

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE (this "Agreement") is entered into and dated for reference purposes as of January 27, 2015 (the "Agreement Date"), between RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT, a special taxing district of the State of Arizona ("Seller") and NOR-GENERATIONS, LLC, an Arizona limited liability company, and/or assigns ("Purchaser"). Seller and Purchaser are sometimes collectively referred to as the "Parties."

RECITALS

A. Seller is the owner of certain real property, commonly known as the Arena Site ("Real Property" or "Arena Site"), more particularly described in **Exhibit "A"** attached hereto and incorporated herein by this reference, and all improvements and fixtures ("**Improvements**") now situated on the Real Property, together with all rights, privileges, easements, tenements, hereditaments, rights of way, and appurtenances which appertain to the Real Property and the Improvements (collectively, the "**Property**").

B. Purchaser was the highest ranked respondent to the Seller's RFP on the sale and development of the Arena Site, and this agreement is the result of the negotiations from Buyer's proposed project submittal in response to that RFP including all materials presented at the August 12, 2014 Interview before Seller's Board ("Project").

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants of the parties contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. PURCHASE AND SALE. Seller agrees to sell and convey to Purchaser and Purchaser agrees to purchase from Seller, upon the terms and conditions set forth herein, the Property.

2. PURCHASE PRICE. The purchase price (the "**Purchase Price**") which Purchaser agrees to pay and Seller agrees to accept for the Property is Five Million Five Hundred Sixty Seven Thousand Five Hundred Dollars (\$5,567,500.00) in cash, payable at the Close of Escrow, as defined below. The Purchase Price represents an agreed upon valuation for the north 4 acres of the Property at \$25.00 per square foot, or \$4,356,000.00, and an agreed upon value for the south 4.5 acres at \$6.25 per square foot or \$1,211,500.00, for a total valuation and Purchase Price of \$5,567,500.00. Payment of the Purchase Price shall be made as follows:

(A) Earnest Deposit. Upon execution of this Agreement, Purchaser shall deposit with Title Security Agency, LLC (Judy Susalla) at 1880 E River Road, Ste 120, in Tucson, Arizona

85718 (the "**Title Company**"), as escrow holder, an earnest money deposit of One Hundred Fifty Thousand Dollars (\$150,000.00) (the "**Earnest Deposit**"). The Earnest Deposit will be held in escrow (the "**Escrow**") by the Title Company in an interest bearing account. Any interest earned on the Earnest Deposit shall be considered part of the Earnest Deposit. Upon expiration of the Feasibility Period, as defined at **Section 5** below, the Earnest Deposit shall be fully non-refundable provided Purchaser has not delivered the Feasibility Disapproval Notice described at **Section 5 (A)**, or this Agreement has not been terminated pursuant to the terms of this Agreement. Except as otherwise specifically provided in this Agreement, the Earnest Deposit shall be paid to Seller and applied to the Purchase Price at Closing.

(B) Balance of Purchase Price. The balance amount of the Purchase Price, which shall consist of the sum of Five Million Four Hundred Seventeen Thousand Five Hundred Dollars (\$5,417,500.00) ("**Remaining Purchase Price**"), less any interest earned from the Earnest Deposit, shall be deposited by Purchaser into Escrow in immediately available funds on or before the Closing.

3. CLOSING DATE. Subject to extension as provided in this Agreement, the closing of the transaction shall occur thirty (30) days after the expiration of the Feasibility Period set forth below ("**Closing Date**"). The closing shall be affected through a customary escrow closing, as outlined in **Section 7** below.

4. ESCROW.

(A) Opening of Escrow. Purchaser shall open the Escrow to consummate the sale of the Property at the Title Company within three business days following the execution and delivery of this Agreement by both Seller and Purchaser ("**Opening of Escrow**"). This Agreement shall constitute the escrow instructions. The Parties may, in addition, sign additional escrow instructions to the Title Company so long as such escrow instructions do not conflict with the terms of this Agreement. If such instructions do conflict with the terms of this Agreement, they shall be of no force or effect to the extent of such conflict or inconsistency. All items and documents requested by the Title Company in order to cause Escrow to close as contemplated by this Agreement shall be delivered to the Title Company on or prior to the Closing. The Close of Escrow shall occur, the Property shall be conveyed to Purchaser and the Purchase Price shall be delivered to Seller on the Closing Date (the "**Close of Escrow**" or "**Closing**").

(B) Conveyance of Title. Title to the Property shall be conveyed to Purchaser by special warranty deed ("**Deed**") subject only to the Permitted Exceptions contained in the Title Policy, as provided at **Section 6** of this Agreement.

(C) Possession of Property. Except as provided herein, and subject to any Approved Title Encumbrances, as defined below, exclusive possession of the Property shall be delivered to Purchaser upon the Close of Escrow.

5. FEASIBILITY PERIOD.

(A) Term. Purchaser shall have up until ninety (90) days from the Agreement Date set forth above, (the "**Feasibility Period**"), in which to conduct any feasibility, title, environmental or other studies of the Property that Purchaser may desire to perform. If, at any time

before the expiration of the Feasibility Period, as may be extended in this Agreement, Purchaser elects not to proceed with the purchase of the Property for any reason, Purchaser may deliver in writing to Seller a feasibility disapproval notice ("**Feasibility Disapproval Notice**"). The Feasibility Disapproval Notice shall constitute Purchaser's election not to proceed with the purchase of the Property under the terms set forth in this Agreement. If Purchaser fails to provide to Seller the Feasibility Disapproval Notice, Purchaser shall be deemed to have elected to proceed with the purchase of the Property and Purchaser may not terminate this Agreement due to Purchaser's dissatisfaction with its feasibility review. If a Feasibility Disapproval Notice is delivered by Purchaser to Seller within the Feasibility Period, all of the Earnest Deposit, less any interest earned thereon, shall be refunded to Purchaser and this Agreement terminated. Any interest earned on the Earnest Deposit shall be paid to Seller.

