TEMPORARY SIGN PERMIT
TSP-56515

Description of Sign(s): TSP-56515 - Temporary sign permit for two (2) 113-foot by 72-foot (678 sf) banner with frame for apartments at 3050 N Jones from 10/20/14 through 12/18/14.

Applicant: Sonoma Palms L P
% g gekakis
2655 S Rainbow Blvd #401
Las Vegas, NV 89146-5100
(702)364-8027 x

Type of Signs:
- [ ] Pennants
- [ ] Balloons
- [ ] Streamers
- [ ] Searchlights
- [ ] Portable
- [x] Other

Parcel(s): 138-13-101-002 138-13-101-003

Ward(s): WARD 5 (RICKI Y. BARLOW)

THIS PERMIT IS APPROVED PURSUANT TO TITLE 19.16.170A OF THE LAS VEGAS MUNICIPAL CODE, SUBJECT TO THE FOLLOWING CONDITIONS:

1) THE TEMPORARY SIGN PERMIT SHALL BE VALID FOR **60 DAYS** FROM **OCTOBER 20, 2014** TO **DECEMBER 18, 2014.**

2) ALL TEMPORARY SIGNS SHALL BE SET BACK FROM ANY STREET INTERSECTION OR DRIVEWAY OR OTHERWISE LOCATED IN ORDER TO NOT CREATE A SIGHT RESTRICTION.

3) ALL TEMPORARY SIGNAGE SHALL BE SO LOCATED AS TO NOT CREATE A NUISANCE TO NEARBY PROPERTIES AS A RESULT OF FACTORS SUCH AS EXCESSIVE ILLUMINATION, GLARE, OR NOISE.

4) ALL TEMPORARY SIGNAGE SHALL CONFORM TO THE SUBMITTED SITE PLAN.

5) THE APPLICANT SHALL DISPLAY A COPY OF THIS TEMPORARY SIGN PERMIT DURING NORMAL BUSINESS HOURS.

6) ALL TEMPORARY IMPROVEMENTS MADE TO THIS SITE AND THE ABUTTING STREETS SHALL BE REMOVED UPON EXPIRATION OF THE PERMIT.

7) ALL APPLICABLE CITY CODE REQUIREMENTS SHALL BE SATISFIED.

8) THE APPLICANT SHALL BE RESPONSIBLE FOR LEAVING THE SITE FREE OF DEBRIS, LITTER, OR ANY OTHER EVIDENCE OF THE SIGNAGE UPON EXPIRATION OF THE PERMIT.

9) NO SIGNS SHALL BE LOCATED IN THE PUBLIC RIGHT-OF-WAY.

PLEASE NOTE:

On August 15, 2012, the City Council approved an Ordinance which extends on a temporary basis the display periods for temporary special event signs. Under this Ordinance, temporary special event signs approved between August 16, 2012 and June 30, 2014 may be displayed by the same business license holder on the same lot up to eight times in any one calendar year. The aggregate time of display of such signs shall not exceed one hundred eighty days in any one calendar year.

Unless otherwise extended or modified by ordinance, the display period of temporary special event signs approved on or after July 1,2014 shall be subject to the applicable calendar-year limitations that would be in effect independent of this Ordinance.

THIS PERMIT SHALL BE POSTED IN A CONSPICUOUS PLACE

DEPARTMENT OF PLANNING

APPLICATION / PETITION FORM

Application/Petition For: Temporory signage

Project Address (Location) 3050 N Jones Blvd Las Vegas, Nv 89108

Project Name Sonoma Palms Proposed Use

Assessor's Parcel #(s) 138-13-101-002, 138-13-101-003 Ward #

General Plan: existing proposed Zoning: existing proposed

Commercial Square Footage Floor Area Ratio

Gross Acres Lots/Units 238 Density

Additional Information request for temporary advertisement banners at entrance

PROPERTY OWNER Sonoma Palms LP	**Contact** George Gekakis		
Address 2655 S. Rainbow Blvd #401	**Phone:** 702 364-8027	**Fax:** 702-364-4925	
City las Vegas	**State** NV	**Zip** 89146	
E-mail Address ggi@gekakis.com			

APPLICANT Sonoma Palms	**Contact** Karen Varney		
Address 3050 N Jones Blvd	**Phone:** 702 309-8555	**Fax:** 702-395-4123	
City Las Vegas	**State** NV	**Zip** 89108	
E-mail Address sonomapalmsapts@pinnaclefamily.com			

REPRESENTATIVE Pinnacle	**Contact** Phyllis Garcia		
Address 7785 W. Sahara Ave #100	**Phone:** 702 362-6444	**Fax:** 702 364-5353	
City Las Vegas	**State** NV	**Zip** 89117	
E-mail Address pgarcia@pinnaclefamily.com			

I certify that I am the applicant and that the information submitted with this application is true and accurate to the best of my knowledge and belief. I understand that the City is not responsible for inaccuracies in information presented, and that inaccuracies, false information or incomplete application may cause the application to be rejected. I further certify that I am the owner or purchaser (or option holder) of the property involved in this application, or the lessee or agent fully authorized by the owner to make this submission, as indicated by the owner's signature below.

Property Owner Signature* [signature]

*An authorized agent may sign in lieu of the property owner for Final Maps, Tentative Maps, and Parcel Maps.

Print Name George Gekakis

Subscribed and sworn before me

This 16th day of October, 20 14.

[signature]

Notary Public in and for said County and State

MARINA A. ADAMY
NOTARY PUBLIC
STATE OF NEVADA
My Commission Expires: 03-28-15
Certificate No: 13-12358-1

FOR DEPARTMENT USE ONLY	
Case #	TSP-56515
Meeting Date:	—
Total Fee:	100.00
Date Received:*	10-16-14
Received By:	[signature]

*The application will not be deemed complete until the submitted materials have been reviewed by the Department of Planning for consistency with applicable sections of the Zoning Ordinance.

Revised 10/27/08

f:\depot\Application Packet\Application Form.pdf

Sonoma Palms, Banner - North Frame, 113" x 64"

#1

Sonoma Palms, Banner - South Frame, 113" x 72"

#2

PLEASE CHECK THE FOLLOWING:

Spelling · Typos · Layout

I verify and approve the validity and correctness of text, artwork and/or imagery in this work.

Check the appropriate box:

