

City of Las Vegas

S. ✓

**REAL ESTATE COMMITTEE MEETING
CITY HALL, 400 STEWART AVENUE
CITY MANAGER'S CONFERENCE ROOM, EIGHTH FLOOR
CITY OF LAS VEGAS INTERNET ADDRESS: <http://www.ci.las-vegas.nv.us>
MONDAY, JUNE 30, 2003
3:00 P.M.**

REAL ESTATE COMMITTEE – COUNCILMAN WEEKLY AND COUNCILWOMAN MONCRIEF

NOTE: EITHER OF THE TWO ALTERNATE MEMBERS OF THE REAL ESTATE COMMITTEE MAY SUBSTITUTE FOR A MEMBER OF THE REAL ESTATE COMMITTEE AT ANY TIME.

CALL TO ORDER

ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

NEW BUSINESS:

1. Discussion and possible action of a purchase agreement and authorizing staff to sell the home located at 8680 Azure Drive to Terry L. Parker for \$67,000 (incoming funds less closing costs to be applied towards Road Projects/Rights-of-Way acquisition) - Ward 6 (Mack)
2. Discussion and possible action regarding a Bill of Sale from the City of Las Vegas to Terry L. Parker in conjunction with his purchase of a City-owned home located at 8680 Azure Drive - Ward 6 (Mack)
3. Discussion and possible action authorizing staff to enter into negotiations with AT&T Wireless for the installation of wireless communications facilities located on Parcel Number 125-20-501-002 known as Mountain Ridge Park - Ward 6 (Mack)
4. Discussion and possible action regarding an Easement and Rights-of-Way between the City of Las Vegas and the Las Vegas Valley Water District for a water facilities easement to service a portion of Parcel Number 138-10-101-018 known as Buckskin Park - Ward 4 (Brown)
5. Discussion and possible action regarding a Memorandum of Understanding between the City of Las Vegas, Clark County, and the Clark County School District regarding the City's relinquishment of approximately 15 acres of Bureau of Land Management leased land known as a portion of Parcel Number 163-09-201-002 located in the vicinity of Eldora Avenue, Cimarron Road and Edna Avenue in favor of the Clark County School District for development as a future school site (\$15,000 incoming funds - Real Estate and Assets) - County (Near Wards 1 and 2)
6. Discussion and possible action regarding an Operational and Services Provider Agreement between OB Sports Golf Management (AP), LLC, and Las Vegas Golf I, LLC, at Angel Park Golf Course, 100 South Rampart Boulevard, for management and oversight duties - Ward 2 (McDonald)

CITIZENS PARTICIPATION: ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISIONS OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A MATTER NOT LISTED ON THE AGENDA, PLEASE CLEARLY STATE YOUR NAME AND ADDRESS. IN CONSIDERATION OF OTHERS, AVOID REPETITION, AND LIMIT YOUR COMMENTS TO NO MORE THAN THREE (3) MINUTES. TO ENSURE ALL PERSONS EQUAL OPPORTUNITY TO SPEAK, EACH SUBJECT MATTER WILL BE LIMITED TO TEN (10) MINUTES

Facilities are provided throughout City Hall for the convenience of disabled persons. Reasonable efforts will be made to assist and accommodate physically handicapped persons. If you need an accommodation to attend and participate in this meeting, please call the City Clerk's office at 229-6311 and advise of your need at least 48 hours in advance of the meeting.

ALL INTERESTED PERSONS ARE INVITED TO ATTEND: A tape recording of all the proceedings will be kept on file in the Office of the City Clerk until final disposition is made.

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

Las Vegas Library, 833 Las Vegas Boulevard North; Senior Citizens Center, 450 E. Bonanza; Clark County Government Center, 500 S. Grand Central Parkway; Court Clerk's Office Bulletin Board, City Hall Plaza; City Hall Plaza, Special Outside Posting Bulletin Board

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**REAL ESTATE COMMITTEE AGENDA
REAL ESTATE COMMITTEE MEETING OF: JUNE 30, 2003**

- CALL TO ORDER
- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

MINUTES:

PRESENT: COUNCILMAN WEEKLY and COUNCILWOMAN MONCRIEF

Also Present: DEPUTY CITY MANAGER STEVE HOUCHENS, DEPUTY CITY ATTORNEY TERESITA PONTICELLO, REAL ESTATE AND ASSET MANAGEMENT DIVISION MANAGER DAVID ROARK, and DEPUTY CITY CLERK GABRIELA S. PORTILLO-BRENNER

ANNOUNCEMENT MADE – Meeting noticed and posted at the following locations:

Las Vegas Library, 833 Las Vegas Boulevard North

Senior Citizens Center, 450 E. Bonanza Road

Clark County Government Center, 500 S. Grand Central Pkwy

Court Clerk's Bulletin Board, City Hall

City Hall Plaza, Posting Board

(3:02)

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AGENDA SUMMARY PAGE

REAL ESTATE COMMITTEE MEETING OF: JUNE 30, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

CONSENT

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Weekly and Councilwoman Moncrief

Discussion and possible action of a purchase agreement and authorizing staff to sell the home located at 8680 Azure Drive to Terry L. Parker for \$67,000 (incoming funds less closing costs to be applied towards Road Projects/Rights-of-Way acquisition) - Ward 6 (Mack)

Fiscal Impact

No Impact

Amount: \$67,000 incoming funds

Budget Funds Available

Dept./Division: Public Works/Real Estate

Augmentation Required

Funding Source: Road Projects/R-O-W acquisition

PURPOSE/BACKGROUND:

In preparation for the upcoming Durango "S" Curve road alignment, staff will be selling the homes acquired in 2000 & retain the land for road alignment usage. Staff was granted approval at Council 4/16/03 to sell this home. Terry L. Parker was the highest qualified buyer offering \$67,000. Mr. Parker holds title to vacant land on which to place the home & also has funds to purchase, dismantle & move the home using a licensed contractor. Any incoming funds (less closing costs) will be applied towards Road Projects/Rights-of-Way acquisition.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

Purchase Agreement for 8680 Azure Drive

COMMITTEE RECOMMENDATION:

COUNCILWOMAN MONCRIEF recommended Item 1 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WEEKLY concurred.

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, advised that this is the last house on the Durango "S Curve" in Ward 6. It was auctioned off for \$67,000. Staff recommends the City go forward with the sales contract for that amount.

REAL ESTATE COMMITTEE MEETING OF JUNE 30, 2003

Public Works

Item 1 - Discussion and possible action of a purchase agreement and authorizing staff to sell the home located at 8680 Azure Drive to Terry L. Parker for \$67,000 (incoming funds less closing costs to be applied towards Road Projects/Rights-of-Way acquisition)
- Ward 6 (Mack)

MINUTES – Continued:

No one appeared in opposition and there was no further discussion.

COUNCILMAN WEEKLY declared the Public Hearing closed.

(3:02 – 3:03)

1-6

AGREEMENT FOR THE PURCHASE AND SALE OF RESIDENTIAL HOUSE

THIS AGREEMENT FOR THE PURCHASE AND SALE OF RESIDENTIAL HOUSE is made and entered into this ____ day of _____, 2003, by and between City of Las Vegas, a municipal corporation of the State of Nevada ("Seller") and Terry L. Parker (hereinafter referred to as "Buyer"), with reference to the following facts:

A. Seller is the owner of a single-family residential house and improvements consisting of approximately 3,681 square feet (the "Home") located at 8680 Azure Drive, Las Vegas, Nevada (the "Property"). A Site Plan of the Property depicting the Home and Property is attached hereto as Exhibit "A".

B. Buyer now desires to purchase from Seller and Seller desires to sell to Buyer the Home, which will be removed from the Property by Buyer and moved to another location.

C. At an auction held on June 3, 2003, at 3:00 pm in City Hall, the above referenced Buyer was the highest bidder.

D. As a requirement to participate in the auction, Buyer submitted to the City's Real Estate and Asset Division prior to the auction: 1) a \$5,000 check as a good faith earnest deposit, 2) proof of the Buyer's vacant land ownership, 3) proof of credit worthiness, 4) signed and notarized Disclosure Form, and 5) a signed form agreeing to abide by the City's requirements contained in the handout relative to the auction sale, and removal of the Home.

NOW THEREFORE, in consideration of the mutual covenants, premises and agreements contained herein, the parties hereto do hereby agree as follows:

1. Purchase and Sale. Buyer shall purchase the Home from Seller upon the terms and conditions set forth herein.

A. The Home shall consist of approximately 3,681 square feet single family residential house building, the garage, all related fixtures and improvements and appliances, equipment, machinery and other personal property which are used solely in connection with the Home located at the Property. The Home excludes the real property, landscaping, utility lines, and other improvements owned by the Seller and used in connection with the Property.

B. Purchase Price. The purchase price to be paid for the Home shall be SIXTY SEVEN THOUSAND AND 00/100 DOLLARS (\$67,000.00). Said sum shall be paid as follows:

(1) Buyer shall deposit \$5,000 into escrow as earnest money (the "Deposit"). Buyer reserves the right to cancel the escrow created herein, for any reason whatsoever, before the expiration of the Contingency Period, as defined hereafter.