(B) Purchaser's Investigation. Purchaser, or persons designated by Purchaser, shall have the right, at all reasonable times following the execution and delivery of this Agreement and before Close of Escrow, to enter on the Property for the purpose of conducting, at Purchaser's sole cost and expense, such tests, surveys, and studies as Purchaser may desire, including, but not limited to, an archeological assessment, a phase I environmental assessment, and a phase II environmental assessment. Purchaser understands and agrees that any on-site investigations of the Property shall be conducted so as not to interfere with the use and operation of the Property and rights of Seller and its tenants, subtenants, licensees or other users and occupants of the Property. If Purchaser desires to do any invasive testing at the Property, then Purchaser shall do so only after reasonable prior written notice to Seller, and any tenant on the Property (which shall be at least five business days in advance, notwithstanding anything to the contrary contained above). Purchaser shall repair or replace any damage to the Property caused by entry by Purchaser or by any persons designated by Purchaser. Purchaser shall defend, indemnify and hold Seller harmless for, from and against any and all claims, demands, causes of action, damages, liabilities, losses, costs, expenses and judgments, including, but not limited to, attorneys' fees and expenses, arising from the entry on the Property or investigation of the Property by Purchaser or Purchaser's employees, agents or consultants. Seller has disclosed to Purchaser that Seller has obtained a Phase I Environmental Assessment of the Property and that that Phase I recommends that a Phase II Assessment be undertaken. Purchaser intends to obtain a Phase II Assessment of the Property during the Feasibility Period. If after reviewing the Phase II Assessment, Purchaser is considering electing to exercise its right to terminate this Agreement, Purchaser and Seller agree to extend the Feasibility Period for a reasonable period of time to resolve any issues identified by the Phase II Assessment, during which time Purchaser and Seller will negotiate in good faith to resolve Purchaser's concerns. Seller shall not have any obligation to agree upon any concessions during this period. However, if Purchaser's concerns are not resolved or waived by Purchaser, Purchaser will have the right to deliver a Feasibility Disapproval Notice, which will result in the termination of this Agreement as provided in **Section 5(A)**.

(C) Property Materials. No later than five days following the effective date of this fully-executed Agreement by both parties, Seller shall provide to Purchaser for its review, all information and documentation regarding the Property which are in the possession or control of Seller, including but not limited to surveys, environmental reports, archeological reports, leases, etc. (the "**Property Materials**").

(D) Purchaser may deliver a Feasibility Disapproval Notice under this Agreement during the Feasibility Period for any reason.

6. TITLE.

(A) Title Review. Within five days following the Agreement Date, Seller shall cause the Title Company to issue a preliminary title commitment for the Property (the "**Title Commitment**"), and deliver to Purchaser a copy of the Title Commitment, copies of all instruments referred to therein and copies of all deeds, easements or other instruments which provide for access to the Property (collectively the "**Title Commitment**"). The Title Commitment shall be an irrevocable commitment by Title Company to issue the Title Policy (as defined at **Section 6(B)** below) subject to the satisfaction of the requirements contained in the Title Commitment. The Title Commitment shall be subject to Purchaser's approval within thirty (30) days after the receipt of the Title Commitment and legible copies of all exceptions referred to therein (the "**Title Approval Period**"). The Title Approval Period and the Feasibility Period shall run concurrently and not sequentially. In the event the Title Commitment is amended, the Title Approval Period with respect to the amended items shall run from the date thirty (30) days after Purchaser receives the amended Title Commitment and legible copies of all documents referred to any amendment. Any title exceptions shown on the Title Commitment which are not disapproved by Purchaser within the Title Approval Period, or disapproved items later waived in writing by Purchaser, are referred to herein as "**Approved Title Exceptions.**" If Purchaser timely disapproves of any matter in the Title Commitment, Seller will have five (5) days after receipt of written notice of disapproval that contains Purchaser's specific objections, to notify Purchaser of Seller's intent to cure or have a commercially reasonable endorsement issued with respect to such objections by the Close of Escrow. If Seller fails to agree in writing to cure all such disapproved items, or if Seller notifies Purchaser that Seller intends to cause such disapproved item to be cured prior to Close of Escrow, but after using its diligent good faith efforts to do so, Seller is unable to cause such disapproved item to be cured and is unable to obtain a commercially reasonable endorsement, or if Seller fails to respond within such five (5) day period, Purchaser shall have sixty (60) days within which to determine if Purchaser is able to cure the objection through Purchaser's own efforts, or is willing to waive its objection. The Closing date shall be extended by sixty (60) days to allow for Purchaser to resolve Purchaser's objection. If Purchaser is not willing to cure or waive its objection, Purchaser shall be deemed to have elected to terminate this Agreement. In the event of termination by Purchaser pursuant to this **Section 6** the Earnest Deposit shall be returned to Purchaser.

(B) Title Policy. At the Close of Escrow, Seller shall convey to Purchaser fee title to the Property by the recordation of the Deed, insured by an extended ALTA owner's policy of title insurance (the "**Title Policy**") issued by the Title Company in the amount of the Purchase Price, showing fee title to the Property vested in the Purchaser, subject only to non-delinquent real property taxes, the Approved Title Exceptions, and any other matter approved in writing by Purchaser (collectively "**Permitted Exceptions**"), and in form substantially identical to the Title Commitment. Seller shall pay the premium associated with a standard owner's title policy and Purchaser shall be responsible for any additional costs for an extended owner's policy and any endorsements requested by Purchaser.

7. CLOSING DOCUMENTS AND MATTERS.

(A) Seller's Deliveries. At or before Closing, Seller shall deliver the Deed to the Property, acknowledged and executed (as appropriate), into Escrow for delivery to Purchaser and recordation by the Title Company upon the Closing. Seller shall also deliver such documents and instruments and take such actions as may reasonably be required by Title Company to close the transaction.

(B) Purchaser's Deliveries. At or prior to Closing, Purchaser shall deliver the Remaining Purchase Price. Purchaser shall also deliver such documents and instruments and take such actions as may reasonably be required by Title Company to close the transaction.

(C) Conditions Precedent to Closing. The Closing of this transaction shall be expressly conditioned upon both Purchaser and Seller having performed all their obligations required to be performed under this Agreement prior to the Close of Escrow.