☒ Please Print As Is
☐ Make Corrections and Print
☐ Second-Proof Required

for Gina Slater 5/27/14

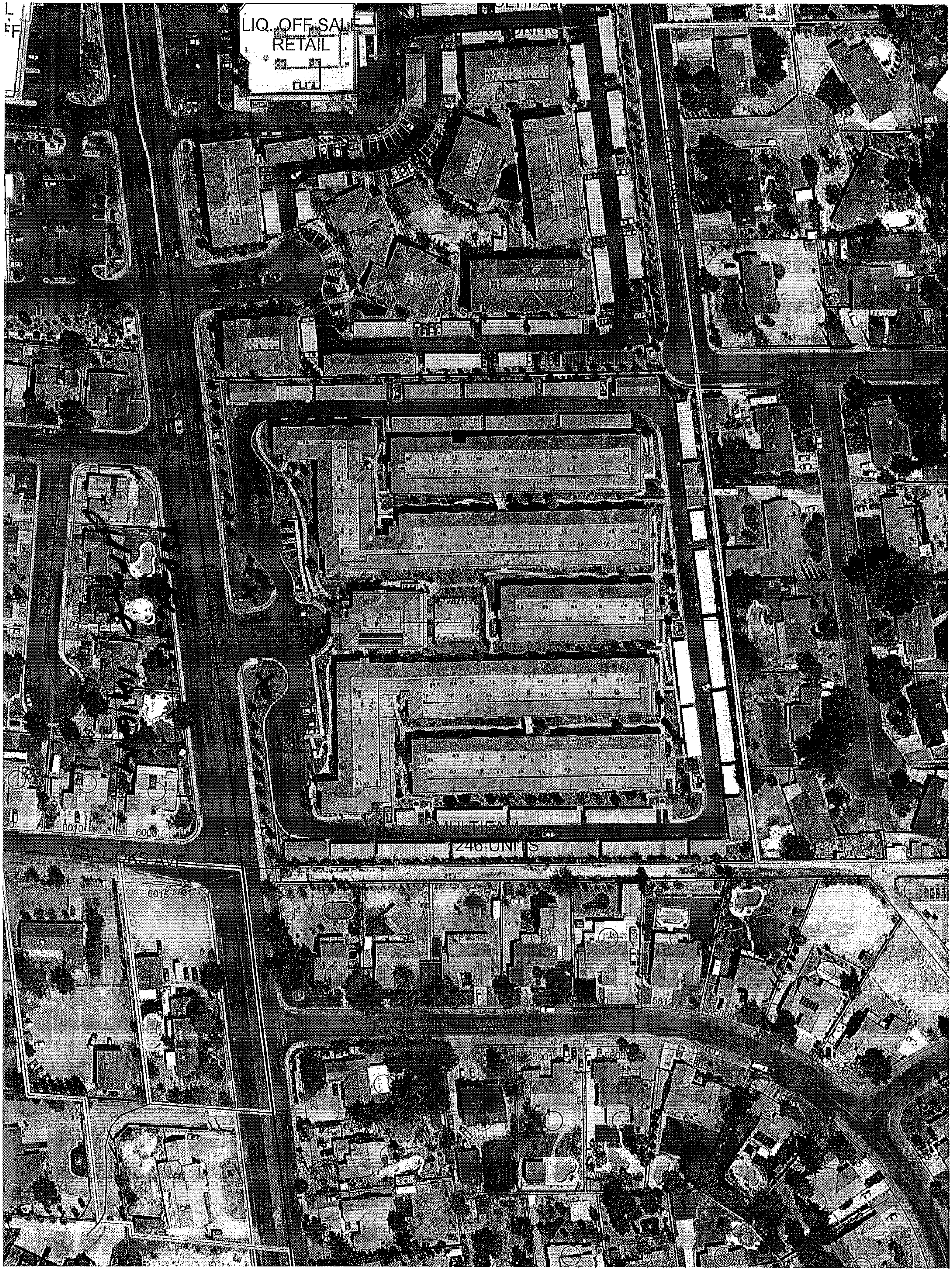
(Signature) (Date)

Thank you

empress™ DESIGN

fax (702) 446-8218 | office (702) 776-6000


SOUTH SIGN
119/120


LIQ. OFF SALE
RETAIL
HALEY AVE
MULTIFAM
246 UNITS
W BROOKS AVE
6010
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PASEO DEL MAR
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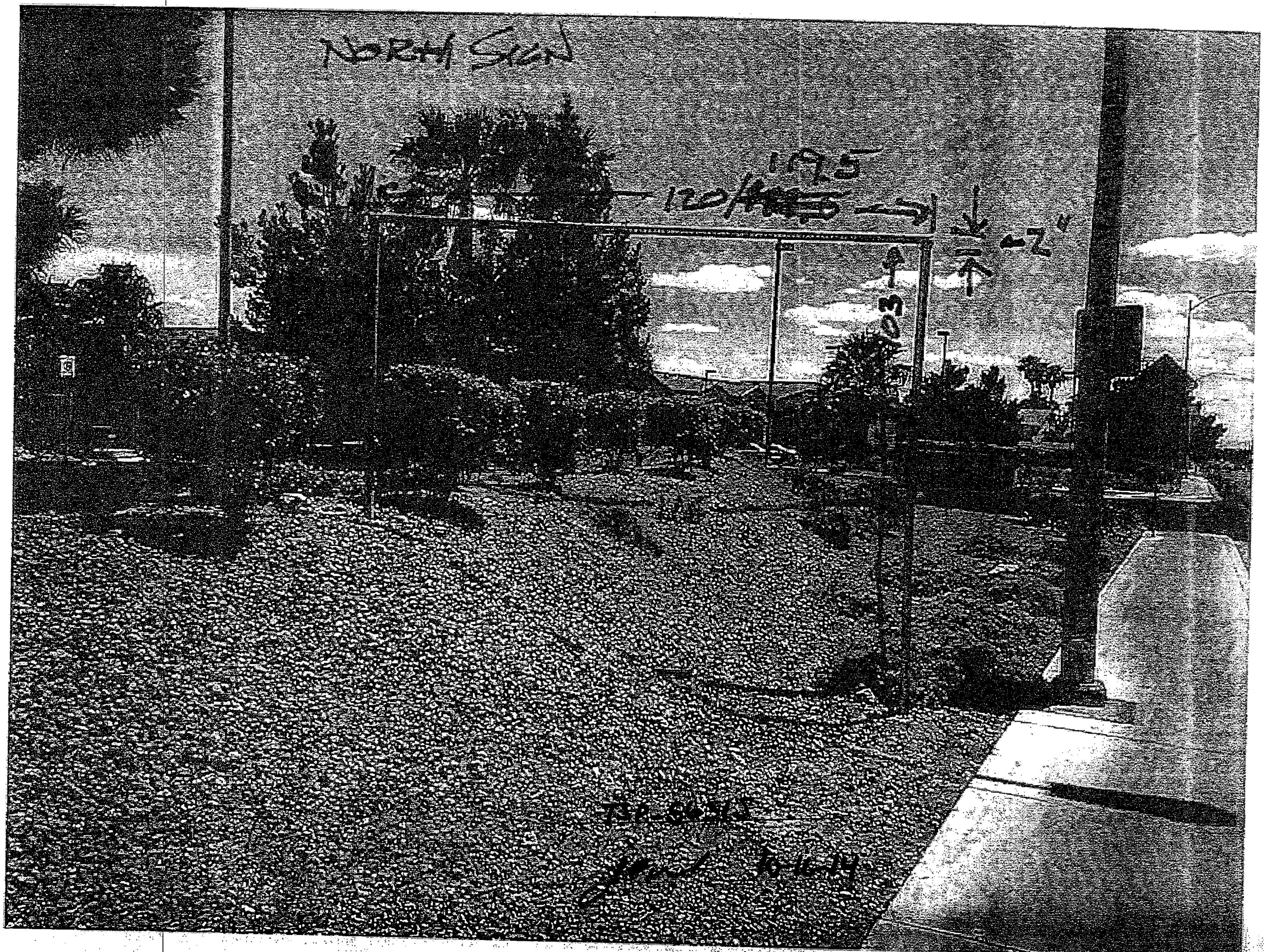
NORTH SIGN
19.5
2"
10-16-14

SONOMA PALMS
3050 N JONES BLVD
LAS VEGAS, NEVADA 89108
TEL: (702)309-8555 FAX: (702)395-4123
SONOMAPALMSAPTS@PINNACLEFAMILY.COM

TO WHOM IT MAY CONCERN:

Sonoma Palms located at 3050 N Jones Blvd Las Vegas, Nevada 89108 is requesting a temporary sign permit. We would like to temporary install for 60 days upon approval a banner and frame approx. 113" x 72"(see attachment).