(2) Upon the expiration of the Contingency Period, the Deposit shall become non-refundable. The Deposit shall apply toward the purchase price of the Home.

(3) Prior to close of escrow, Buyer shall deposit the balance of the purchase price, SIXTY TWO THOUSAND AND 00/100 DOLLARS (\$62,000.00).).

C. Should Buyer wish to terminate this Agreement and escrow prior to the expiration of the Contingency Period, Buyer must notify Seller and Escrow Agent in writing. Should Buyer notify Seller and Escrow Agent in writing of Buyers wish to terminate this Agreement, Escrow Agent shall release to Buyer the Deposit plus interest within two (2) business days from date of notification. Should no such notice be received, Buyer shall be deemed to have approved or waived any and all contingencies. Upon approval, waiver or no notice given of Buyer's intentions with regard to the contingencies, the Deposit shall be immediately released to Seller without any further instruction required of Buyer.

D. Buyer covenants to comply with the Home Auction – 8680 Azure Drive handout executed by Buyer, a copy of which is attached hereto as Exhibit "B", regarding the Buyer's requirements to comply with certain City and County regulations and ordinances and the removal of the Home from the Property. Buyer shall obtain all necessary permits from the applicable government agencies for a moved residential building. Upon the close of escrow, Buyer shall remove the Home from the Property within thirty (30) days.

2. Escrow. The purchase and sale provided for herein shall be consummated through an escrow to be opened with United Title of Nevada ("Escrow Agent"), within five (5) business days after the execution and delivery of this Agreement. The escrow shall be deemed open when Buyer and Seller have executed and deposited signed purchase contract with the escrow company. Said escrow shall be upon the usual form of instructions of the escrow holder for transactions of the type provided for herein, except that said instructions shall incorporate all terms and provisions of this Agreement, and in addition shall provide the following:

A To close escrow within sixty (60) days from the expiration of the Contingency Period. Upon the opening of escrow, the Escrow Agent shall set a specific date for the expiration of the Contingency Period. If the expiration date of the Contingency Period or the anticipated close of escrow date falls on a holiday or weekend, the date for the closing of escrow shall be set on the next succeeding working day.

B Buyer shall pay any Documentary Transfer Tax, if applicable, and the cost of the CLTA title insurance policy, if required, and all endorsements thereto. All other fees and costs shall be divided in accordance with the usual practices in Clark County, Nevada;

C. Real property taxes shall be prorated to close of escrow to the extent applicable to the Home;

D. Any Special Assessments or Fees outstanding on the Property, which are of record, shall be delineated by Escrow and prorated to the Close of Escrow to the extent applicable to the Home.

E. In the event of any conflict between the terms of this Agreement and the terms of the escrow, the terms of this Agreement shall prevail except where the escrow instructions specifically provide otherwise.

F. If all conditions to the escrow have been met, the Escrow Agent shall prepare the necessary documents to be executed by the appropriate parties transferring the title of the Home to the Buyer and record such documents, if required.

If escrow fails to timely close solely as the result of Buyer's default, all earnest monies previously deposited by Buyer into escrow and not previously disbursed to Seller shall be paid by escrow over to Seller as liquidated damages. If escrow fails to close as a result of Seller's default, Buyer shall be entitled to a refund of the earnest money only. The provisions of this paragraph shall be the sole remedies available to each respective party hereunder in the event of a default under this Agreement.

3. Contingencies. The purchase of the Home is contingent upon:

A. A forty-five (45) day Contingency Period as described herein. The Contingency Period shall commence on the day following the opening of escrow. Escrow shall be deemed opened for purposes hereof when escrow agent receives an original of this Agreement signed by both Buyer and Seller, and Buyer's Deposit. Escrow agent shall notify both Buyer and Seller in writing of the date escrow is opened, the day the Contingency Period expires, and the day escrow is to close. Seller hereby grants Buyer the right to enter on the Property and Home to conduct such tests and investigations, as Buyer deems appropriate. Buyer agrees to indemnify and hold seller harmless from any actual damage including any legal fees as a result of Buyer's tests and investigations during the Contingency Period on the Home, Property or to any neighboring properties or structures. Buyer further agrees to indemnify and hold Seller harmless from any injury to persons or actual damage including any legal fees to the personal property of others, which results from the Buyer's tests and investigations during the Contingency Period.

B. The above contingency in Paragraph 3 A. are solely for the Buyer's benefit. Buyer may elect, for any reason or no reason whatsoever, to terminate this Agreement and the purchase contemplated herein during the Contingency Period. Should Buyer so elect to terminate this Agreement, then prior to the expiration of the Contingency Period, Buyer shall so notify Seller and escrow holder in writing (via U.S. mail, hand-delivery or by fax). In the event Buyer terminates this Agreement for any reason during the Contingency Period, any deposits made by Buyer, plus any interest earned, shall be immediately returned to Buyer, less any escrow costs incurred and Buyer shall have no further obligations under this Agreement. Buyer shall be solely responsible for all costs involved in satisfying the above stated contingencies.

4. Broker Commissions/Disclosure. Buyer represents and warrants that he has not retained or dealt with any broker with respect to this Agreement.

5. Notices. Any and all notices, demands, or other communications required or desired to be given hereunder shall be in writing and shall be validly given or made to another party if served either personally or if deposited in the United States mail certified or registered, postage prepaid, return receipt requested. If such notice, demand or other communication be serviced personally or by facsimile transmission, service shall be conclusively deemed made at the time of such personal service or transmission. If such notice, demand or other communication be given by mail, such shall be conclusively deemed given forty-eight (48) hours after the deposit thereof in the United States mail addressed to the party to whom such notice, demand or other communication is to be given as hereinafter set forth.

To Seller: City of Las Vegas
Public Works/Real Estate
Attn: Manager
400 Stewart Avenue, 4th floor
Las Vegas, NV 89101
(702) 229-1020 phone
(702) 384-0527 fax

To Buyer: Terry L. Parker
2420 Plaza Del Grande
Las Vegas, NV 89102

Any party hereto may change his address for the purpose of receiving notices, demands and other communications as herein provided by written notice given in the manner aforesaid to the other party or parties hereto. After opening of escrow a copy of all notices, demands and other communications shall be given to the escrow office.

6. **Applicable Laws and Severability.** This Agreement shall, in all respects, be governed by the laws of the State of Nevada applicable to agreements executed and to be wholly performed with the State of Nevada. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail but the provision of this Agreement which is affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

7. **Entire Agreement.** The foregoing represents the entire Agreement between the parties and no verbal statements made by any party are a part hereof unless incorporated in writing. In the event either party shall prevail in any legal action commenced to enforce this Agreement, he shall be entitled to all costs incurred in such action including attorney's fees, costs and expenses as may be fixed by the Court.

8. **Modifications or Amendments.** No amendment, change or modification of this Agreement shall be valid unless in writing and signed by all parties hereto. Upon approval of this initial contract by the City Council and after it has been fully executed by signature of all parties, staff of the Real Estate & Asset Management Division shall have the authority to complete and execute any additional documents necessary for the completion of the intent of this contractual obligation during the original term of this agreement. As an example, this may include amendments, changes of address, escrow document signature authority, adjustments to monetary revenue or expenditure not to exceed Ten Thousand (\$10,000.00) Dollars, filing and recording of appropriate documents with the County Recorders Office or the County Tax Assessors Office, and recordings and filing with the City Clerk's Office. No amendment, change or modification of this Agreement shall be valid unless in writing and signed by all parties hereto.

9. **Successors or Assigns.** All of the terms and provisions contained herein shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

10. **Time of the Essence.** Time is of the essence of this Agreement and all terms, provisions, covenants and conditions hereof.


...

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11. Disclosure of Principals. Pursuant to Resolution R-105-99 adopted by the City Council effective October 1, 1999, Buyer warrants that it has disclosed, on the form attached hereto as Exhibit "C", all principals, including, partners of Buyer, as well as all persons and entities holding more than 1% interest in Buyer or any principal of Buyer. Throughout the term hereof, Buyer shall notify City in writing of any material change in the above disclosure within 15 days of any such change

The undersigned Buyer, offers and agrees to purchase the Home on the terms and conditions herein stated and acknowledges receipt of a copy of this Agreement.

Date: 6-11-03 Time: _____ am/pm

BUYER:

TERRY L. PARKER

ACCEPTANCE OF OFFER TO PURCHASE

The undersigned Seller accepts the foregoing offer to purchase and agrees to sell the Property described above, on the terms and conditions stated herein, and acknowledges receipt of a copy of this Agreement.

Date: _____ Time: _____ am/pm

SELLER:

City of Las Vegas, a municipal corporation
of the State of Nevada

By: _____
OSCAR B. GOODMAN, MAYOR

ATTEST:

By: _____
BARBARA JO RONEMUS, CITY CLERK

APPROVED AS TO FORM:

By: J. P. [Signature] 6/10/03
DEPUTY CITY ATTORNEY, DATE

...
...