(D) Possession of the Property. Purchaser shall be entitled to possession of the Property at the conclusion of Closing, subject only to the matters expressly permitted by or pursuant to this Agreement, including but not limited to the Greyhound Bus Station Lease referred to in Section 11 (A), which lease shall be terminated as provided below.

8. PRORATIONS/ESCROW EXPENSES. At the Closing, the Title Company shall prorate real property taxes as of the Close of Escrow, based upon the latest available information. The premium for the Title Policy, an extended policy and any endorsements shall be paid as provided at **Section 6(B)** above. All other expenses of the escrow, conveyance, recording, and documentary transfer taxes and charges shall be paid by Seller and Purchaser in accordance with the customs in Tucson, Arizona, as determined by the Title Company.

9. PURCHASER'S RESPONSIBILITIES AND DEADLINES FOR PROJECT SCHEDULE. Purchaser is acquiring the Property with the intent of developing the Property and Purchaser's property for various residential and commercial uses, additional exhibition space for the Tucson Gem Show, a hotel, multifamily residential, a visual arts center, museum space and related parking (the "**Project**"). In connection with this transaction, Purchaser agrees to the following, which obligations shall survive the Close of Escrow and recordation of the Deed:

(A) Project Construction Commitment. Purchaser shall expend or incur a minimum of \$10,000,000 for "Hard Construction Costs" (as defined below) on the Property in furtherance of the Project ("**Project Construction Commitment**") on or before the "**Construction Deadline**," as defined below. "**Hard Construction Costs**" shall mean funds expended or obligations incurred in connection with physical improvements upon the Property, including, but not limited to, buildings; parking; infrastructure (for example, water, sewer, gas, electric, drainage, data delivery, etc.); landscaping; improvements to aid access and circulation; lighting; etc. Hard costs will not include architectural, engineering and legal expenses, but will include overhead and labor expenses related to physical improvements installed by the owner or third parties and profit amounts included in construction fees paid to third party contractors. Purchaser shall have the right to pursue construction of the Project in such order and in such manner as Purchaser deems appropriate. In

determining if Purchaser has satisfied the Project Construction Commitment, amounts paid or incurred by both Purchaser and Purchaser's joint venture partners, tenants, buyers, and other parties affiliated with Purchaser shall be included when calculating the amounts paid by "Purchaser" in satisfaction of the Project Construction Commitment. In no event, however, shall any money expended by Seller be included in the calculation of Purchaser's Project Construction Commitment. The "**Construction Deadline**" shall be the date forty two months after the Bus Station Relocation Date, as defined in **Section 11 (A)** below, subject to extension as provided in this Agreement. See **Section 9 (B)** below regarding Seller's remedy in the event Purchaser fails to satisfy Purchaser's Project Construction Commitment.

(B) **Seller's Remedy for Purchaser's Failure Timely Satisfy Purchaser's Project Construction Commitment.** Should Purchaser fail to satisfy the Project Construction Commitment on or before the Construction Deadline, Seller's sole and exclusive remedy shall be to receive from Purchaser, as liquidated damages, \$2,500,000. Notwithstanding anything to the contrary herein, the liquidated damages provided for in this paragraph shall be Seller's sole and exclusive remedy for Purchaser's breach of any of Purchaser's obligations set forth in this **Section 9**. The parties agree that it would be impractical or extremely difficult to fix actual damages if Purchaser defaults in Purchaser's obligations under this **Section 9** and that the foregoing amount is a reasonable estimate of these damages, and that Seller shall receive the sum set forth in this paragraph as Seller's sole and exclusive remedy. Seller waives any right that Seller may have to specifically enforce this **Section 9**. The Construction Deadline shall be extended due to each or any of the following:

(1) A Force Majeure Event, as defined below, shall extend the Construction Deadline for a reasonable amount of time in light of the Force Majeure Event which impacts the Project;

(2) Any delay caused by Seller or the City of Tucson shall extend the Construction Deadline for a reasonable amount of time in light of the delay.

10. **Force Majeure.** No party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement, when and to the extent such failure or delay is caused by or results from acts beyond the affected party's reasonable control, including, without limitation: (a) acts of God; (b) flood, fire, earthquake or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order or law; (e) actions, embargoes or blockades in effect on or after the date of this Agreement; (f) action, or inaction, by any governmental authority; (g) national or regional emergency; (h) strikes, labor stoppages or slowdowns or other industrial disturbances; and (i) shortage of adequate power or transportation facilities (together, a "**Force Majeure Event**"). The party suffering a Force Majeure Event shall give notice of the Force Majeure Event to the other party, stating the period of time the occurrence is expected to continue and shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized.

11. SELLER'S RESPONSIBILITIES REGARDING THE PROJECT. In connection with the Project, Seller has agreed to satisfy the following obligations, which obligations shall survive the Close of Escrow and recordation of the Deed:

(A) Relocation of Greyhound Bus Station. There is currently a Greyhound bus station (the "**Bus Station**") located on the Property. Pursuant to the terms of Section 6 of the "Settlement Agreement" between the Seller and the City of Tucson ("**City**") recorded on February 8, 2013 at Sequence number 20130390504 in the official records of the Pima County Recorder's Office and the "Ground Lease" recorded February 19, 2014 at Sequence number 20140500102 in the Pima County Recorder's Office, the Bus Station's right to remain on the Arena Site shall terminate no later than one year after (i) final approval by the City of a "Development Plan" for the Arena Site and (ii) receipt of written notice from Seller to the City and to the Bus Station ("**Termination Notice**"). Within 180 days of the Closing Date, Purchaser shall submit an application ("**Application**") for approval of a Development Plan for the first phase of the Project to the City and will promptly take all actions necessary to diligently pursue the City approval of that Development Plan. Within 10 days of the Purchaser's submission of the Application, the Seller shall provide a Termination Notice to the City and Greyhound. Seller will cooperate with Purchaser to obtain approval of the Application and relocation of the Bus Station. Both Seller and Purchaser will work in good faith with each other and the City to obtain approval of the Application and the City's relocation of the Bus Station. The date upon which the Bus Station vacates the Property is referred to herein as the "Bus Station Relocation Date."