Thank you for your time.

DEPARTMENT OF PLANNING

TEMPORARY SIGN PERMIT SUBMITTAL REQUIREMENTS

APPLICATION/PETITION FORM: A completed Application/Petition Form is required. The application shall be signed, notarized and acknowledged by the owner of record of each parcel of property. Non-Property Owner: An application is sufficient if it is signed and acknowledged by a lessee, a contract purchaser or an optionee of the property for which the Temporary Sign Permit is sought. However, interest in that property must exist in a written agreement with the owner of record, attached to which is a copy of the Temporary Sign Permit application and in which the owner of record has authorized the lessee, contract purchaser or optionee to sign the application. The agreement must further stipulate that the owner of record consents to the filing and processing of the application and agrees to be bound by the requested Temporary Sign Permit.

JUSTIFICATION LETTER: A detailed letter that explains the request, includes the proposed dates, type and quantity of balloons, inflated devices, searchlights, pennants, portable signs, streamers and other similar devices.

FEES: $100

ALL PLANS SUBMITTED MUST BE NO SMALLER THAN 11x17 AND NO LARGER THAN 24x36.
SITE PLAN: (2 folded) Draw to scale and make legible: the entire subject parcel(s), all proposed and existing structures, utility easements and locations, signage, and adjacent streets. Site Plans must include:

- □ PROPERTY LINES CALLED OUT
- □ ADJACENT LAND USES/STREETS
- □ VICINITY MAP
- □ DIMENSIONS (ACTUAL)/SCALE
- □ LANDSCAPE AREAS
- □ NORTH ARROW
- □ STREET NAMES
- □ SCALE
- □ INGRESS/EGRESS
- □ PARKING SPACES
- □ LOCATION OF SIGNS

SIGN ELEVATIONS: (2 folded) Draw and make legible all proposed temporary signs on site. **Photographs may be submitted in lieu of detailed drawings.** Building Elevations must include:

- □ SIGN MATERIALS & COLORS CALLED OUT
- □ SIGN DIMENSIONS/SCALE

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MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT ("Agreement") is made as of August 01, 2010 by and between Sonoma Palms Limited Partnership, a Nevada limited partnership ("Owner"), and American Management Services West, LLC, a Washington State limited liability company doing business as Pinnacle ("Manager").

A. Owner is the owner of a 238-unit multifamily Apartment Complex intended for rental to persons of low and moderate income, known as Sonoma Palms, and located in 3050 North Jones Blvd, Las Vegas, Nevada (the "Apartment Complex").

B. Sonoma Palms Limited Partnership, as the general partner (the "GENERAL PARTNER"), and SunAmerica Housing Fund 1585, A Nevada Limited Partnership ("SHF"), as the limited partner, are the sole partners of Owner.

C. Owner is governed by its Second Amended and Restated Agreement of Limited Partnership of Sonoma Palms Limited Partnership dated as of February 20, 2008 (the "Partnership Agreement").

D. Manager is engaged in the business of property management.

E. Owner desires to engage Manager as property manager under the terms set forth in this Agreement.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Owner and Manager mutually agree as follows

I. DEFINITIONS.

"Affiliate" means any person that directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with a designated Person.

"Agency" means State of Nevada Department of Business and Industry Housing Division, in its capacity as the designated agency of the State to allocate Tax Credits, acting through any authorized representative.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, or any corresponding provision or provisions of succeeding law.

"Completion" means the lien-free completion of construction of the Apartment Complex in compliance with the plans and specifications approved by SHF, including without limitation, completion or correction of all punchlist items and seasonal items such as landscaping to the satisfaction of SHF, the issuance of all necessary permanent certificates of occupancy from the applicable governmental jurisdictions and authorities for one hundred percent (100%) of the units in the Apartment Complex, and payment and release of all liens of subcontractors, materialmen, and other providers of labor, equipment, material and/or services to the Apartment

Complex and related land as evidenced by the receipt of all unconditional lien releases from all such subcontractors, materialmen and all other providers of labor, equipment, material and/or services to the Apartment Complex and related land.

"Excluded Revenues" means any revenues from condemnation or casualty proceeds, any cash advances from Owner or any partner of Owner, loss of rental insurance; refunds or rebates from suppliers or vendors, revenue from the sale of any personal or real property of Owner, late charges, cleaning fees, pet fees, deposits, or from any source other than the customary operations of the Apartment Complex

"Extended Use Agreement" means the extended low-income housing commitment executed or to be executed by the Owner and properly recorded in the appropriate land records for the jurisdiction in which the Apartment Complex is located, setting forth certain terms and conditions under which the Apartment Complex is to be operated and which meets the requirements of Section 42(h)(6)(B) of the Code.

"Gross Operating Revenues" means the actual monthly cash collections from the customary operations of the Apartment Complex consisting of rental, vending machine and laundry room receipts net of any costs or expenses, forfeited or applied deposits, rent claim settlements net of any collection fees, lease termination or modification payments, and other operating receipts, excluding applicable sales tax and refundable deposits. Gross Operating Revenues shall not include Excluded Revenues.

"Person" means any individual, partnership, corporation, trust, limited liability company or other entity.

"Project Lenders" shall mean any Person in its capacity as a holder of a loan on the Apartment Complex.

"Project Loans" shall mean the loans and indebtedness of the Owner to the Project Lenders.

"Regulatory Agreement" means, to the extent applicable, and collectively, any regulatory agreements and/or any declaration of covenants and restrictions heretofore or hereafter entered into between the Owner and the Project Lender or any applicable government agency setting forth certain terms and conditions under which the Apartment Complex is to be operated, including without limitation the extended use agreement required in connection with the Tax Credits under Section 42 of the Code.

"Regulatory Requirements" has the meaning set forth in Section 5(f)(vii) of this Agreement.

"Reserve For Replacements" means the cash funded reserve for replacements required by the Project Lenders or SHF in connection with the Project Loans, which shall be used exclusively for replacement expenditures (and not operational expenditures) for the Apartment Complex. The Reserve For Replacements shall be funded as follows: (i) from the date of Completion until the date five (5) years after the date of Completion, the Reserve for Replacements shall be funded based on $250.00 per apartment unit per year; (ii) from the date five (5) years from the date of Completion until the date ten (10) years after the date of Completion, the Reserve For Replacements shall be funded based on $300.00 per apartment unit per year; and (iii) with respect to each subsequent five (5) year period, the required funding shall be increased by $50.00 per apartment unit per five-year period, provided that the General Partner shall increase the minimum funding of the Reserve For Replacements if necessary to ensure that such increase is necessary to comply with sound asset management principles. If the terms of a Project Loan impose more strict requirements regarding the funding and/or use of Reserve For Replacements, such more strict requirements shall apply.

"Tax Credit" means the low-income housing tax credit allowed for low-income housing projects pursuant to Section 42 of the Code.

"Tax Credit Tests" means the following: (a) that at least forty percent (40%) of the units in the Apartment Complex must be occupied by households with income at or below sixty percent (60%) of the area median gross income as required by Section 42(g)(1) of the Code, (b) that gross rents paid by tenants of low-income units in the Apartment Complex must not exceed thirty percent (30%) of the qualifying income standard applicable to the Apartment Complex as required by Section 42(g)(2)(A) of the Code and (c) that at least eighty percent (80%) the gross income from the Apartment Complex in every year must be rental income from or with respect to dwelling units in the Apartment Complex used to provide living accommodations not on a transient basis.