WHEN PROPERLY COMPLETED, THIS IS A BINDING CONTRACT, IF NOT FULLY UNDERSTOOD, SEEK COMPETENT COUNSEL.

Accepted by Escrow Agent:

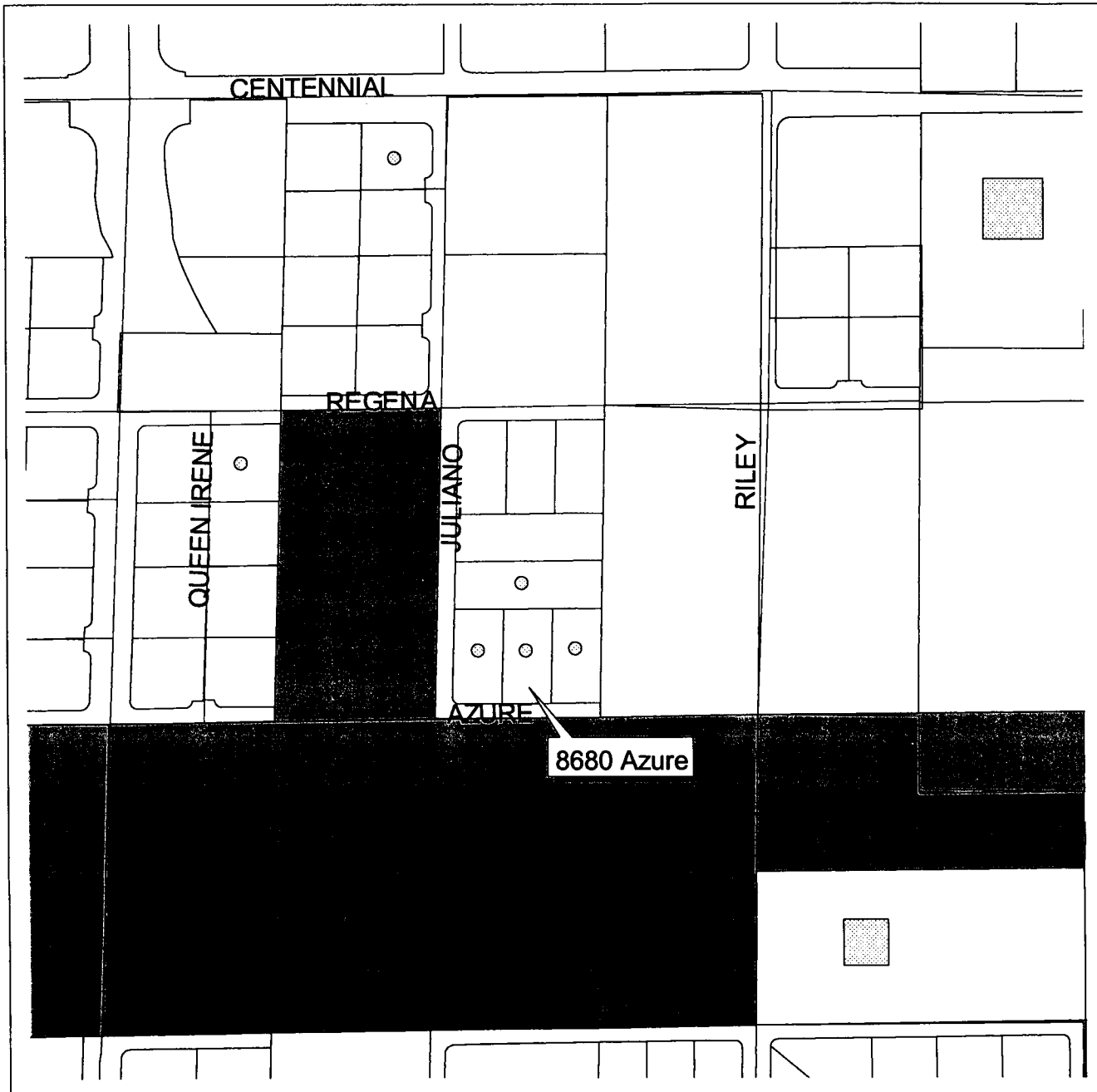
The undersigned hereby agrees to act as Escrow Agent in accordance with the above Purchase and Sale Agreement dated _____ by and between the City of Las Vegas, a municipal corporation of the State of Nevada ("Seller") and Terry L. Parker ("Buyer").

United Title of Nevada,
A Nevada Corporation

By: _____ Date: _____

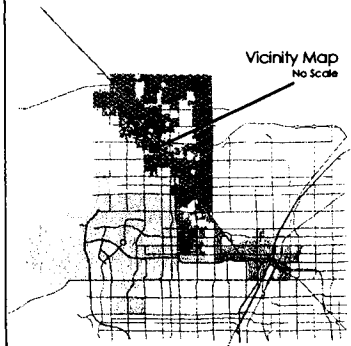
Its: _____

EXHIBIT "A"



Site Map

- Street Centerline
- Building Footprints
- BLM Properties**
- Leased
- Applied
- City of Las Vegas
- USA
- Parcels



Real Estate & Asset Management



Date of Data: 2003/04/04

EXHIBIT 'B'

Durango "S" Curve Home Auction

8680 Azure Drive

Potential Buyer Requirements:

- Potential bidder should be aware that building plans are available at the following rates from the Clark County Building Department/Development Services: \$2 for 11" x 17" sheets (half size) or \$4 for 24" x 36" sheets (full size). This information has been provided to the inquiring party so that the plans can be provided to their potential home mover.
- Potential bidder should be aware that they must submit floor plans and elevations to receive a permit for a "moved residence" from the Clark County Building Department (if moving into the County) and that a moving company will most likely need these plans in order to give you a bid for moving the house.
- Potential bidder should be aware that they must abide by all regulations for the Clark County Building Department (if moving into the County).
- Potential bidder should be aware that they must abide by all regulations for the City of Las Vegas Building & Safety Department (if moving into the City).
- **A walk through of the house will be conducted on May 28, 2003, 9:00 a.m. to 10:00 a.m. be held on location at 8680 Azure Drive.**
- If you choose, please be prepared to have your prospective home mover also in attendance at this meeting for site inspection. The City of Las Vegas will not address any technical questions regarding the house. You or your representative will have to make your own determination based on the plans purchased from the Clark County Building Department/Development Services. The City of Las Vegas cannot guarantee the accuracy of these plans.
- **Potential bidder must submit a \$5,000 personal check (as a refundable deposit) payable to the City of Las Vegas by the day before commencement of the auction (June 2, 2003, by 2:00 p.m.) All unsuccessful bidders will have their checks voided after the auction and returned to them on that date.**

EXHIBIT 'B'

Durango "S" Curve Home Auction

8680 Azure Drive

- **Potential bidder must submit proof of vacant land ownership by the day before commencement of the auction (June 2, 2003, by 2:00 p.m.) on which he/she intends to move the house upon, including the parcel number and a site map identifying where the land is located.**
- **Potential bidder must submit proof of credit worthiness from their lender and/or financial institution by the day before commencement of the auction (June 2, 2003, by 2:00 p.m.) to confirm available funds are accessible for the purchase of the home and transportation of the home to your vacant land.**
- **Potential bidder must submit the attached Disclosure Form (completed, signed, and notarized) by the day before commencement of the auction (June 2, 2003, by 2:00 p.m.)**
- **Potential bidder must attend the auction June 3, 2003, 3:00 p.m. at City Hall, 4th floor, Boulder Room, 400 Stewart Avenue, Las Vegas, NV 89101 in order to participate in the auction.**
- **The successful bidder must cap off/mark the water and sewer lines.**
- **The City of Las Vegas will disconnect the gas/electric/phone/cable utilities, as applicable.**
- **Successful bidder must use a licensed/qualified mover to transport the house to bidder's vacant land.**
- **Successful bidder should be aware that there is a septic tank located on site for sewer services.**
- **Escrow is to close within 45 days from the date of the auction.**
- **The home must be moved within 30 days after the close of escrow.**
- **Successful bidder will be required to enter into a Sales Agreement that must be approved by the Las Vegas City Council prior to the close of escrow for the dollar amount awarded at the auction plus the normal customary closing costs at the title company.**

EXHIBIT 'B'

Durango "S" Curve Home Auction

8680 Azure Drive

- Successful bidder shall obtain any and all federal, state and local permits and licenses required to move the residence to their vacant land. Successful bidder further agrees to abide by all applicable federal, state, and local codes, regulations, statutes, ordinances, and laws, now in force or which hereafter may be in force with respect to the Property. The City of Las Vegas makes no representation or commitment concerning the approval of development-related permits for the anticipated moving and construction of the Improvements.
- Successful bidder shall not store or maintain any materials on the Property, which would be in violation of any applicable federal, state or local law, regulation, statute or code prior to moving the house.
- Potential bidder must sign agreeing to abide by the terms contained herein and return same by the day before commencement of the auction (June 2, 2003, by 2:00 p.m.)