(B) Infrastructure. The Parties will cooperate to obtain all approvals from all necessary governmental entities and regulators in a timely fashion for the sewer, water and drainage improvements, relocations, reinforcements and/or repairs. Purchaser shall have full control over the design and implementation of the Drainage Infrastructure.

(C) Seller Assistance. Seller is a redevelopment district created for the purpose of facilitating and stimulating development within the Rio Nuevo District ("**District**") boundaries. To that end, Seller has assisted third party developers with various support, such as infrastructure funding and public support for various projects. Seller acknowledges that the Project is critical in promoting economic redevelopment and reducing blight in the District and downtown Tucson. Seller shall have no obligation to provide financial support for the Project, but Seller will consider the Project for financial and infrastructure support in the future on the same basis that Seller considers and provides support to other project within the boundaries of the Rio Nuevo District. Seller shall provide non-financial support (e.g., speak in favor of, write letters of support for, testify at public hearings on behalf of, etc.) for the Project, including, but not be limited to, supporting Purchaser's efforts to obtain available federal, state and local approval of and assistance for the Project.

12. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller makes the following representations and warranties to Purchaser, all of which shall survive the Closing and recordation of the Deed, and shall be complete, true and accurate as of the Agreement Date and as of the Close of Escrow:

(A) Organization. Seller is a special taxing district of the State of Arizona duly organized, validly existing and in good standing under the laws of the State of Arizona and has the

power, right and authority to enter into this Agreement, and to consummate the transaction contemplated hereby, without the consent or joinder of any other party or order or approval of any court and this Agreement shall constitute a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with the terms and conditions contained herein.

(B) Performance. Seller will have performed, observed and complied with all of the covenants, agreements and conditions required by this Agreement to be performed, observed and complied with by Seller on or before the Close of Escrow, and will execute and deliver all documents required to be executed and delivered by Seller in order to consummate the transaction contemplated herein, on or before the Close of Escrow and at the time period set forth herein. Seller shall also perform, observe and comply with all post-Closing covenants, representations, warranties, agreements, conditions and indemnifications required by this Agreement.

(C) Hazardous Materials. Except as provided in the Property Materials, to the best of Seller's knowledge after the inquiries set forth in the Property Materials, there is no actual, alleged or threatened presence or release of Hazardous Materials in, on, around or potentially affecting any part of the Property or the soil or groundwater under the Property, such that clean up or remediation would be required pursuant to any current applicable federal, state or local law, nor is there any existing or threatened investigation pertaining to the Property by any current federal, state or local governmental authority under any Hazardous Waste Law, nor is the Property subject to any remedial obligation or lien under or in connection with any Hazardous Waste Law. The term "Hazardous Materials" shall mean any substance, chemical, waste or material that is or becomes regulated by any federal, state or local governmental authority because of its toxicity, infectiousness, radioactivity, explosiveness, ignitability, corrosiveness or reactivity, or any substance, material or waste that is petroleum, petroleum-related or a petroleum by-product. The term "Hazardous Waste Law" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Superfund Amendments and Reauthorization Act of 1986, the Resource Conservation and Recovery Act, and the Toxic Substance Control Act, as such acts may be amended from time to time, and any other federal or Arizona statutory, regulatory, regulations promulgated thereunder or common law cause of action arising from or related to Hazardous Materials at, in or under the Property.

(D) Litigation. Except as provided herein, no litigation exists which relates to or arises out of Seller's interest in the Property, and Seller has not received any notice that any such proceedings are contemplated or threatened. There are no actions or proceedings pending or threatened against Seller before any court or administrative agency in any way connected with or relating to the Property, or affecting Seller's ability to fulfill all of its obligations under this Agreement. Purchaser forever waives any and all claims against the Seller related to the RFP for the sale and development of the Arena Site, except as may arise under this Agreement and except for any undisclosed pending or threatened proceedings regarding which Seller has knowledge.

(E) Violations. Seller has not received any notice of any violation of any federal, state, regional or local law, ordinance or other governmental rule or regulation pertaining to the Property, including, without limitation, environmental laws or regulations

(F) Contracts. Except as provided in this Agreement, neither this Agreement nor anything required to be done hereunder, including but not limited to the conveyance of the Property, violates or shall violate any contract or agreement to which Seller is a party.

(G) U.S. Persons. Seller is a "United States persons" within the meaning of ' 1445 of the Internal Revenue Code, as amended.

(H) Material Change. Should Seller receive notice or knowledge of any information regarding any of the matters set forth in this section after the Agreement Date and before the Close of Escrow which would result in a material change to these warranties, Seller will immediately notify Purchaser of the same in writing.

13. REPRESENTATIONS AND WARRANTIES OF PURCHASER. Purchaser makes the following representations and warranties to Seller, all of which shall survive the Closing and recordation of the Deed, and shall be complete, true and accurate as of the Agreement Date and as of the Close of Escrow:

(A) Organization. Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Arizona and has the power, right and authority to enter into this Agreement, and to consummate the transaction contemplated hereby, without the consent or joinder of any other party or order or approval of any court and this Agreement shall constitute a legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with the terms and conditions contained herein.

(B) Performance. Purchaser will have performed, observed and complied with all of the covenants, agreements and conditions required by this Agreement to be performed, observed and complied with by Purchaser on or before the Close of Escrow, and will execute and deliver all documents required to be executed and delivered by Purchaser in order to consummate the transaction contemplated herein, on or before the Close of Escrow and at the time period set forth herein. Purchaser shall also perform, observe and comply with all post-Closing covenants, representations, warranties, agreements, conditions and indemnifications required by this Agreement.

(C) Other Contracts. Neither this Agreement nor anything required to be done hereunder, including but not limited to the acceptance of conveyance of the Property, violates or shall violate any contract or agreement to which Purchaser is a party.

(D) Material Change. Should Purchaser receive notice or knowledge of any information regarding any of the matters set forth in this section after the Agreement Date and prior to the Close of Escrow which would result in a material change to these warranties, Purchaser will immediately notify Seller of the same in writing.