2. APPOINTMENT OF MANAGER. On and subject to the terms and conditions of this Agreement, Owner hereby retains Manager commencing on August 1, 2010 (the "Commencement Date") to manage and lease the Apartment Complex.

3. TERM. This Agreement shall commence on the Commencement Date and, subject to Section 10 of this Agreement, shall expire on the date twelve months from the Commencement Date (the "Original Term"). The term will be automatically renewed at the end of the Original Term or any later Renewal Term (each term after the Original Term being referred to herein as a Renewal Term) for an additional one year, unless terminated in accordance with the provisions of such Section 10. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term.

4. MANAGEMENT FEES. In consideration of the performance by Manager of its duties and obligations hereunder, Owner shall pay to Manager a management fee ("Management Fee") of ~~$7,616.00 minimum or~~ equal to Five percent (5%) of Gross Operating Revenues, ~~whichever is greater,~~ which fee is calculated with respect to the preceding calendar month and payable on the tenth day of each calendar month, beginning with the month after the month during which the Commencement Date occurs. Manager shall submit to Owner an invoice detailing the calculation of the Management Fee each month, no later than the fifth day of the next succeeding month. If the first or last month of this Agreement is not a complete calendar month, the Management Fee for such month shall be calculated on the basis of the ~~$6656.00~~ minimum, and the amount payable for such month shall then be prorated based on the number of days during such month that this Agreement was in effect.

5. <u>AUTHORITY AND RESPONSIBILITIES OF MANAGER.</u>

(a) <u>Independent Contractor</u>. In the performance of its duties hereunder, the Manager shall be and act as an independent contractor, with the sole duty to supervise, manage, operate, control and direct performance of the details of its duties incident to the specified duties and obligations hereunder, subject to the rights of the Owner, as described herein. Nothing contained in this Agreement shall be deemed or construed to create a partnership, joint venture, employment relationship, or otherwise to create any liability for one party with respect to indebtedness, liabilities or obligations of the other party except as otherwise may be expressly set forth herein.

(b) <u>Standard of Care</u>. Manager shall perform its duties and obligations in a professional, competent, businesslike and efficient manner as would a first class property manager of apartment projects similar to the Apartment Complex and as of apartment projects generating Tax Credits.

(c) <u>Depository Accounts</u>. All rents and other revenue from the Apartment Complex shall be deposited by Manager into one or more deposit accounts designated by Owner and insured by the Federal Deposit Insurance Corporation (each a "<u>Depository Account</u>"). The Depository Account shall be the sole and exclusive property of Owner, and Manager shall retain no interest therein. Manager shall not commingle the Depository Account with any other funds. Checks may be drawn upon such Depository Account only by persons authorized by Owner in writing to sign checks, at least one of whom shall be a designee of Manager. Manager shall not use a "standardized clearing account" for any Depository Account. The Depository Account shall be established in the name of the Manager to be held in trust for the Owner.

(d) <u>Security Deposits</u>. Manager shall deposit and maintain all security deposits in a separate account designated by Owner and be insured by the Federal Deposit Insurance Corporation (each a "<u>Security Account</u>"). The Security Account shall be distinct from the Depository Account and shall be the sole and exclusive property of Owner, and Manager shall retain no interest therein. Manager shall not commingle the Security Account with any other funds. Checks may be drawn upon the Security Account only by persons authorized by Owner in writing to sign checks, at least one of whom shall be a designee of Manager. Manager shall not use a "standardized clearing account" for the Security Account. The Security Account shall be established in the name of the Manager to be held in trust for the Owner.

(e) <u>Budgets</u>. Manager shall prepare and present to Owner in a format approved by Owner, prior to the Commencement Date and annually thereafter, by October 15, annual operating budgets for the following calendar year for the Apartment Complex; which once approved by Owner, SHF and Manager shall be the budget ("<u>Budget</u>"). Except in cases of emergency, without the written approval of Owner, Manager shall not incur any expenses that are not included within the approved budget for the current year. Once a Budget is approved by Owner, any variations or changes must be approved by Owner in writing.

(f) Leasing, Collection of Rents, Etc.

(i) Manager shall use its best efforts consistent with the standard of care set forth herein to lease apartment units in accordance with the Regulatory Requirements, retain residents and maximize Gross Operating Revenues.

(ii) Manager shall sign apartment leases in its capacity as property manager hereunder. Manager shall only sign leases in the form of lease approved by Owner. Manager shall not enter into any lease which has a term greater than 12 months.

(iii) Manager shall collect rents, security deposits and other charges payable by tenants in accordance with the tenant leases, and shall collect Gross Operating Revenues due Owner with respect to the Apartment Complex from all other sources, and shall deposit all such monies received immediately upon receipt as provided in Section 5(c) and Section 5(d) of this Agreement. If Manager receives Excluded Revenues, it shall immediately deposit them in an account designated by Owner.

(iv) Manager shall pay all debt service, monthly bills and insurance premiums on the Apartment Complex from the Depository Account. Manager shall also make deposits of monies from the Depository Account into the account designated by Owner as the Reserve for Replacements account.

(v) Manager shall, at Owner's expense, terminate leases, evict tenants, institute and settle suits for delinquent payments as Manager deems advisable, subject to other provisions of this Agreement. In connection therewith, Manager may, at Owner's expense from available cash flow, as limited by the provisions of Section 5(m) of this Agreement, consult and retain legal counsel.

(vi) Manager shall, on the twenty-fifth (25th) day of each month, pay Owner an amount equal to Gross Operating Revenues, less amounts paid for approved operating expenses of the Apartment Complex in accordance with this Agreement.

(vii) Manager acknowledges the Owner's objective of obtaining Tax Credits for One hundred percent (100%) of units in the Apartment Complex. Manager represents and warrants that it is familiar with Section 42 of the Code and the requirements thereto including without limitation (A) the Tax Credit Tests, (B) the Extended Use Agreement, (C) the Regulatory Agreement, if any, (D) the requirements in Section 42(g)(2)(D) of the Code that the next available unit must be rented to a low-income tenant if income rises above 140 percent of income limit; (E) rules and regulations regarding qualification for Tax Credits where units are vacant; and (F) rules and regulations by the Agency (collectively referred to herein as the "Regulatory Requirements").

(viii) Manager agrees to use best efforts to operate the Apartment Complex in a manner which meets the Regulatory Requirements, including but not limited to the following:

(A) To cause the apartment units in the Apartment Complex to be leased to suitable tenants who comply all Regulatory Requirements;

(B) To obtain from all tenants in the Apartment Complex the right to receive annual reports from such tenants concerning their incomes and family sizes and any other information required by the Regulatory Requirements;

(C) To execute a lease for any rental unit in respect of which Tax Credits have been allocated to the Owner only upon first obtaining certification from the tenant, and such other information as may be necessary for the Manager to determine income criteria for low-income housing, that the tenant satisfies the income criteria for low-income housing;

(D) To prepare for Owner's signature, and then to file in a proper manner, the annual certifications required by the provisions of law referred to in Section 42(g)(4) of the Code; and

(E) To use best efforts to cause the Apartment Complex to be operated in a manner that complies with all other statutes, regulations and agreements which must be complied with in order for Owner to obtain the Tax Credits with respect to at least one hundred percent (100%) of units in the Apartment Complex.

(ix) Manager agrees that it will comply with the requirements of Section 42 of the Code relating to residential building operations.