POTENTIAL BIDDER

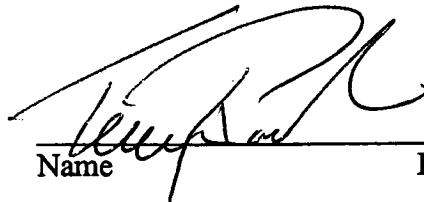
 5-28-03
Name Date

EXHIBIT "C"

CERTIFICATE - DISCLOSURE OF OWNERSHIP/PRINCIPALS (CONTINUED)

Block 1 Contracting Entity (Name) Name <u>TERRY L. PARKER</u> Address <u>2420 Plaza Del Grande</u> EIN or Social Security # <u>504 46 35 75</u>	Block 2 Description Subject Matter of Contract/Agreement: Auction/Purchase Agreement re: <u>8680 AZURE DRIVE</u>
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Block 3 Type of Business

Individual
 Partnership
 Limited Liability Company
 Corporation

Block 4 Disclosure of Ownership and Principals

In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.

#	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	<u>TERRY L. PARKER</u>	<u>2420 Plaza Del Grande</u>	<u>702 275-1876</u>
2.		<u>Las Vegas NV 89102</u>	
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals - Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the **number of sheets**: _____

EXHIBIT "C"

Block 5 Disclosure of Ownership and Principals - Alternate

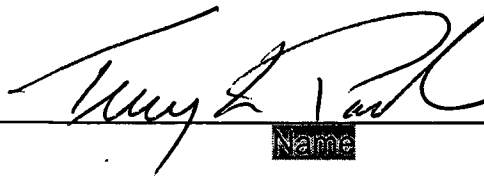
If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: _____

Number of Pages: _____

I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.



Name

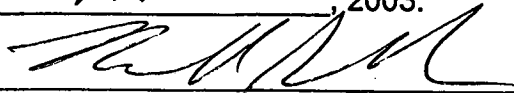
5-28-03

Date

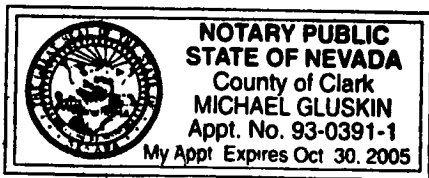
Subscribed and sworn to before me this 28th
day of

MAI

, 2003.



Notary Public



AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: JUNE 30, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

CONSENT

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Weekly and Councilwoman Moncrief

Discussion and possible action regarding a Bill of Sale from the City of Las Vegas to Terry L. Parker in conjunction with his purchase of a City-owned home located at 8680 Azure Drive - Ward 6 (Mack)

Fiscal Impact

No Impact

Amount:

Budget Funds Available

Dept./Division:

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

In preparation for the upcoming Durango "S" Curve road alignment, staff will be selling the homes acquired in 2000 & retain the land for road alignment usage. Staff was granted approval at Council 4/16/03 to sell this home. Terry L. Parker was the highest qualified buyer offering \$67,000. Mr. Parker holds title to vacant land on which to place the home & has funds to purchase, dismantle & move the home using a licensed contractor. The incoming funds (less closing costs) from the sale of this guest home will be applied towards Road Projects/Rights-of-Way acquisition.

RECOMMENDATION:

Staff recommends approval for the Mayor to execute the Bill of Sale

BACKUP DOCUMENTATION:

Bill of Sale

COMMITTEE RECOMMENDATION:

COUNCILWOMAN MONCRIEF recommended Item 2 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WEEKLY concurred.

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, explained that this is the bill of sale related to Item 1, to be issued in lieu of a title and necessary to move the building off of the property. Staff recommends approval.

REAL ESTATE COMMITTEE MEETING OF JUNE 30, 2003

Public Works

Item 2 - Discussion and possible action regarding a Bill of Sale from the City of Las Vegas to Terry L. Parker in conjunction with his purchase of a City-owned home located at 8680 Azure Drive - Ward 6 (Mack)

MINUTES – Continued:

No one appeared in opposition and there was no further discussion.

COUNCILMAN WEEKLY declared the Public Hearing closed.

(3:03 – 3:04)

1-40

BILL OF SALE

In consideration of Sixty-Seven Thousand and 00/100 Dollars (\$67,000.00) to be paid by Terry L. Parker, the receipt and sufficiency of which is hereby acknowledged, the undersigned does hereby grant, sell, transfer and deliver unto Terry L. Parker the following;

A single family residential house building located at 8680 Azure Drive Las Vegas, Nevada and all related fixtures and improvements used solely in connection with said house building.

To have and to hold the same to Terry L. Parker, and their heirs, executors, administrators, successors and assigns, to their use forever.

The undersigned hereby covenants that they are the lawful owner of the goods described above; that the goods are free from all encumbrances; that the undersigned have the right to sell the same as aforesaid; and that the undersigned warrants and defends the same against any lawful claims and demands.

IN WITNESS WHEREOF, the City of Las Vegas hereby executes this Bill of Sale on the _____ day of _____, 2003.

OSCAR B. GOODMAN, MAYOR

APPROVED AS TO FORM:


DEPUTY CITY ATTORNEY

AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: JUNE 30, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

CONSENT

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Weekly and Councilwoman Moncrief

Discussion and possible action authorizing staff to enter into negotiations with AT&T Wireless for the installation of wireless communications facilities located on Parcel Number 125-20-501-002 known as Mountain Ridge Park - Ward 6 (Mack)

Fiscal Impact

No Impact

Amount:

Budget Funds Available

Dept./Division:

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

As growth occurs in the valley, additional wireless communications facilities are required to continue to provide valley residents with communication services. The facilities consist of installation of new AT&T wireless equipment in a new 10'x20' compound with an 8' block wall, and installation of antennas at 70' on a new 80' ball field light.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

Site Map

COMMITTEE RECOMMENDATION:

COUNCILWOMAN MONCRIEF recommended Item 3 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WEEKLY concurred.

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, indicated that this request from AT&T seeks to negotiate for a large facility on an existing ballfield light pole. Staff recommends approval.

REAL ESTATE COMMITTEE MEETING OF JUNE 30, 2003

Public Works

Item 3 - Discussion and possible action authorizing staff to enter into negotiations with AT&T Wireless for the installation of wireless communications facilities located on Parcel Number 125-20-501-002 known as Mountain Ridge Park - Ward 6 (Mack)

MINUTES – Continued:

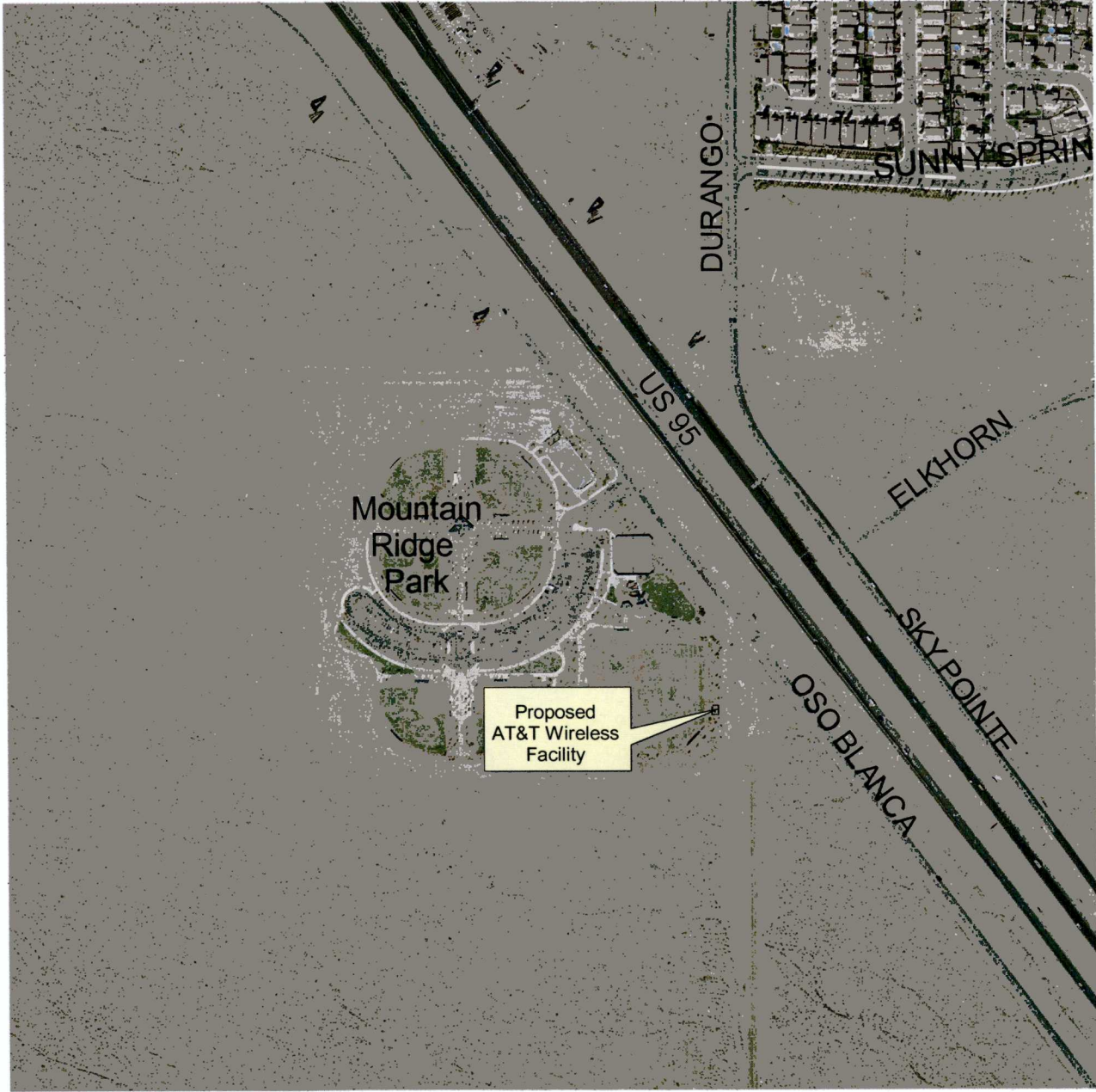
COUNCILMAN WEEKLY confirmed that staff has discussed this item with COUNCILMAN MACK.