14. SELLER'S INDEMNIFICATION. To the extent permitted by law, Seller shall indemnify, defend and hold Purchaser, its officers, directors, managers, members, shareholders, representatives, agents and employees, harmless for, from and against any liability, loss, claim, action or demand, including attorneys' fees and costs, that may arise out of or is connected with Seller's breach of any covenant, representation, warranty or term contained in this Agreement. Seller's indemnification provided in this Agreement shall survive the Closing.

15. PURCHASER'S INDEMNIFICATION. Purchaser shall indemnify, defend and hold Seller, its managers, members, officers, directors, shareholders, representatives, agents and employees ("**Seller Affiliates**") harmless for, from and against any liability, loss, claim, action or demand, including attorneys' fees and costs, that may arise out of or is connected with Purchaser's breach of any covenant, representation, warranty or term contained in this Agreement. Purchaser's indemnification provided in this Agreement shall survive the Closing.

16. EXCLUSIVE NEGOTIATIONS. Seller shall not offer the Property for sale to anyone other than Purchaser or enter into or continue any discussions with any third-party to acquire the Property prior to the termination of this Agreement.

17. DEFAULT. If either party shall fail to fully and timely perform any of its obligations under this Agreement, the non-defaulting party shall provide the other party with written notice of such default. The other party shall have fifteen (15) days to cure such default from the date the notice of default is received.

(A) Seller's Liquidated Damages. IN ADDITION TO ALL OTHER REMEDIES EXPRESSLY PROVIDED FOR HEREIN, IF PURCHASER FAILS TO CLOSE THE ESCROW AS PROVIDED HEREIN FOR ANY REASON OTHER THAN THE DEFAULT OF SELLER OR THE TERMINATION OF THIS AGREEMENT UNDER ANY PROVISION OF THIS AGREEMENT, SELLER SHALL BE ENTITLED TO RECEIVE THE EARNEST DEPOSIT PLUS ANY ACCRUED INTEREST AS LIQUIDATED DAMAGES FOR THIS FAILURE. THE PARTIES AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES IF PURCHASER DEFAULTS IN PURCHASER'S OBLIGATION TO CLOSE THE ESCROW, THAT THE FOREGOING AMOUNT IS A REASONABLE ESTIMATE OF THESE DAMAGES, AND THAT SELLER SHALL RETAIN THE SUM SET FORTH IN THIS PROVISION AS SELLER'S SOLE AND EXCLUSIVE REMEDY. SELLER WAIVES ANY RIGHT THAT SELLER MAY HAVE TO SPECIFICALLY ENFORCE THIS AGREEMENT. THE PARTIES WITNESS THEIR AGREEMENT TO THESE LIQUIDATED DAMAGES AND WAIVER OF SPECIFIC PERFORMANCE PROVISION BY INITIALING THIS PROVISION.

Initials:

Seller

Purchaser

(B) Purchaser Remedies. If Seller defaults in any of its obligations under this Agreement, Purchaser shall be entitled to pursue any remedy available to it in law or equity, including damages and specific enforcement of the Agreement.

18. RISK OF LOSS. The risk of loss or damage to the Property by casualty, prior to Closing, is retained by the Seller. Upon the happening of any material loss or damage, Purchaser shall within fifteen (15) days of Purchaser's knowledge thereof, be entitled to terminate this Agreement by giving written notice thereof to Seller and Escrow Agent within this period. If Purchaser does not terminate this Agreement, Purchaser shall be entitled to any insurance monies collectable for such loss or damage, assuming that Purchaser closes this transaction pursuant to the terms of this Agreement. In no event shall the Purchase Price be reduced in the event of damage. In the event of Purchaser's termination of this Agreement pursuant to this Section, the Earnest Money

shall be immediately refunded to the Purchaser and the Parties hereunder shall have no further obligation or liability to each other.

19. ATTORNEYS' FEES. If either party commences an action against the other to enforce or interpret this Agreement, or because of the breach by either party of this Agreement, the prevailing party in this action shall be entitled to recover attorneys' fees and costs incurred in connection with the prosecution or defense of this action, including any appeal of the action, in addition to all other relief. Prevailing party within the meaning of this Section shall include, without limitation, a party who successfully recovers a judgment against the other party for sums allegedly due or performance of covenants allegedly breached, or that party who obtains substantially the relief sought in the action.

20. EMINENT DOMAIN. If an eminent domain proceeding is commenced against the Property prior to the Close of Escrow, Purchaser shall have the right, at Purchaser's option, either (1) to complete the purchase of the Property in accordance with the terms of this Agreement, in which event Purchaser shall be entitled to receive all compensation, including any severance damages, payable on account of said taking by eminent domain, or (2) to terminate this Agreement by giving written notice to Seller within fifteen (15) days after receiving written notice or written information concerning the commencement of any such proceeding, in which event the Earnest Deposit shall be returned to Purchaser and the parties shall be released from all further obligations hereunder.

21. REAL ESTATE COMMISSION. The Parties represent to each other that they have not dealt with any real estate agent or broker who might be entitled to a commission or finder's fee in connection with this transaction. Each party agrees to indemnify, defend and hold the other harmless from and against any claim for a commission or finder's fee arising out of the indemnifying party's actions. The parties acknowledge that Mark Irvin and Chris Sheafe are licensed Real Estate Brokers in the State of Arizona and members of the Board of Directors of Seller. Neither Mr. Irvin nor Mr. Sheafe will be receiving any compensation under the terms of this Agreement.

22. NOTICES. All notices, statements, demands, requests, or consents given hereunder by any party to another party shall be in writing and shall be personally delivered, sent by facsimile or other electronic means (including .pdf or electronic mail), overnight courier service, or United States mail, and addressed to the parties as follows:

Seller:

RIO NUEVO MULTIPURPOSE
FACILITIES DISTRICT

Attn: _____
400 West Congress, Suite 152
Tucson, AZ 85701
Facsimile: (520) 882-3699
Email: _____

With required copy to:

Mark Collins
GUST ROSENFELD P.L.C.
One South Church Avenue, Suite 1900
Tucson, Arizona 85701-1627
Facsimile: 520-628-7070

Email: mcollins@gustlaw.com

Purchaser:

NOR-GENERATIONS, LLC

411 W. Congress St.

Tucson, AZ 85701

Facsimile: () -

Email: bho.glx.usa.com

With required copy to:

Pat P. Lopez, Esq.