(x) Manager acknowledges receipt of the Tax Credit Compliance Manual (3rd Edition) proposed by SunAmerica Affordable Housing Partners, Inc. ("Manual") and shall comply with the terms and conditions set forth in the Manual.

(xi) The responsibilities and services included in this Section 5 as part of Manager's duties shall not entitle Manager to any additional compensation over and above the Management Fee. Manager shall not be entitled to any compensation based upon any Apartment Complex financing or sale of the Apartment Complex, unless Manager is engaged pursuant to a separate agreement approved in writing by SHF of Owner to provide brokerage services in connection therewith, in which case Manager's right to compensation for Apartment Complex financing or sale shall be based upon such separate agreement.

(g) Repair, Maintenance and Service.

(i) Manager shall maintain the Apartment Complex in good repair and condition, consistent with the standard of care set forth herein. Manager shall provide notice to Owner if Manager believes Owner's budget is insufficient to maintain the Apartment Complex in such foregoing described condition.

(ii) Subject to the other terms and conditions of this Agreement, Manager in its capacity hereunder shall execute contracts for water, electricity, gas, telephone, television, vermin or pest extermination and any other services which are necessary to properly maintain the Apartment Complex. Manager shall, in Owner's name and at Owner's expense, out of available cash flow, hire and discharge independent contractors for the repair and maintenance of the Apartment Complex. Other than tenant leases, which Manager is authorized to execute hereunder, Manager shall not, without the prior written consent of the Owner, enter into any contract in name of Owner which may not be terminated without payment of penalty or premium with thirty (30) days notice. Manager shall act at arms length with all contractors and shall employ no Affiliates of Manager or the general partner of Owner without the prior written consent of the Owner and SHF.

(h) Manager's Employees. Manager shall have in its employ at all times a sufficient number of employees to enable it to professionally manage the Apartment Complex in accordance with the terms of this Agreement. Manager shall prepare, execute and file all forms, reports and returns required by applicable laws. All payroll costs for on-site employees shall be at Owner's expense from available cash flow. However, Owner shall not pay or reimburse Manager for all or any part of Manager's general, administrative and overhead expenses, including salaries and payroll expenses of personnel of Manager not working full time on-site. All matters pertaining to the employment and supervision of such employees shall be the sole responsibility of the Manager, which in all respects shall be the employer of such employees, and Owner shall have no liability with respect to such matters.

(i) Manager's Insurance. With respect to its operations of the Apartment Complex, Manager shall carry, (i) worker's compensation insurance for compensation to any person engaged in the performance of any work undertaken under this Agreement, including employer's liability coverage with limits of not less than $1,000,000.00 for each employee and each disease; such policy must be in compliance with the statutory requirements of the state in which the Apartment Complex is located, (ii) commercial general liability insurance and excess/umbrella liability insurance policies with combined limits of not less than $5,000,000.00 per occurrence and in the aggregate; such policies shall be written on an occurrence basis, and include contractual liability and other provisions as Owner shall reasonably require, (iii) a crime insurance policy including insuring agreement for employee dishonesty, forgery and alteration, theft, disappearance & destruction, and robbery and safe burglary, with limits of liability for each insuring agreement not less than $100,000.00, (iv) if the Manager provides services similar to those set forth in this Agreement to third-party clients with which the Manager has no other affiliation, a professional liability insurance policy covering all the activities of Manager; such policy shall be written on a "claims made" basis, with limits of at least $1,000,000.00 in the aggregate, and (v) such other insurance as a first class property manager of apartment projects similar to the Apartment Complex would carry, or as reasonably required by Owner. Any loss within the deductibles shall be borne by Manager. All policies of insurance shall be maintained in effect during the period of the Agreement. Each policy shall be from an insurance company rated "A" or higher by the A.M. Best Insurance Guide, with a financial size category rating of 12 or higher. Each policy shall be endorsed to include the provision giving the Owner at least thirty (30) days prior written notice of cancellation, non-renewal or material change of the policy. The Commercial General Liability insurance policy shall be endorsed to include as additional insured the Owner, SHF, AIG Retirement Services, Inc. ("RSI"), and SunAmerica Affordable Housing Partners, Inc. Manager shall furnish Owner with copies of all such endorsements, and with Certificates of Insurance evidencing such policies and the renewals thereof. Owner shall further have the right to receive full copies of the insurance policies for its review. Other than the cost for worker's compensation insurance, the Manager shall pay without any right of reimbursement all costs of maintaining the insurance required under this Section.

(j) Apartment Complex Insurance. Owner shall carry property insurance, or builder's risk insurance, where applicable, to cover physical loss or damage to the Apartment Complex from fire, and commercial general liability insurance with respect th the Apartment Complex covering third-party bodily injury, property damage, and personal injury. All such insurance shll be in such commercially reasonable amounts and with such insurers as Owner may determine and, qirh respect to Owner's commercial general liability insurance, shall include Manager as an additional insured thereunder and be in at least such amounts as Manager is required to carry hereunder. Manager shall use commercially reasonable efforts at all times to comply with all the warranties, terms, and conditions of such insurance. Manager shall notify Owner within 24 hours after the Manager receives notice of any material loss, damage, or injury and shall not take any action which might prejudice Owner in its defense to a claim based on such loss,damage or injury.

(k) Waiver of Subrogation.

(i) Manager hereby waives any and all rights of recovery against Owner, its officers, agents, partners in and employees occurring out of the ownership, management and operation of the Apartment Complex for loss or damage as a result of any casualty covered and to the extent covered by its insurance policies. The Manager shall upon obtaining the policies of insurance required by this Section, notify the insurance carrier that the foregoing waiver is contained in this Agreement and shall require such carrier to include an appropriate waiver of subrogation provision in the insurance policies.

(ii) Owner hereby waives any and all claims against Manager, including its employees, agents, general partners and affiliates, for damage or injury to any property in, upon, or about the Project, including but not limited to, the premises of the Project, whether caused by peril, accident, theft or from any other cause whatsoever, to the extent any such claims are covered under Owner's insurance policies. Notwithstanding the foregoing, the waiver set forth in this Section 5(k)(ii) shall not apply to employment claims, or matters involving the gross negligence or willful misconduct of Manager.

(l) Maintenance of Records. Manager agrees to keep and maintain at all times all necessary books and records relating to the leasing, management and operation of the Apartment Complex, including all books and records relating to the reporting requirements under Code Section 42, and to prepare and render to Owner monthly itemized accounts of receipts and disbursements incurred in connection with its leasing operation and management by the twentieth (20th) day of the following month. Unless Owner, in writing, expressly directs, Manager shall not be required to file any reports other than such monthly statements. An annual audit report shall be prepared at Owner's expense, out of available cash flow, showing a balance sheet and an income and expense statement, all in reasonable detail and certified by an independent Certified Public Accountant. All books, correspondence and data pertaining to the leasing, management and operation of the Apartment Complex shall, at all times, be safely preserved. Such books, correspondence and data shall be available to Owner at all reasonable times, and shall, upon the termination of this Agreement be delivered to Owner in their entirety and upon request of Owner be delivered to Owner within thirty (30) days of such request.

Manager shall maintain files of all original documents relating to reporting requirements under Section 42 of the Code, leases, vendors and all other business of the Apartment Complex in an orderly fashion at the Apartment Complex, which files shall be the property of Owner and shall at all times be open to Owner's inspection.