No one appeared in opposition and there was no further discussion.






COUNCILMAN WEEKLY declared the Public Hearing closed.

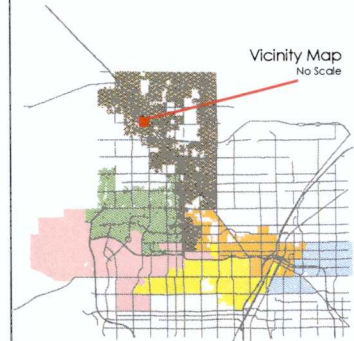
(3:04 – 3:05)

1-59



Site Map

-  Street Centerline
-  Building Footprints
- BLM Properties**
-  Leased
-  Applied
-  Parcels



Real Estate & Asset Management



Date of Data: 2003/06/09

AGENDA SUMMARY PAGE

REAL ESTATE COMMITTEE MEETING OF: JUNE 30, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

CONSENT

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Weekly and Councilwoman Moncrief

Discussion and possible action regarding an Easement and Rights-of-Way between the City of Las Vegas and the Las Vegas Valley Water District for a water facilities easement to service a portion of Parcel Number 138-10-101-018 known as Buckskin Park - Ward 4 (Brown)

Fiscal Impact

No Impact

Amount:

Budget Funds Available

Dept./Division:

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

In order to have water lines and appurtenance(s) to service the site, the City is required to grant an Easement and Rights-of-Way to the Las Vegas Valley Water District for construction of the water lines and appurtenance(s).

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

Easement and Rights of Way

COMMITTEE RECOMMENDATION:

COUNCILWOMAN MONCRIEF recommended Item 4 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WEEKLY concurred.

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, reported that this easement provides for a water meter at Buckskin Park. Staff recommends approval.

No one appeared in opposition and there was no further discussion.

COUNCILMAN WEEKLY declared the Public Hearing closed.

(3:05 – 3:06)

A.P.N. 138-10-101-018

EASEMENTS AND RIGHTS-OF-WAY

ABOVE SPACE FOR RECORDER'S USE ONLY

**THIS INDENTURE OF EASEMENT AND RIGHTS-OF-WAY, made and entered into by and between:
City of Las Vegas**

A Municipal Corporation of the State of Nevada

Party of the First Part, hereinafter known as the **GRANTOR(S)**, and **LAS VEGAS VALLEY WATER DISTRICT**, a quasi-municipal corporation, Party of the Second Part, hereinafter known as the **GRANTEE**.

WITNESSETH:

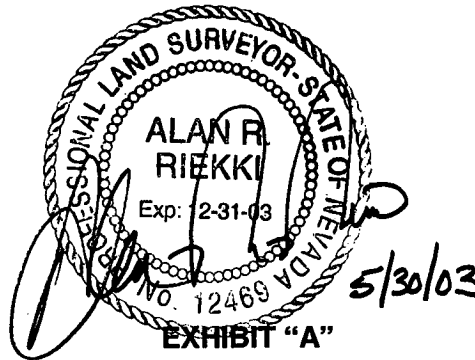
That the **GRANTOR(S)**, for and in consideration of the sum of one dollar (\$1.00), lawful money of the United States, to it in hand paid by the **GRANTEE**, the receipt whereof is hereby acknowledged, does by these presents **GRANT** and **CONVEY** to the **GRANTEE**, its successors and assigns, an Easement and Rights-of-Way for the purpose of construction, operation, maintenance, repair, renewal, reconstruction and removal of water pipelines and appurtenances with the right of ingress and egress, over, above, across and under that certain parcel of land described as follows:

SEE EXHIBIT "A" ATTACHED TO AND BY THIS REFERENCE MADE A PART HEREOF.

The **GRANTOR(S)**, its successors and assigns agree that:

1. No buildings, structures, fences or trees shall be placed upon, over or under said parcel of land, now or hereafter, except that said parcel may be improved and used for street, road or driveway purposes and for other utilities, insofar as such use does not interfere with its use by the **GRANTEE** for the purposes for which it is granted;
2. The **GRANTEE** shall not be liable for any damage to any of the **GRANTOR'S** improvements placed upon said parcel due to the **GRANTEE'S** necessary operations using reasonable care; and
3. Should any of the **GRANTEE'S** facilities within said easement be required to be relocated or repaired as a result of changes in grade or other construction within the easement, the **GRANTOR(S)**, or its successors and assigns shall bear the full cost of such relocation or repair, unless the changes in grade or other construction were done by third parties with the written consent of the **GRANTEE**.

APN 138-10-101-018



P08042-0040
MAY 29, 2003
BY: KAK
P.R. BY: ARR
PAGE 2 OF 4

EXPLANATION:

THIS LEGAL DESCRIBES A PARCEL OF LAND GENERALLY LOCATED SOUTH OF ALEXANDER ROAD AND WEST OF TENAYA WAY, **GRANTED BY CITY OF LAS VEGAS** FOR LAS VEGAS VALLEY WATER DISTRICT EASEMENT PURPOSES.

LEGAL DESCRIPTION
LAS VEGAS VALLEY WATER DISTRICT EASEMENT

BEING A PORTION OF THE NORTHEAST QUARTER (NE 1/4) OF THE NORTHWEST QUARTER (NW 1/4) OF SECTION 10, TOWNSHIP 20 SOUTH, RANGE 60 EAST, M.D.M., CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE QUARTER CORNER COMMON TO SECTION 10 AND SECTION 3, SAID TOWNSHIP, SAME BEING THE CENTERLINE INTERSECTION OF ALEXANDER ROAD AND TENAYA WAY; THENCE SOUTH 00°00'00" WEST, ALONG THE EAST LINE OF THE NORTHEAST QUARTER (NE 1/4) OF THE NORTHWEST QUARTER (NW 1/4) OF SAID SECTION 10, COINCIDENT WITH THE CENTERLINE OF SAID TENAYA WAY, 573.18 FEET; THENCE NORTH 90°00'00" WEST, DEPARTING SAID EAST LINE AND SAID CENTERLINE, 48.15 FEET TO THE **POINT OF BEGINNING**:

THENCE SOUTH 00°00'00" WEST, ALONG A LINE RUNNING PARALLEL WITH SAID EAST LINE AND SAID CENTERLINE, 10.00 FEET; THENCE SOUTH 90°00'00" EAST, ALONG A LINE PERPENDICULAR TO SAID EAST LINE AND SAID CENTERLINE, 5.00 FEET; THENCE NORTH 00°00'00" EAST, ALONG A LINE RUNNING PARALLEL WITH SAID EAST LINE AND SAID CENTERLINE, 10.00 FEET; THENCE SOUTH 90°00'00" EAST, ALONG A LINE PERPENDICULAR TO SAID EAST LINE AND SAID CENTERLINE, 5.00 FEET TO THE **POINT OF BEGINNING**, AS SHOWN ON THE "EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION", ATTACHED HERETO AND MADE A PART HEREOF.