Rusing Lopez & Lizardi, P.L.L.C.

6363 N. Swan Road, Suite 151

Tucson, Arizona 85718

Facsimile: (520) 792-4800

Email: plopez@rllaz.com

or to such other or additional address as a party may have furnished to the other party by written notice as a place for the service of notice. Notices shall be deemed received upon delivery, except mailed notices shall be deemed to have been received three days after deposit in the United States mail, postage prepaid.

23. CHOICE OF LAW. This Agreement, its application and interpretation, and all rights and obligations of the parties hereunder shall be governed by and construed exclusively in accordance with the laws of the State of Arizona, excluding any choice of law rules which would apply the laws of another jurisdiction.

24. CHOICE OF FORUM. Any disputes regarding this Agreement shall be exclusively resolved in the Arizona Superior Court, Pima County, Arizona, located in Tucson, Arizona. Each party consents to the exclusive jurisdiction of such courts and agrees not to bring any action under this Agreement except in Tucson, Arizona.

25. ADDITIONAL DOCUMENTS. The Parties shall make, execute and deliver all such documents and perform all such acts from time to time, prior to and following the consummation of this Agreement, to carry out the full intent and purpose of this Agreement.

26. TIME OF THE ESSENCE. Time is of the essence with respect to all provisions contained in this Agreement.

27. SEVERABILITY. If any part of this Agreement is determined to be invalid or unenforceable, that part will be amended to achieve, as nearly as possible, the same effect as the original. The invalidity or unenforceability of any provision shall not affect the enforceability of the remainder of this Agreement, unless such invalidity or unenforceability would materially alter the consideration due a party, in which event, the affected party may elect to rescind this Agreement.

28. ENTIRE AGREEMENT. This Agreement along with the Exhibits constitute the entire agreement between and reflect the reasonable expectations of the Parties pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations, negotiations and understandings of the Parties, oral or written, are merged herein and/or expressly declared void and are superseded by this Agreement and the Exhibits. No change, addition or modification shall be made to this Agreement except by a written agreement executed by the Party intended to be bound thereby.

29. COUNTERPARTS. This Agreement may be executed in counterparts. Each counterpart shall be deemed an original and all taken together shall constitute one and the same instrument. If executed in counterparts, the counterpart signature pages may all be attached to one document, which shall then constitute the original signed document. The execution of this Agreement is deemed to have occurred, and this Agreement shall be enforceable and effective, only on the complete execution and delivery of this Agreement by all the Parties. This Agreement may be executed and delivered by facsimile copies or other electronic means (including .pdf) showing the signatures thereto. The facsimile copies or other electronic copies showing the signatures of any of the Parties shall constitute originally signed documents requiring no further execution.

30. TERMS. Unless the context requires otherwise, words denoting the singular shall be construed as including the plural, and words in the plural shall be construed as including the singular. Words of one gender shall be construed as including another gender or neuter if appropriate within the context. The word "person" or "party" shall include a natural person, corporation, firm, partnership, limited liability company, proprietorship, trust, or any other entity.

31. CONSTRUCTION. The captions or headings of this Agreement are for convenience of reference only and shall not control or affect the meaning or construction of any provision herein. This Agreement is a result of negotiations between the Parties; therefore, this Agreement shall not be construed as if it had been prepared by one of the Parties, but rather as if all of the Parties have prepared it.

32. ESCROW INSTRUCTIONS. This Agreement shall also constitute escrow instructions to Title Company. If Title Company so requests, the Parties agree to execute Title Company's standard escrow instructions, modified so as to be consistent with this Agreement. In the event of any conflict between Title Company's standard escrow instructions and this Agreement, the terms of this Agreement shall control and supercede the standard escrow instructions.

33. BINDING ON SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto, and their heirs, administrators, successors and assigns.

34. RECITALS. The above referenced recitals and all exhibits attached hereto are incorporated herein by this reference.

35. CONFIDENTIALITY. To the extent permitted under Arizona's public records law, this Agreement is being executed with the express understanding that its contents will remain confidential. By execution of this Agreement, each party agrees to maintain this confidentiality,

including, without limitation, the structure and pricing thereof as well as the terms of the transaction, and not disclose same to any person or entity other than: (a) on an as-needed basis, to such party's advisors, agents, consultants, business associates, lenders, and potential lenders and the applicable party shall inform them of the confidentiality requirements of this letter of intent and their duty to comply with its terms; (b) any disclosures required by law; or (c) disclosures consented to by both parties. Neither Purchaser nor Seller shall make or allow to be made any public announcement of the transactions contemplated by this Agreement or the existence of this Agreement prior to its execution except in compliance with public records request that requires its disclosure under Arizona law. The purpose of the forgoing restriction is not intended to prevent the disclosure of this Agreement after its approval and execution. This **Section** is a binding obligation and shall survive until the Closing or termination of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first shown above.

"Seller"

RIO NUEVO MULTIPURPOSE FACILITIES
DISTRICT, a political subdivision of the State of
Arizona

By: _____
Name: Robert M. Gustin
Title: Chairman

By: _____
Name: MARK IRVIN
Title: SECRETARY

"Purchaser"

NOR-GENERATIONS, LLC, an Arizona
limited liability company

By: _____
Name: ALAN J. NORVILLE
Title: Member

ACCEPTANCE BY TITLE COMPANY

_____ hereby consents to act as escrow agent in accordance
with the terms of this Agreement.

By: _____
Name: _____
Title: _____

EXHIBIT "A"

Land and Improvements Description

[To be prepared and attached by Title Company]

LEGAL DESCRIPTION FROM FIELD SURVEY (Revised to include Basis of Bearing)
& FIDELITY NATIONAL TITLE AGENCY REPORT NO. 500032-251 (See. No. 2012980395)

All of Block 14 and a portion of Block 15 and Common Area C, adjoining said blocks, of Rio Nuevo, Blocks 1 thru 15, Common Area A, Common Area B, and Common Area C, according to map or plat thereof at the Pima County Recorder's Office, in Book 57 of Maps and Plats.