(m) Operating Expenses. Manager shall use reasonable efforts to minimize operating expenses by obtaining competitive pricing on all services and obtaining at least three bids on expenditures exceeding Ten Thousand and No/100 Dollars ($10,000.00) (a "major expenditure"). Manager shall use reasonable efforts to comply with the limitations on expenditures set forth in the Budget. Manager shall obtain Owner's prior written consent before incurring on behalf of Owner any single expenditure in excess of Five Thousand and No/100 Dollars ($5,000.00) excluding utility bills and other normal and recurring expenses included in the Budget, except in an emergency in which case Manager may incur such expenses as are to protect life and property. Manager shall notify Owner of any such emergency expenses as soon as practicable after they are incurred but in no event later than three (3) days thereafter. Manager shall not request payment of any invoices, whether to itself or a third party, marked-up above cost, nor shall Manager request payment of any compliance fees, marketing fees, mark-up on employees' salary or travel or fees for personnel off-site.

(n) Legal Proceedings and Compliance with Applicable Laws.

(i) Manager shall promptly notify Owner in writing of the receipt or service of any demand, notice or legal process upon Manager (although Manager is not authorized to accept service of process on behalf of the Owner), or the occurrence of any casualty loss, injury or damage on or about the Apartment Complex;

(ii) Manager shall fully comply and cause its employees to fully comply, with all applicable laws in connection with this Agreement and the performance of its obligations hereunder, including all federal, state and local laws, ordinances and regulations relative to the leasing, use, operation, repair and maintenance of the Apartment Complex and the operations of Manager, including without limitation, laws prohibiting discrimination in housing, employment laws (including those related to unfair labor practices), laws regarding tenant security deposits and laws regarding the storage, release and disposal of hazardous materials, and toxic substances, including without limitation, asbestos, petroleum and petroleum products.

(iii) Manager agrees that it shall not, and shall cause its employees to not, cause any hazardous materials or toxic substances, to be stored, released or disposed of on or in the Apartment Complex except as may be incidental to the operation of any apartment project (e.g., cleaning supplies, fertilizers, paint, pool supplies and chemicals) and then only in complete compliance with all applicable laws and regulations and in conformity with good property management. If (A) there is a violation of applicable laws regarding the storage, release and disposal of such hazardous materials, or toxic substances, or (B) Manager reasonably believes that the storage, release or disposal of any hazardous material, petroleum product, or toxic substances, could cause liability to the Owner, including any releases caused by tenants, third parties or employees, on the Apartment Complex, Manager shall notify Owner immediately.

(iv) Subject to the Regulatory Requirements, the Manager agrees that the Apartment Complex shall be offered to all prospective tenants on a nondiscriminatory basis without regard to race, color, religion, sex, family status, handicap or national origin in accordance with applicable law.

(o) Computers. All computers, hardware, software, computer upgrades and maintenance in connection therewith shall be at Owner's expense and remain as property of the Owner; provided, however, any licenses held through Manager shall cease upon the effective date of termination of this Agreement.

6. REPRESENTATIONS AND DUTIES OF MANAGER. The Manager represents, warrants, covenants and agrees that:

(a) it has the authority to enter into and to perform this Agreement, to execute and deliver all documents relating to this Agreement, and to incur the obligations provided for in this Agreement;

(b) when executed, this Agreement shall constitute the valid and legally binding obligations of the Manager in accordance with its terms;

(c) the Manager has all necessary licenses, consents and permissions to enter into this Agreement, manage the Apartment Complex, and otherwise comply with and perform Manager's obligations and duties hereunder. Manager shall comply with any conditions or requirements set out in any such licenses, consents and permissions, and shall at all times operate and manage the Apartment Complex in accordance with such conditions and requirements;

(d) during the term of this Agreement, the Manager will be a valid limited liability NEVADA company, duly organized under the laws of the State of Nevada, and shall have full power and authority to do business in the State of Nevada and manage the Apartment Complex, and otherwise comply with and perform Manager's obligations and duties under this Agreement;

(e) Manager shall use best efforts to ensure the Apartment Complex shall be managed in a manner to satisfy all restrictions, including tenant income and rent restrictions, applicable to projects generating Tax Credits;

(f) the Manager shall comply with any requirements under applicable environmental laws, regulations and orders which affect the Apartment Complex;

(g) the Manager shall cause the Apartment Complex to be operated in a manner so that all requirements shall be met which are necessary to obtain or achieve (i) compliance with the Tax Credit Tests, and any other requirements necessary for the Apartment Complex to initially qualify, and to continue to qualify, for Tax Credits, including all applicable requirements set forth in the Regulatory Agreement and the Extended Use Agreement, (ii) issuance of Forms 8609, and (iii) issuance of all necessary permanent unconditional certificates of occupancy, including all governmental approvals required to permit occupancy of all of the apartment units in the Apartment Complex;

(h) the Manager shall familiarize itself with the Partnership Agreement and the Project Loan Documents and comply with the requirements therein for the Reserve For Replacements. In connection therewith, the Manager shall utilize the Reserve For Replacements only after the satisfaction in full of the obligation of the general partner of Owner to make operating deficit loans to the Owner pursuant to the Partnership Agreement. Withdrawals from the Reserve For Replacements shall be subject to the approval of the Owner and SHF, in their sole discretion.

7. REPRESENTATIONS OF OWNER. The Owner represents and warrants, that:

(a) the Owner has the authority to enter into and to perform this Agreement, to execute and deliver all documents relating to this Agreement, and to incur the obligations provided for in this Agreement; and

(b) when executed, this Agreement, together with all documents executed pursuant hereto, shall constitute the valid and legally binding obligations of the Owner in accordance with its terms.

8. INDEMNIFICATION.

(a) Indemnification of Owner. The Manager shall indemnify, protect, defend (with legal counsel approved by Owner) and hold harmless Owner and Owner's partners, together with their respective officers, directors, agents, employees and affiliates (collectively "Indemnitees") from and against any and all claims, demands, actions, liabilities, losses, costs, expenses, damages, penalties, interest, fines, injuries and obligations, including reasonable attorneys' fees, court costs and litigation expenses ("Claims") incurred by any Indemnitee as a result of (a) any act by Manager (or any officer, agent or employee or contractor of Manager) outside the scope of Manager's authority hereunder, (b) any act or failure to act by Manager (or any officer, agent or employee or contractor of Manager) constituting negligence, misconduct, fraud or breach of this Agreement, other than third party claims covered by Owner's insurance (for negligence or misconduct only), (c) Claims made by current or former employees or applicants for employment arising from hiring, supervising or firing same, or (d) any act or omission by Manager, its employees, officers or agents or contractors in violation of any law. Provided however, absent a finding of gross negligence or misconduct by Manager (or any office, agent, employee, or contractor or Manager), and excluding any employment related claims, Owner shall be responsible for all claims, damages and legal expenses relating to the leasing or other housing status, whether brought against the Owner or Manager as the Agent of Owner, to the extent any such claims are covered by insurance; and absent a finding ort gross negligence or misconduct, and excluding any losses related to the employment claims, Manager shall not bear any portion of Owner's ordinary operating losses, arising out of or connected with the ownership or operation of the Project.