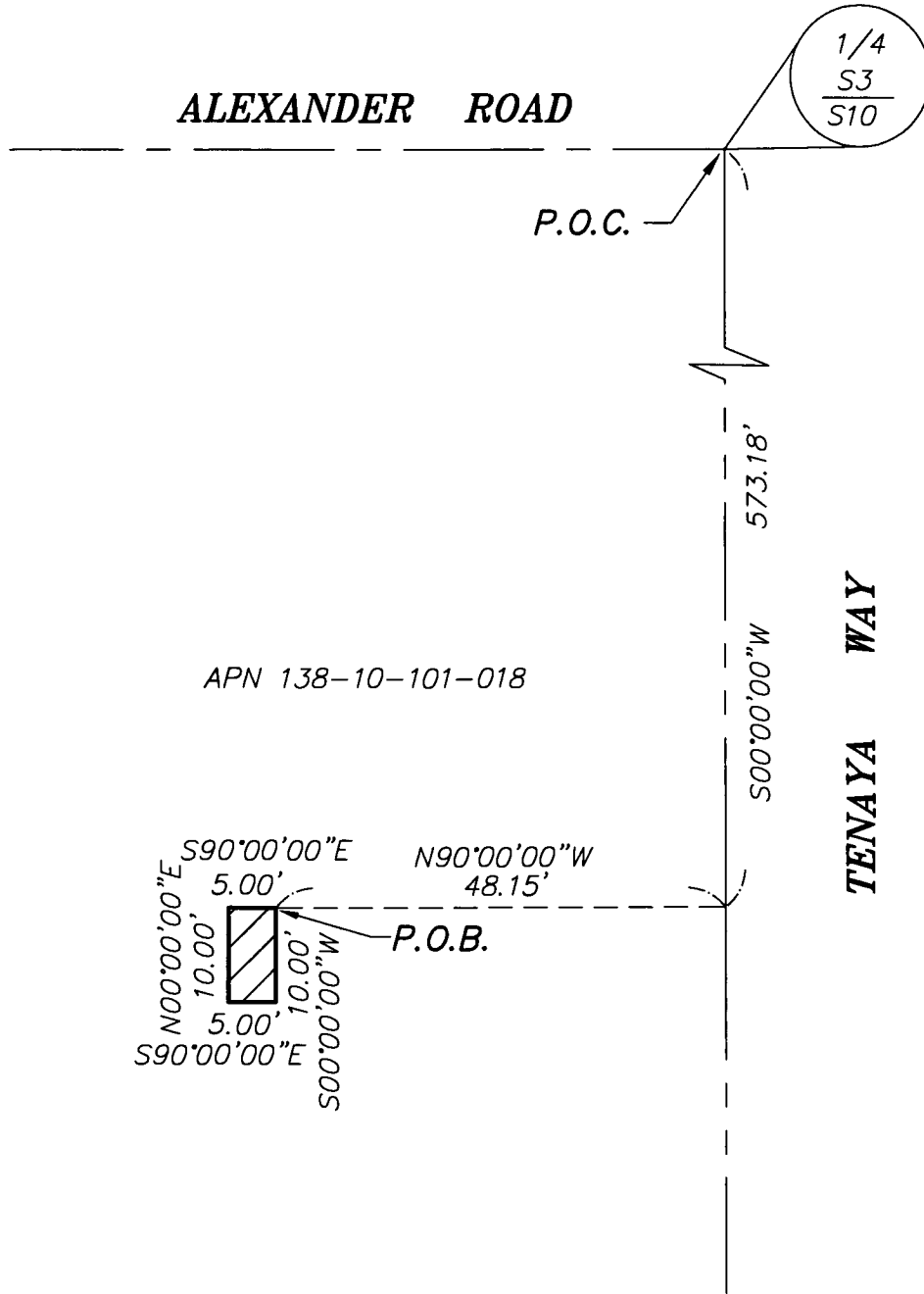
CONTAINING 50 SQUARE FEET, MORE OR LESS, AS DETERMINED BY COMPUTER METHODS.

NOTE: THIS LEGAL DESCRIPTION IS PROVIDED AS A CONVENIENCE AND IS NOT INTENDED FOR THE PURPOSE OF SUBDIVIDING LAND NOT IN CONFORMANCE WITH NEVADA REVISED STATUTES.

END OF DESCRIPTION
P:\P08042-0040\SURVEY\LEGALS\LVVWD-1.doc

PREPARED BY: **TETRA TECH, INC**
401 N. BUFFALO DRIVE, SUITE 100
LAS VEGAS, NV 89145 (702) 242-4200

EXHIBIT "A"



GRANTOR: CITY OF LAS VEGAS

P: \08042\0040\SURVEY\LEGALS\LVVWD-EASE

DATE: 5/28/03 "EXHIBIT TO ACCOMPANY"

SCALE: 1"=20' LEGAL DESCRIPTION"

TT **TETRA TECH, INC.**
INFRASTRUCTURE SOUTHWEST GROUP
 401 N. Buffalo Dr. Suite 100, Las Vegas, Nevada 89128 (702) 242-4200

AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: JUNE 30, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

CONSENT

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Weekly and Councilwoman Moncrief

Discussion and possible action regarding a Memorandum of Understanding between the City of Las Vegas, Clark County, and the Clark County School District regarding the City's relinquishment of approximately 15 acres of Bureau of Land Management leased land known as a portion of Parcel Number 163-09-201-002 located in the vicinity of Eldora Avenue, Cimarron Road and Edna Avenue in favor of the Clark County School District for development as a future school site (\$15,000 incoming funds - Real Estate and Assets) - County (Near Wards 1 and 2)

Fiscal Impact

No Impact

Amount: \$15,000 incoming funds

Budget Funds Available

Dept./Division: Public Works

Augmentation Required

Funding Source: Real Estate and Assets

PURPOSE/BACKGROUND:

The key points of the Memorandum of Understanding (MOU) between the City, County and Clark County School District (CCSD) include the City's relinquishment of approximately 15 acres of Bureau of Land Management (BLM) leased land known as a portion of Parcel Number 163-09-201-002 in favor of CCSD for development as a school site, CCSD's relinquishment of BLM leased land on Parcel Number 163-09-601-001 in favor of County to develop as a future park site and County's payment of \$15,000 to the City for remedial maintenance and clean up of the leased site.

RECOMMENDATION:

Staff recommends approval and increase the above funding 2003-2004 budget by \$15,000.00.

BACKUP DOCUMENTATION:

Memorandum of Understanding

COMMITTEE RECOMMENDATION:

COUNCILWOMAN MONCRIEF recommended Item 5 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WEEKLY concurred.

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

REAL ESTATE COMMITTEE MEETING OF JUNE 30, 2003

Public Works

Item 5 - Discussion and possible action regarding a Memorandum of Understanding between the City of Las Vegas, Clark County, and the Clark County School District regarding the City's relinquishment of approximately 15 acres of Bureau of Land Management leased land known as a portion of Parcel Number 163-09-201-002 located in the vicinity of Eldora Avenue, Cimarron Road and Edna Avenue in favor of the Clark County School District for development as a future school site (\$15,000 incoming funds - Real Estate and Assets) - County (Near Wards 1 and 2)

MINUTES – Continued:

DAVID ROARK, Manager, Real Estate and Asset Management Division, stated that this is a three-way agreement between Clark County, Clark County School District and the City. The Clark County School District currently has a ten-acre lease in that vicinity for a school. This agreement would transfer the land to Clark County for a park. The City would relinquish 15 acres of a 35-acre parcel to the Clark County School District to build the school. The agreement has been approved by the County and School District. Clark County will pay to the City a one-time fee of \$15,000 for cleanup of the property, as required by the Bureau of Land Management. Staff recommends approval.

No one appeared in opposition and there was no further discussion.

COUNCILMAN WEEKLY declared the Public Hearing closed.

(3:06 – 3:08)

1-109

**Memorandum of Understanding (MOU) between
City of Las Vegas
Clark County School District
And
Clark County**

This Memorandum of Understanding (MOU) is made and entered into this 23rd day of April, 2003 by and between the City of Las Vegas, a municipal corporation of the State of Nevada (referenced as "City"), Clark County, a political subdivision of the State of Nevada (referenced as "County"), and the Clark County School District, a political subdivision of the State of Nevada (referenced as "District").

WITNESSETH:

WHEREAS, the purpose of the intent of this three-way MOU is made to promote development of recreational and educational facilities that will benefit the citizens of Clark County.

WHEREAS, the County seeks to provide a park site in an area that is underserved for recreational facilities.

WHEREAS, the District has obtained a U.S. Bureau of Land Management (referenced as "BLM") Recreation and Public Purposes lease on certain real property situated within County boundaries and agrees to relinquish in favor of Clark County to develop for recreational purposes.

WHEREAS, to promote the objectives of this MOU, the parties desire that the District requests the BLM to relinquish TEN (10) acres of a BLM Recreation and Public Purposes leased site located near Tara Avenue and Cimarron Road (APN 163-09-601-001) in favor of the County to develop as a future park site.

WHEREAS, the City is the Grantee from the BLM of a Right-of-Way Grant on certain real property situated within County boundaries which is approximately THIRTY FIVE (35) acres located near Eldora Avenue, Cimarron Road and Edna Avenue (APN 163-09-201-002), the City agrees to relinquish a portion of this property to the District for development as a school site on approximately FIFTEEN (15) acres of land, located south of Eldora, east of Van Allen alignment.

WHEREAS, to further the objectives of this MOU, that the City requests the BLM to relinquish a portion of the Right-of-Way Grant in favor of the District to develop as a school site.

WHEREAS, the County will provide the City \$15,000.00 for remedial maintenance and clean up of their leased site after the District sends the BLM a letter of relinquishment in favor of the County for Recreation and Public Purposes Use.