Said parcel being more particularly described as follows:

Commencing at the northeast corner of Section 14, Township 14 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, said corner being a found 3" brass disc in hand hole stamped "Arizona Department of Transportation";

Thence South 0°52'49" East, 1,019.54 feet along the east line of said section, from this point a found 2" open pipe at the east quarter corner of said section bears South 0°52'49" East, 1,925.42 feet, said line being the Basis of Bearing of this description;

Thence South 89°07'11" West, 61.00 feet to a found 1/2" rebar tagged "RLS 21774" at the west right-of-way of El Paso Southwestern Avenue and the Point of Beginning;

Thence South 0°55'37" East, 13.27 feet along said west right-of-way to a found 1/2" rebar tagged "RLS 21774" at the southeast corner of said Common Area C;

Thence continuing South 0°55'37" East, 380.53 feet along said west right-of-way to a point on a non-tangent curve concave to the northwest with a local radial bearing of South 27°30'21" East, said point being a found pavement nail tagged "RLS 21774" at the southeast corner of said Block 15;

Thence southeasterly along the arc of said curve to the right, having a radius of 226.49 feet, through a central angle of 0°10'44", for an arc length of 4.26 feet along the north right-of-way of Clark Street to a point of non-tangency;

Thence South 63°32'48" West, 113.65 feet along said north right-of-way to a found 3/4" aluminum capped pin stamped "RLS 18219";

Thence South 73°44'20" West, 91.23 feet to a set 1/2" rebar tagged "RLS 18211";

Thence South 50°34'53" West, 25.90 feet to a set 1/2" rebar tagged "RLS 18211";

Thence South 87°17'00" West, 67.81 feet to a set 1/2" rebar tagged "RLS 18211";

Thence North 11°30'25" West, 66.53 feet along the easterly right-of-way of Interstate 10 to a found 3/4" aluminum disc in concrete stamped "R.O.W." with an angle iron guard stake marked "P.O.C. 227-47.62" on the easterly right-of-way of Interstate 10;

Thence North 0°34'42" West, 115.91 feet along said easterly right-of-way to a found 3/4" aluminum disc in concrete stamped "R.O.W." with an angle iron guard stake marked "P.O.C. 226-34.88" on the easterly right-of-way of Interstate 10;

Thence North 72°17'19" East, 43.65 feet along said easterly right-of-way to a found 3/4" aluminum disc in concrete with punch only, with an angle iron guard stake marked "P.O.C. 226-24.30" on the easterly right-of-way of Interstate 10;

Thence North 04°15'23" West, 70.47 feet along said easterly right-of-way to a found 3/4" aluminum disc in concrete;

Thence South 85°17'28" West, 41.88 feet along said easterly right-of-way to a found 3/4" aluminum disc in concrete with punch only, with an angle iron guard stake marked "P.O.C. 225-56.77" on the easterly right-of-way of Interstate 10;

Thence North 08°51'20" West, 127.08 feet along said easterly right-of-way to a found pavement nail tagged "RLS 21774" at the northwest corner of said Block 15;

Thence continuing North 08°51'20" West, 40.15 feet along said easterly right-of-way to a found pavement nail tagged "RLS 21774" at the northwest corner of said Common Area C;

Thence continuing North 08°51'20" West, 213.17 feet along said easterly right-of-way to a found pin nail with an illegible tag;

Thence North 81°07'34" East, 32.95 feet along said easterly right-of-way to a found pin nail with an illegible tag and an angle iron guard stake marked "P.O.C. 221-85.27";

Thence North 08°51'26" West, 59.96 feet along said easterly right-of-way to a found 3/4" aluminum disc in concrete stamped "R.O.W.";

Thence South 81°02'35" West, 32.98 feet along said easterly right-of-way to a found 3/4" aluminum disc in concrete stamped "R.O.W." with an angle iron guard stake marked "P.O.C. 221-88.88";

Thence North 09°02'11" West, 54.21 feet along said easterly right-of-way to a found aluminum stem in concrete with an angle iron guard stake marked "P.O.C. 220-75.39";

Thence North 11°54'26" West, 112.93 feet along said easterly right-of-way to a found 3/4" aluminum disc in concrete with punch and angle iron guard stake marked "P.O.C. 219-66.06";

Thence North 08°31'27" West, 379.83 feet along said easterly right-of-way to a found 3/4" aluminum disc in concrete with punch at a point on a non-tangent curve concave to the southeast with a local radial bearing of South 81°30'08" West;

Thence northeasterly along the arc of said curve to the right, having a radius of 45.00 feet, through a central angle of 88°32'37", for an arc length of 69.54 feet to a point of non-tangency on said easterly right-of-way, said point being a found 3/4" aluminum disc in concrete stamped "R.O.W." with an angle iron guard stake marked "P.O.C. 216-08.43";

Thence North 79°48'21" East, 19.83 feet along said easterly right-of-way to a found 3/4" aluminum disc in concrete stamped "R.O.W." with an angle iron guard stake marked "P.O.C. 216-08.89";

Thence North 0°20'40" West, 34.36 feet along said easterly right-of-way to a found 3/4" aluminum disc in concrete with punch and angle iron guard stake marked "P.O.C. 215-75.79" on the southerly right-of-way of Congress Street;

Thence North 81°17'24" East, 89.16 feet along said southerly side of Congress Street to a found 1/2" rebar tagged "RLS 22759";

Thence South 65°40'15" East, 27.04 feet along said southerly right-of-way to a found pavement nail tagged "RLS 22759";

Thence North 86°24'34" East, 39.92 feet along said southerly right-of-way to a found bent 1/2" aluminum capped rebar marked "RLS";

Thence North 64°37'47" East, 4.17 feet along said southerly right-of-way to a found 1/2" rebar with no tag, tagged "RLS 18211" at the west right-of-way of El Paso Southwestern Avenue, said point being on a non-tangent curve concave to the west with a local radial bearing of North 82°03'13" East;

Thence southerly along the arc of said curve to the right, having a radius of 1880.91 feet, through a central angle of 20°49'47", for an arc length of 683.80 feet to a point of tangency;

Thence South 07°06'40" East, 176.92 feet along said west right-of-way to a found 1/2" rebar tagged "RLS 21774" at the northwest corner of said Common Area C;

Thence continuing South 07°06'40" East, 26.79 feet along said west right-of-way to the Point of Beginning.