(b) Indemnification of Manager by Owner. Owner shall indemnify, protect, defend and hold harmless Manager from and against any and all Claims incurred by Manager resulting from performance of its obligations under this Agreement, except that this indemnification shall not apply with respect to any Claims (a) resulting from any act by Manager outside the scope of Manager's authority hereunder, (b) resulting from any act or failure to act constituting negligence, misconduct, fraud or breach of this Agreement other than third party claims covered by Owner's insurance (c) claims made by current or former employees or applicants for employment arising from hiring, supervising or firing same, or (d) any act or omission by Manager, its employees, officers, agents or contractors in violation of any applicable law. Owner shall control the defense of any Claims to which Manager is entitled to indemnification under this paragraph 8(b), with counsel reasonably acceptable to Manager, and Manager shall cooperate fully in such defense. If at any time during the course of such defense Owner determines, in its reasonable judgement, that such Claim results from an event, action or non-action for which Manager is not entitled to indemnification hereunder, Owner shal automatically be entitled to immediate reimbursement for all losses, costs and expenses incurred on behalf of itself and of Manager incurred to the date of such determination. Owner agrees to hold Manager harmless for any and all claims arising, to the greatest extent, prior to Manager's management of the Project. Any environmental violation or hazards discovered by Manager shall be brought to the attention of Owner in writing, Owner shall be solely responsible for such violations, hazards or claims arising from such conditions provided that such environmental violation, hazard or claim is not the result of Manager's gross negligence or intentional wrongdoing.

(c) Survival. The provisions of this Paragraph 8 shall survive the termination of this Agreement.

9. DEFAULTS.

(a) Manager's Event of Default. Manager shall be deemed to be in default hereunder upon the happening of any of the following ("Manager's Event of Default"):

(i) The failure by Manager to keep, observe or perform any covenant, agreement, term or provision of this Agreement and the continuation of such failure, in full or in part, for a period of ten (10) days after written notice thereof by Owner to Manager.

(ii) The request by Manager of payment of any invoice, whether to itself or a third party, marked-up above cost as prohibited herein;

(iii) The making of a general assignment by Manager for benefit of its creditors, the filing by Manager with any bankruptcy court of competent jurisdiction of a voluntary petition under Title 11 of U.S. Code, as amended from time to time, the filing by Manager of any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief for debtors, Manager being the subject of any order for relief issued under such Title 11 of the U.S. Code, as amended from time to time, or the dissolution or liquidation of Manager; or

(iv) The misapplication, misappropriation or commingling of funds held by Manager for the benefit of Owner, including the payment of fees to Affiliates of the Manager or the loaning of funds to Affiliates.

(b) Remedies of Owner. Upon a Manager's Event of Default, Owner shall be entitled (i) to terminate in writing this Agreement effective as of the date designated by Owner (which may be the date upon which notice is given), and/or (ii) to pursue any remedy at law or in equity, including without limitation, an action for compensatory damages or specific performance. All of Owner's rights and remedies shall be cumulative.

(c) Owner's Event of Default. Owner shall be deemed to be in default hereunder (an "Owner's Event of Default") if Owner shall fail to keep, observe or perform any covenant, agreement, term or provision of this Agreement to be kept, observed or performed by Owner, and such default shall continue for a period of thirty (30) days after written notice thereof by Manager to Owner, or if such default cannot be cured within such thirty (30) day period, then such additional period as shall be reasonable, provided Owner commences to cure such default within such thirty (30) day period and proceeds diligently to prosecute such cure to completion.

(d) Remedies of Manager. Upon an Owner's Event of Default, Manager shall be entitled (i) to terminate in writing this Agreement effective as of the date designated by Owner which is at least 10 days after receipt of such notice of termination by Owner provided the Event of Default has not then been cured or such cure commenced, and/or (ii) to pursue an action for the actual compensatory damages incurred by Manager (which action must take into consideration Owner's termination right under Section 10 of this Agreement). Manager expressly agrees that termination and compensatory monetary damages are its sole rights and remedies with respect to an Owner's Event of Default and Manager expressly waives and releases the right to seek equitable relief, including specific performance or injunctive relief, and to sue for any consequential or punitive damages.

10. TERMINATION RIGHTS.

(a) Expiration of Term. If not sooner terminated, this Agreement shall terminate on the expiration of its term set forth in Section 3 of this Agreement.

(b) Termination By Owner Upon Manager's Event of Default. Upon a Manager's Event of Default, Owner may terminate this Agreement as specified in Section 9(b) of this Agreement.

(c) Termination By Manager Upon Owner's Event of Default. Upon an Owner's Event of Default, Manager may terminate this Agreement as specified in Section 9(d) of this Agreement.

(d) Termination By Owner Without Cause. Even in the absence of any other express right to terminate this Agreement, Owner or SHF may terminate this Agreement upon written notice to Manager at any time upon thirty (30) days' prior notice from the Owner or SHF.

(e) Termination Upon Sale of the Apartment Complex. If the Apartment Complex is sold, conveyed or transferred during the term hereof, this Agreement shall terminate.

(f) Termination Upon Conversion or Removal. If a Conversion Event occurs (other than a Dilution Conversion Event) (each as defined in the Partnership Agreement) Whispering Palms Limited Partnership GP is removed as general partner pursuant to the Partnership Agreement, this Agreement shall terminate upon notice of termination from Owner on the termination date specified in such notice from Owner.

(g) Effect of Termination Upon Payment of Fees. Upon the termination of this Agreement for any reason, Manager shall be entitled to its earned, but unpaid fees, for the period prior to the termination. Manager shall not be entitled to any fees relating to the period after the date of termination of this Agreement.

(h) Delivery of Apartment Complex Upon Termination. Immediately after termination of this Agreement for any reason, Manager shall deliver to or as directed by Owner all funds, checks, keys, lease files, books and records and other Confidential Information (as defined below) to Owner. Immediately after termination, Manager shall leave the Apartment Complex and cause its employees to leave the Apartment Complex without causing any damage thereto. Under no circumstances shall any default by Owner give rise to any lien on the Apartment Complex or give rise to a right of Manager to stay on the Apartment Complex after the date of termination. Termination of this Agreement under any of the provisions of this Agreement shall not release either party as against the other from liability for failure to perform any of its duties or obligations as expressed herein and required to be performed prior to such termination. Manager agrees to cooperate with Owner in the obligations set forth in this Section 10(h).

11. CONFIDENTIALITY.

(a) Preservation of Confidentiality. In connection with the performance of obligations hereunder, Manager acknowledges that it will have access to "Confidential Information" (as defined below). Manager shall treat such Confidential Information as proprietary to Owner and private, and shall preserve the confidentiality thereof and not disclose, or cause or permit its employees, agents or contractors to disclose, such Confidential Information. Notwithstanding the foregoing, Manager shall have the right to disclose Confidential Information if and only to the extent it is required by court order to disclose any Confidential Information. "Confidential Information" shall mean the books, records, business practices, methods of operations, computer software, financial models, financial information, policies and procedures, and all other information relating to Owner and the Apartment Complex (including any such information relating to the Apartment Complex generated by the Manager), which is not available to the public. If Manager or anyone to whom Manager transmits Confidential Information pursuant to this Agreement becomes legally compelled to disclose any of the Confidential Information, Manager shall provide Owner with prompt notice thereof so that Owner may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained by Owner or Owner waives compliance with the provisions of this Agreement, Manager shall furnish or cause to be furnished only that portion of the Confidential Information which Manager is required by contract to furnish, and will exercise commercially reasonable efforts to obtain reliable assurances that confidential treatment is accorded the Confidential Information so furnished.

(b) Property Right in Confidential Information. All Confidential Information shall remain the property of Owner and Manager shall have no ownership interest therein.