PROCESS

All parties agree that both of the lease assignments should be processed concurrently through the BLM. Clark County will pay for consultant and all related costs to acquire said leases in an amount not to exceed \$10,000.00.

CLOSURE

This MOU will terminate upon the completion and transfer of the BLM Recreation and Public Purposes lease assignments to the County and District.

CLARK COUNTY

**CLARK COUNTY SCHOOL DISTRICT
BOARD OF SCHOOL TRUSTEES**

Thom Reilly, Manager
Clark County

Sheila R. Moulton
Sheila R. Moulton, President

Susan C. Brager-Wellman
Susan C. Brager-Wellman, Clerk

CITY OF LAS VEGAS

Oscar B. Goodman, Mayor

ATTEST:

Barbara Jo Ronemus, Clerk
City of Las Vegas

APPROVED AS TO FORM:

By: Carolyn Campbell, Deputy Attorney
Clark County

C. W. Hoffman, Jr. 1/23/03
By: C.W. Hoffman, Jr., General Counsel
Clark County School District

Bradford Jerbic 6/10/03
By: Bradford Jerbic, Deputy Attorney
City of Las Vegas

AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: JUNE 30, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

CONSENT

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Weekly and Councilwoman Moncrief

Discussion and possible action regarding an Operational and Services Provider Agreement between OB Sports Golf Management (AP), LLC, and Las Vegas Golf I, LLC, at Angel Park Golf Course, 100 South Rampart Boulevard, for management and oversight duties - Ward 2 (McDonald)

Fiscal Impact

No Impact

Amount:

Budget Funds Available

Dept./Division:

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

The City has been notified that Pacific Life Insurance Company has taken ownership of the Leasehold Agreement through a foreclosure sale for the operation of Angel Park Golf Course. Through a letter dated June 23, 2003, Pacific Life has a wholly owned subsidiary company called Las Vegas Golf I, LLC, (LVGI). They are now requesting our approval of OB Sports Golf Management (AP), LLC; an experienced golf course operation, to assume the management and oversight responsibilities of the golf course.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

1. Letter from Lionel Sawyer & Collins requesting City approval
2. Copy of Operational and Services Provider Agreement
3. Copy of Disclosure for OB Sports Golf Management (AP) LLC
4. Copy of Agreement and First Amendment with OB Sports F/B Management, LLC
5. Copy of Disclosure for O.B. Sports F/B Management, LLC
6. Letter from Lionel Sawyer & Collins designating key contact rep at Pacific Life/LVGI

COMMITTEE RECOMMENDATION:

COUNCILWOMAN MONCRIEF recommended Item 6 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WEEKLY concurred.

REAL ESTATE COMMITTEE MEETING OF JUNE 30, 2003

Public Works

Item 6 - Discussion and possible action regarding an Operational and Services Provider Agreement between OB Sports Golf Management (AP), LLC, and Las Vegas Golf I, LLC, at Angel Park Golf Course, 100 South Rampart Boulevard, for management and oversight duties - Ward 2 (McDonald)

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, advised that Angel Park was sold at a foreclosure/bankruptcy sale in January to Pacific Life, the financier of the previous note. Pacific Life established a subsidiary company called Las Vegas Golf LLC. That subsidiary's attorney requested that they be authorized to put in a new management company. OB Sports Golf previously managed the course for six years, but management changed to Heritage two years ago. Through this sale, the new owner wishes to reinstate OB Sports. Staff recommends approval.

No one appeared in opposition and there was no further discussion.

COUNCILMAN WEEKLY declared the Public Hearing closed.

(3:08 – 3:09)

1-170

LIONEL SAWYER & COLLINS

ATTORNEYS AT LAW

1700 BANK OF AMERICA PLAZA
300 SOUTH FOURTH STREET
LAS VEGAS, NEVADA 89101

(702) 383-8888

FAX (702) 383-8845

lsc@lionelsawyer.com

www.lionelsawyer.com

June 23, 2003

JEFFREY D. MENICUCCI
ETTA L. WALKER
CRAIG E. ETEM
TODD E. KENNEDY
LAURA J. THALACKER
SHAWN M. ELICEGUI
KENNETH R. MYERS
HECTOR J. CARBAJAL II
EMILIA K. CARGILL
JANET SUE BESSEMER
G. LANCE COBURN
WILLIAM J. MCKEAN
SCOTT A. EATON
JOSHUA M. DICKEY
MATTHEW E. WATSON
JOHN M. NAYLOR
GREGORY R. GEMIGNANI
E. LEIF REID
DANA A. DWIGGINS
ELIZABETH R. BRENNAN
MEGAN BARKER BOWEN
DOREEN SPEARS HARTWELL
SEAN T. WATERS

MARIO P. LOVATO
ELLYCK C. HSU
STEVEN E. HOLLINGWORTH
LINDA M. BULLEN
PAUL D. POWELL
LAURA K. GRANIER
JOSH M. REID
DANIEL R. MCNUTT
KYLE O. STEPHENS
LOUIS V. CSOKA
ALAN D. FREER
LJUBISA KOSTIC
MAXIMILIANO D. COUVILLIER III
KEY G. REID
JEFFREY A. MORSE
ELIZABETH BRICKFIELD
MARK P. WETJEN
E. JOE CAIN
LEAH A. AYALA
STEVEN J. NEWMAN
SARAH E. HARMON
CRISTINA L. JOHNSON
MICHAEL D. KNOX

SAMUEL S. LIONEL
GRANT SAWYER
(1918-1996)

JON R. COLLINS
(1923-1987)

RICHARD H. BRYAN
JEFFREY P. ZUCKER
PAUL R. HEJMANOWSKI
ROBERT D. FAISS
DAVID N. FREDERICK
DENNIS L. KENNEDY
RICHARD W. HORTON
DAN C. BOWEN
MARK A. SOLOMON
RODNEY M. JEAN
HARVEY WHITTEMORE
TODD TOUTON
DAVID WHITTEMORE
CAM FERENBACH
LYNDA S. MABRY

MARK H. GOLDSTEIN
ANTHONY N. CABOT
KIRBY J. SMITH
COLLEEN A. DOLAN
JENNIFER A. SMITH
GARY W. DUHON
LAUREL E. DAVIS
DAN R. REASER
CARL D. SAVELY
MARK LEMMONS
HOWARD E. COLE
PAUL E. LARSEN
P. GREGORY GIORDANO
MARK A. MCINTIRE
STEPHEN R. HACKETT
ALLEN J. WILT
LYNN S. FULSTONE
RORY J. REID
DAN C. MCGUIRE
LESLIE BRYAN HART

OF COUNSEL

ROBERT M. BUCKALEW
BRIAN MCKAY
ELLEN WHITTEMORE
BRIAN HARRIS
ABBIE G. FRIEDMAN

WRITER'S DIRECT DIAL NUMBER:

702 383 8856

Via Hand Delivery

David Roark
Manager, Real Estate & Assets
City of Las Vegas
400 Stewart Avenue, Fourth Floor
Las Vegas, Nevada 89101

Re: Angel Park Golf Course

Dear Mr. Roark:

It was a pleasure speaking with you earlier today and this letter and the enclosures are in response to that conversation. As we discussed, my firm represents Pacific Life Insurance Company. Las Vegas Golf I, LLC, is a wholly owned subsidiary of Pacific Life Insurance Company. Las Vegas Golf I, LLC, has retained the services of OB Sports Golf Management (AP), LLC, an experienced golf course operator, to perform the day-to-day operational functions at the Angel Park Golf Course. Therefore, this letter and the enclosure request any necessary approvals to allow OB Sports Golf Management (AP), LLC, to perform the services required under their Agreement with Las Vegas Golf I, LLC, as well as any other necessary approvals required by the enclosed documentation.

As requested, I have enclosed a copy of the Operational and Services Agreement between Las Vegas Golf I, LLC, and OB Sports Golf Management (AP), LLC. Similarly, I have enclosed a copy of the Sub-Use Agreement between Las Vegas Golf I, LLC, and OB Sports F/B, LLC, whereby the food and beverage aspect of the Angel Park Golf Course will be controlled by OB Sports F/B, LLC, at least in the short-term. We have also enclosed original Certificate Disclosure of Ownership/Principals forms for each of OB Sports Golf Management (AP), LLC, and OB Sports F/B Management, LLC.

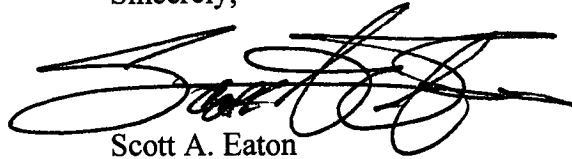
CITY OF LAS VEGAS
PUBLIC WORKS
REAL ESTATE
2003 JUN 23 P 1:03

LIONEL SAWYER & COLLINS
ATTORNEYS AT LAW

David Roark
June 23, 2003
Page 2

We trust this is satisfactory for your purposes and is responsive to your request in order to facilitate the placement of these items on the July 2 City Council agenda. Please advise should there be any questions or a need for anything additional. Thank you for your cooperation and assistance in this matter.