The above described parcel contains an area of 366,685 square feet, or 8.418 Acres, more or less.

Found Monument Reference Table

Mon. No.	Description
S1	3/4" AC Punch Only W/Angle Iron Mtd. POC 229-55.57
S2	3/4" AC Punch Only
S3	3/4" AC Mtd. "ROW" W/Angle Iron Mtd. POC 228-30.57
S4	3/4" AC Mtd. "ROW" W/Angle Iron Mtd. POC 227-47.62
S5	3/4" AC Mtd. "ROW" W/Angle Iron Mtd. POC 225-34.88
S6	3/4" AC Punch Only W/Angle Iron Mtd. POC 225-24.30
S7	3/4" AC No Punch Located Center
S8	3/4" AC Punch Only W/Angle Iron Mtd. POC 225-56.77
S9	Pavement nail w/Tag RLS 21774
S10	Pavement nail w/Tag RLS 21774
S11	P.K. Nail w/Tag Unreadable
S12	P.K. Nail w/Tag Unreadable W/Angle Iron Mtd. POC 221-85.27
S13	3/4" AC Mtd. ROW
S14	3/4" AC Mtd. ROW W/Angle Iron Mtd. POC 221-86.68
S15	Stem in Concrete W/Angle Iron Mtd. POC 220-75.39
S16	3/4" AC Punch Only W/Angle Iron Mtd. POC 219-66.06
S17	3/4" AC Punch Only
S18	3/4" AC Mtd. "ROW" W/Angle Iron Mtd. POC 216-08.42
S19	3/4" AC Mtd. "ROW" W/Angle Iron Mtd. POC 216-06.89
S20	3/4" AC Punch Only W/Angle Iron Mtd. POC 215-75.79
S21	3/4" AC Punch Only W/Angle Iron Mtd. POC 214-59.15
S22	3/4" AC No Punch Located Center W/ Angle Iron Mtd. 201-54.02
S23	1/2" Rb. W/Tag RLS 22759
S24	Pavement Nail in Sidewalk W/Tag RLS 22759
S25	Find 1/2" ACP Bent Mtd. "RLS" (Unable To Read Entire Cap)
S26	1/2" Rb. No Tag, Tagged "RLS 18211"
S27	1/2" Rb. W/Tag LS 4399
S28	3" AC W/Punch Mtd. "A001"
S29	Mog Nail W/X-outs
S30	1/2" Rb. W/Tag RLS 22759
S31	Pavement Nail w/Tag RLS 21 (Unable To Read Entire Tag Covered W/ Epoxy)
S32	1/2" Rb. W/Tag RLS 22759
S33	1/2" Rb. W/Tag RLS 21787
S34	1/2" Rb. W/Tag RLS 21774
S35	1/2" Rb. W/Tag RLS 21774
S36	Pavement Nail w/Tag RLS 21787
S37	2" BCSM Mtd. RLS 19316
S38	2" Open Pipe @ E 1/4 Cor. Sec. 14
S39	2" BCSM Mtd. RLS 19316
S40	60d Nail
S41	2" BCSM Punch Only
S42	3" ACP Mtd. RLS 18219
S43	2" BCSM Mtd. RLS 21774
S46	3" Brass Cap W/Punch Mtd. A01 In Hand Hole NE Cor. Sec. 14

Set Monument Reference Table

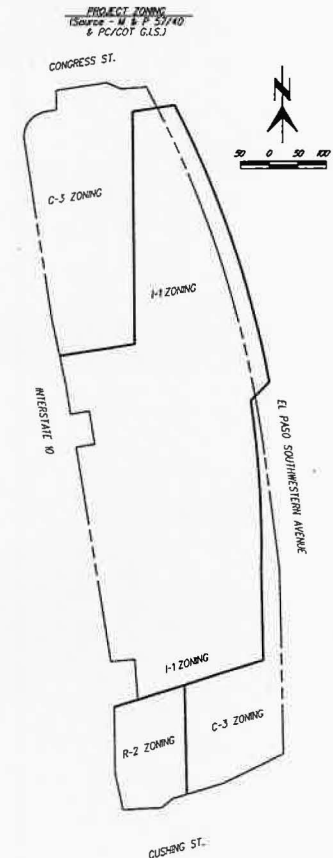
Mon. No.	Description
S43	1/2" Rebar w/ Tag RLS 18211

RECORD LEGAL DESCRIPTION FROM DOCKET 13933 PAGE 2640:

Block 14, of the AMENDED FINAL PLAT FOR RIO NUEVO, a subdivision of record in the Office of the Pima County Recorder, in Book 57 of Maps and Plats at Page 40.

Common Area "C", of the AMENDED FINAL PLAT FOR RIO NUEVO, a subdivision of record in the Office of the Pima County Recorder, in Book 57 of Maps and Plats at Page 40.

Block 15, of the AMENDED FINAL PLAT FOR RIO NUEVO, a subdivision of record in the Office of the Pima County Recorder, in Book 57 of Maps and Plats at Page 40.



ALTA/ACSM LAND TITLE SURVEY
LEGAL DESCRIPTION, ZONING & MONUMENTS
LOTS 14, 15 & COMMON AREA 'C' OF AMENDED FINAL PLAT FOR
RIO NUEVO M & P BK 57 PG 40 LOCATED IN THE NE 1/4, NE 1/4
SECTION 14 T14S R13E G & S.R.M.PIMA CO., AZ.

RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT				3
RIO NUEVO				OF
BLOCKS 14, 15 & COMMON AREA 'C'				6
DATE	FDA	2013	FILE NO.	SCALE
DATE	FDA	2013		
DATE	FDA	2013	PLAN NO.	211107



NO. DATE REVISION BY CHIEF APPR. EXPIRES 3/31/2018