12. SURVIVAL OF AGREEMENT. All indemnity obligations set forth herein, all obligations to pay earned and accrued fees and expenses, all confidentiality obligations, and all

obligations to perform and duties accrued prior to the date of termination shall survive the termination of this Agreement.

13. ENFORCEMENT OF AGREEMENT. This Agreement, its interpretation, performance and enforcement, and the rights and remedies of the parties hereto, shall be governed and construed by and in accordance with the law of the State in which the Apartment Complex is located. In any dispute pertaining to, or litigation or arbitration arising from to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover its attorneys fees and costs, including those incurred in connection with all appellate levels, bankruptcy, mediation or otherwise to maintain such action, from the losing party.

14. ASSIGNMENT. Manager shall not directly or indirectly (except with the consent of Owner and SHF) sell, assign or otherwise transfer by operation of law or otherwise all or any part of the legal or beneficial interests in the Manager or all or any part of its rights or obligations under this Agreement. Subject to Section 10(e) of this Agreement, Owner may assign this Agreement to a successor owner of the Apartment Complex. A change in the constituent partners of Owner shall not constitute an assignment. If Owner assigns this Agreement to a successor owner of the Apartment Complex, such assignment shall constitute a novation, releasing Owner of all rights and obligations hereunder.

15. NOTICES. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by depositing same with Federal Express or Airborne for next business day delivery or by depositing same in the United States mail, postage prepaid, registered or certified mail, return receipt requested, or by sending by facsimile transmission, addressed as follows:

If to Owner:

Sonoma Palms Limited Partnership
2655 South Rainbow, Suite 401
Las Vegas, Nevada 89146
Attention: George Gekakis
Fax No.: 702-364-4925

If to Manager:

American Management Services West, LLC
7785 West Sahara Avenue, Suite 200
Las Vegas, Nevada 89117
Attention: Debra L. Kopolow
Fax No.: 702-920-3030

If to SHF:

SunAmerica Housing Fund 1585
A Nevada Limited Partnership
1 SunAmerica Center, Century City
Los Angeles, California 90067-6022
Attention: Michael L. Fowler
Fax No.: (310) 772-6794

with a copy to:

SunAmerica Affordable Housing Partners, Inc

1 SunAmerica Center, Century City
Los Angeles, California 90067-6022
Attention: Richard Fisher
Fax No.: (310) 772-6145

with a copy to:

SunAmerica Affordable Housing Partners, Inc.
Denver Tech Center
7887 Ease Belleview Ave., Suite 175
Englewood, CO 80111
Attention: Daniel F. Acosta
Fax No.: (303) 773-9900

All notices shall be effective upon such personal delivery, upon being deposited with Federal Express or Airborne, in the United States mail or upon facsimile transmission as required above. However, with respect to notices so deposited with Federal Express or Airborne or the United States mail, the time period in which a response to any such notice, demand or request must be given shall commence to run from the next business day following any such deposit with Federal Express or Airborne, in the case of a deposit in the United States mail as provided above, the date on the return receipt of the Notice reflecting the date of delivery or rejection of the same by the addressee thereof. By giving to the other parties hereto at least 15 days' written notice in accordance with the provisions hereof, a party may change its address for notice purposes.

16. MISCELLANEOUS.

(a) Subordination. All claims of Manager, the general partner of Owner, the Affiliates of the general partner of Owner or any guarantor of the obligations of the general partner of Owner under this Agreement, shall be inferior and subordinate to the claims of SHF against Owner under or in connection with the Partnership Agreement.

(b) Third Party Beneficiary. SHF is a third party beneficiary of the terms of this Agreement.

(c) Limitation on Liability of SHF. The Manager agrees that SHF shall not have any liability for the obligations of the Owner to Manager under or in connection with this Agreement or otherwise.

(d) Captions. The captions of this Agreement are inserted only for the purpose of convenient reference and do not define, limit or prescribe the scope or intent of this Agreement or any part hereof.

(e) Amendments. This Agreement cannot be amended or modified except by another agreement in writing, signed by the parties to this Agreement, and also signed by SHF.

(f) Entire Agreement. This Agreement embodies the entire understanding of the parties, and there are no further agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof.

(g) Time is of Essence. Time is the essence hereof.

(h) Construction of Document. This Agreement has been negotiated at arms' length and has been reviewed by counsel for the parties. No provision of this Agreement shall be construed against any party based upon the identity of the drafter.

(i) Severability. If any provision of this Agreement or the application thereof, is held to be invalid or unenforceable, such defect shall not affect other provisions or applications of this Agreement that can be given effect without the invalid or unenforceable provisions or applications, and to this end, the provisions and applications of this Agreement shall be severable.

(j) Waiver of Jury Trial. **To the fullest extent permitted by law, each party to this agreement severally, knowingly, irrevocably and unconditionally waives any and all rights to trial by jury in any action, suit or counterclaim brought by any party to this Agreement arising in connection with, out of or otherwise relating to this Agreement.**

(k) No Continuing Waiver. No waiver by a party hereto of any breach of this Agreement shall be effective unless in a writing executed by such party. No waiver shall operate or be construed to be a waiver of any subsequent breach.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

EXECUTED as of the date first set forth above.

OWNER:

Sonoma Palms Limited Partnership,
a Nevada limited partnership

By: ____________________,
George Gekakis, Managing Member
Sonoma Palms, LLC, its General Partner

By: GEORGE GEKAKIS

MANAGER:

American Management Services West, LLC

By: ____________________
Name: Eric R. Schwabe
Title: West Region President

20050713-0003812

Fee: $15.00
N/C Fee: $0.00

07/13/2005 13:27:40
T20050127156
Requestor:
CHICAGO TITLE

Frances Deane AOF
Clark County Recorder Pgs: 2

APN: 138-13-101-002 138-13-101-003 138-13-101-004

WHEN RECORDED MAIL TO and MAIL TAX STATEMENT TO:

SONOMA PALMS LIMITED PARTNERSHIP
2655 S. RAINBOW BLVD, STE. 401
LAS VEGAS, NV 89146

8

2

ESCROW NO: 04126828-079-TL

SUBSTITUTION OF TRUSTEE AND DEED OF RECONVEYANCE

Paramount Financial Group, Inc., a Delaware corporation, the Owner and holder of the Note secured by the Deed of Trust dated March 17, 2005 made by as Sonoma Palm LLC, a Nevada limited liability company, Trustor to Chicago Title Agency of Nevada as Trustee, for the benefit of Paramount Financial Group, Inc., a Delaware corporation, as Beneficiary, which Deed of Trust was recorded March 21, 2005 in the Office of the County Recorder of Clark County, Nevada in Book 20050321 as Document No. 0002287, hereby substitutes Paramount Financial Group, Inc., a Delaware corporation as Trustee in lieu of the above named Trustee under the Deed of Trust, and requests the Deed of Trust be reconveyed.

Paramount Financial Group, Inc., a Delaware corporation hereby accept(s) said appointment as Trustee under the Deed of Trust and, as successor Trustee, pursuant to the request of said Owner and Holder and in accordance with the provisions of said Deed of Trust, does hereby reconvey to the PERSON OR PERSONS LEGALLY ENTITLED THERETO, but without warranty, all the estate, title and in interest now held by it under said Deed of Trust.

IN WITNESS WHEREOF the undersigned have caused this instrument to be executed on this 27 day of June, 2005 .

Beneficiary and Successor Trustee

Paramount Financial Group, Inc., a Delaware corporation

Jan L. Lanning

By: Jan L. Lanning
Its: Secretary