceedings and liabilities arising out of or in connection with any breach by Lessee of any provisions of this Article 54 or arising out of the use, generation, storage, release, disposal or transportation of Hazardous Materials by Lessee or its agents, contractors, employees, or licensees.

I. Entry and Inspection; Cure. Lessor, the Community, the Secretary and their agents, employees and contractors, shall have the right, but not the obligation, to enter the Leased Premises at all reasonable times, upon reasonable advance notice, to inspect Leased Premises and Lessee's compliance with the terms and conditions of this Article 54. Any such entry shall be conducted in a manner to minimize disruption of Lessee's business on the Leased Premises.

55. Confidentiality.

The Lessor, Lessee, Community and Secretary mutually agree to hold confidential the information supplied by either party to the other pursuant to the terms of this Lease or other documents or information reasonably deemed by either party to contain or constitute trade secret or proprietary information, and designated as such.

IN WITNESS WHEREOF, the Lessor and Lessee have executed this Lease as of the date and year first above written.

RECEI.

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LAND TITLES & RECL
BUR INDIAN AFFRS
ALBUQUERQUE

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SALT RIVER PIMA-MARICOPA
INDIAN COMMUNITY, LESSOR

By Ivan Makil
President

STATE OF ARIZONA)
County of Maricopa) ss.
)

SUBSCRIBED AND SWORN to before me this 28 day of

MAY, 1996, by IVAN MAKIL

Pauline Q. Gray
Notary Public

3-7-97
My Commission Expires



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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
Salt River Agency

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ALBUQUERQUE, N.M.

THE WITHIN LEASE is hereby approved pursuant to authority delegated from Secretary of the Interior to the Commissioner of Indian Affairs in Order 2508 (10 BIAM 2), redelegated to the Phoenix Area Director by 10 BIAM 3, and further redelegated to the Officer-in-Charge of the Salt River Reservation by 10 BIAM 11.

V.L. Murdock
Acting Superintendent,
Salt River Agency

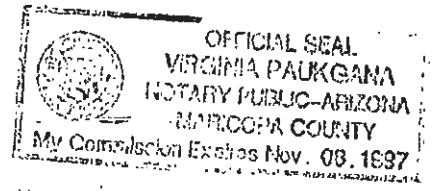
DATE OF APPROVAL: JUL 12 1996

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 12 day of July, 1996, by V.L. Murdock, the authorized representative of the Secretary of the Interior, United States Department of the Interior, for and on behalf thereof.

Virginia Paukama
Notary Public

November 08, 1997
My Commission Expires



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EXHIBIT B
PRELIMINARY SITE PLAN

Section 5 Township 2 North Range 5 East GASHUWA, Arizona

615-015-96

DONSON	L-12 46 Prob	L-11 48 Prob	L-10 50	L-9 52	L-8 614 Prob	L-7 615	L-6 618	L-5 617	ALMA SCHOOL ROAD
	22.79	22.70	22.62	22.54	22.45	22.37	22.27	22.20	
	476 Prob	477 Prob	478 Prob	479	480 Prob	481	482	616 Prob	
	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	
	582	583	584	328 Prob	671	672 Prob	680 Prob	645 Prob	
	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	
TRIBAL LANDS				324 Prob	665 Prob	666 Prob	667	669 Prob	
	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	
INDIAN BEND ROAD									

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36

Hole

Half

course

EXHIBIT C LEGAL DESCRIPTION OF LEASED PREMISES

- - Indicates $\frac{1}{2}$ " Iron Bar with Cap Marked RLS 17575 Set or as described.

LEGAL DESCRIPTION

A parcel located within the Salt River Pima-Maricopa Indian Community being Salt River Allotments (SRAL) 50, 52, 614, 615, 618, 478, 479, 480, 481, 482, 584, 328, 671, 672, 680, 324, 665, 666, and 667 all being part of Section 5, Township 2 North, Range 5 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, being more particularly described as follows:

Beginning at the South Quarter Corner of said Section 5; THENCE S $89^{\circ} 36' 49''$ W a distance of 658.79 feet to the Southwest Corner of said SRAL 324; THENCE N $00^{\circ} 01' 19''$ W a distance of 1313.77 feet to the Southeast Corner of said SRAL 584; THENCE S $89^{\circ} 35' 16''$ W a distance of 659.74 feet to the Southwest Corner of said SRAL 584; THENCE N $00^{\circ} 07' 09''$ E a distance of 1325.83 feet to the Southwest Corner of said SRAL 478; THENCE N $00^{\circ} 02' 45''$ E a distance of 1314.04 feet to the Southwest Corner of said SRAL 50; THENCE N $00^{\circ} 03' 50''$ E a distance of 1500.59 feet to the Northwest Corner of said SRAL 50; THENCE S $89^{\circ} 40' 33''$ E a distance of 1317.53 feet to the North Quarter Corner of said Section; THENCE S $89^{\circ} 59' 49''$ E a distance of 1320.32 feet to the Northeast Corner of said SRAL 615; THENCE S $89^{\circ} 51' 52''$ E a distance of 662.71 feet to the Northeast Corner of said SRAL 618; THENCE S $00^{\circ} 04' 14''$ W a distance of 1467.06 feet to the Southeast Corner of said SRAL 618; THENCE S $00^{\circ} 08' 51''$ W a distance of 1319.12 feet to the Southeast Corner of said SRAL 482; THENCE S $00^{\circ} 12' 47''$ W a distance of 1316.58 feet to the Southeast corner of said SRAL 680; THENCE S $00^{\circ} 01' 39''$ W a distance of 1319.68 feet to the Southeast Corner of said SRAL 567; THENCE S $89^{\circ} 36' 30''$ W a distance of 1976.34 feet to the Point of Beginning.

Containing 391.7223 acres more or less.

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Salt River

Design

EXHIBIT D

Approval of Secretary
[To be attached by Secretary]

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BUR INDIAN AFFAIRS
ALBUQUERQUE

615-015-96

Confidential

EXHIBIT E

QUALITY STANDARDS

GOLF COURSE

- McCormick Ranch - Scottsdale
- Camelback Golf Course - Scottsdale
- Orange Tree golf course - Scottsdale

HOTEL

- Holiday Inn at Scottsdale Civic Center
- Crown Sterling Suites - Scottsdale
- Clarion Inn at McCormick Ranch - Scottsdale

COMMERCIAL BUILDINGS

- Lincoln Plaza - Scottsdale
- Rural Metro Building - (Hayden Road) - Scottsdale

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EXHIBIT F

CONSTRUCTION SCHEDULE

HOTEL

- Completion of Construction
Prior to Commencement of Lease Year 7
- Duration of construction Not to Exceed 2 Years

COMMERCIAL BUILDINGS

- Completion of Construction
Prior to Commencement of the Lease Year 7
- Duration of Construction Not to Exceed 5 Years

GOLF COURSE

- Completion of Construction
Prior to Commencement of Lease Year 3
- Duration of Construction Not to Exceed 2 Years

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EXHIBIT G

SPOKESPERSONS

[To be designated and attached by Lessor]

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EXHIBIT H

COMMERCIAL GOLF COURSES

- Gainey Ranch Golf Course
- McCormick Ranch Golf Course
- Wigwam Golf Course

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