Sincerely,



Scott A. Eaton

SAE/rck

Enclosures

cc: Dale Hawley, Esq. (w/o enclosures)

OPERATIONAL AND SERVICES PROVIDER AGREEMENT

By and Between

LAS VEGAS GOLF I, LLC

("Manager")

and

OB SPORTS GOLF MANAGEMENT (AP), LLC

("Provider")

OPERATIONAL AND SERVICES PROVIDER AGREEMENT

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EXHIBITS

- A-1 Construction Agreement (Work not to exceed \$10,000)
- A-2 Construction Agreement - Draw
Construction Agreement - Lump Sum
- B Restated Management Agreement

OPERATIONAL AND SERVICES PROVIDER AGREEMENT

THIS OPERATIONAL AND SERVICES PROVIDER AGREEMENT ("Agreement") is dated, for reference purposes only, April 8, 2003 (and the Term commences as stated in Section 6.1, below), by and between LAS VEGAS GOLF I, LLC, a Delaware limited liability company ("Manager"), and OB SPORTS GOLF MANAGEMENT (AP), LLC, a Nevada limited liability company ("Provider"), and provides as follows:

RECITALS

WHEREAS, the City of Las Vegas ("City") is the owner of approximately three hundred twenty (320) acres of land which is legally described as the North One-Half (N½) of Section 31 and the North One-Half (N½) of Section 32, Township 20 South, Range 60 East, M.D.M. ("Parcel 1" herein), that was conveyed to the City by the United States Department of Interior pursuant to Patent #1231300 (Nevada 057018), dated March 15, 1963 (the "1963 Patent"), from the United States of America; and

WHEREAS, the City is the owner of approximately three hundred twenty (320) acres of land which is legally described as the East One-Half (E½) of Section 29, Township 20 South, Range 50 East M.D.M. ("Parcel 2" herein), that was conveyed to the City by the United States Department of Interior pursuant to Patent #27-96-0031 (Nevada 054655), dated May 22, 1996 (the "1996 Patent"), from the United States of America; and

WHEREAS, the City and Angel Park Management Corporation, a Nevada corporation ("APMC") made and entered into that certain agreement entitled "Management Agreement" dated October 21, 1987, as the same was amended by "First Amendment to Management Agreement" dated March 16, 1988, by "Second Amendment to Management Agreement" dated May 9, 1988, by "Third Amendment to Management Agreement" dated December 4, 1995, by "Fourth Amendment to Management Agreement," by "Fifth Amendment to Management Agreement" dated August 21, 1996, and "Sixth Amendment to Management Agreement" dated June 9, 1997 (collectively the "Management Agreement"), pursuant to which the City granted to APMC the exclusive right to design, construct, occupy, operate and maintain, on behalf of the City, a public golfing facility, consisting of two (2) eighteen-hole golf courses, a twelve-hole par three course, a clubhouse, lighted driving range, and related facilities (collectively the "Facility") on those portions of Parcel 1 and Parcel 2 that are described in Exhibit "E" to the Management Agreement (the "Premises"), all as is more particularly described in, and provided by, the Management Agreement; and

WHEREAS, all of the rights and obligations of APMC under the Management Agreement were assigned by it to, and assumed by, Angel Park Golf Project, Ltd., a Colorado limited partnership ("APGC") by Agreement of Assignment dated March 16, 1988, which assignment and assumption were consented to by the City pursuant to its Consent to Assignment dated March 16, 1988; and

WHEREAS, all the rights and obligations of APGC under the Management Agreement were assigned by it to, and assumed by, Angel Park, LLC, a Delaware limited liability company, a subsidiary of O.B. Sports LLC, a Delaware limited liability company ("Angel Park, LLC"), by that certain Bill of Sale, Assignment and Assumption dated December 4, 1995, which was consented to by the City by action of the City Council;

WHEREAS, the City and Angel, LLC, made and entered into a Restated Management Agreement dated September 15, 1999, as the same was amended by First Amendment to Restated Management Agreement dated April 5, 2000 (collectively the "Restated Management Agreement") a copy of which is attached as Exhibit "B", pursuant to which the City offered Angel Park, LLC the exclusive right to occupy, operate, maintain and receive and retain all of the

income and profits from, and Angel Park, LLC agreed to occupy, operate and maintain, on behalf of the City, The Facility on the premises, subject to the terms and conditions of the Restated Management Agreement;

WHEREAS, all the rights and obligations of Angel Park, LLC under the Restated Management Agreement were assigned by it to, and assumed by, Manager, by that certain Bill of Sale, Assignment and Assumption dated April 7, 2003, which was authorized and ordered by the United States Bankruptcy Court for the Southern District of Texas, Houston, Division, in the jointly administered Case No. 02-43169-H4-11 by an Order entered April 2, 2003 and by Manager's exercise certain of remedies against Angel Park, LLC, also as authorized by such order; and

WHEREAS, Manager has the responsibility and obligation to perform the covenants and provisions under the Restated Management Agreement concerning the management and operation of the public golf course owned by the City and known as "Angel Park Golf Club" situated at 100 South Rampart Boulevard, in the City, consisting of two 18 hole regulation golf courses, one 12 hole par 3 golf course, one 18 hole putting course, driving range, clubhouse, a parking lot and other amenities connected with the Premises and its related facilities (collectively "Golf Course"); and

WHEREAS, the Manager wishes to retain the Provider as a provider of services to Manager in support of Manager's responsibilities and obligations under the Restated Management Agreement for the operation of the Golf Course, with responsibilities to Manager for various services in support of Manger's management and operation of the Golf Course. The Restated Management Agreement, together with all amendments and modifications now or hereafter made thereto and all other documents affecting the Golf Course of which Manager informs Provider, are hereinafter collectively called the "Basic Documents"). The Basic Documents and all operations and services necessary for the operation of the Golf Course are collectively hereinafter called the "Golf Operations"; and

WHEREAS, Provider is willing to perform such services in support of Manager's operation of the Golf Course, and Provider represents to the Manager that it is fully qualified and duly licensed by the State of Nevada to perform the services required under this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the full and faithful performance by the parties of all the terms, conditions and obligations imposed upon the parties hereunder, the parties hereto agree as follows:

1. Agreement to Provide Services. Manager hereby agrees that Provider will be the exclusive provider of services in support of Manager's operation of the Golf Course with the responsibilities and upon the terms and conditions set forth herein, and Provider by execution hereof does hereby agree.

2. Provider's Services.

2.1 Orientation. Provider shall be furnished books and records with respect to the operation of the Golf Course which are in the possession of Manager, certain personal property located at the Golf Course belonging to Manager, and all existing Service Contracts, as defined below (if any), relating to the maintenance and operation of the Golf Course. Such

"books and records" shall include a pro forma first-year operating plan for the Golf Course, which shall be updated at least once every year contemporaneously with the Budget approval in Section 2.4(C). Within ten (10) days after Provider's receipt of same, Provider shall prepare and submit to the Manager a complete list: (i) of all books and records of the Manager held by Provider; (ii) all personal property; and (iii) all Service Contracts affecting the Golf Course. Provider shall notify Manager in writing of any changes to any of the foregoing lists, as such changes occur. Provider acknowledges that it is familiar with all matters relating to the operation and maintenance of similar golf courses in the general vicinity.

2.2 Operation of the Golf Course.

(a) Provider shall devote its best efforts consonant with first-class professional services as necessary for Manager to fulfill its obligations and responsibilities under the Restated Management Agreement. Provider shall perform its duties hereunder in a diligent, careful and vigilant manner so as to competently render services in the operation, maintenance and servicing of the Golf Course. The services rendered by Provider hereunder are to be of a scope and quality satisfactory to Manager. Provider shall make available to the Manager the full benefit of its judgment, experience and advice with respect to the policies to be pursued by Manager in the operation of the Golf Course, and shall perform such services as may be requested by Manager for operating, maintaining, improving, and servicing the Golf Course, and collecting revenues from users of the Golf Course, in accordance with this Agreement. Without limiting the application of the foregoing provisions of this Section 2.2, Provider shall devote such time as it reasonably and in good faith believes in its discretion is necessary and proper to fulfill its duties and obligations under this Agreement. In addition, Provider shall recommend to Manager, from time to time in writing, such procedures with respect to the Golf Course, as Provider deems advisable for more efficient and economically sound management and operation thereof.

(b) It is further understood that Manager may, from time to time, wish to change its policy(ies) regarding the operation of the Golf Course, and Provider agrees to comply with Manager's policy changes when so directed by Manager. Notwithstanding anything in this Section 2.2 to the contrary, Manager shall promptly give Provider notice of Manager's policy changes, and Provider shall have a reasonable time to comply with such changes.

2.3 Use and Maintenance of the Golf Course. Provider shall not knowingly permit the use of the Golf Course for any purpose which might void any policy of insurance held by Manager or which might render any loss insured thereunder uncollectible, or which would be in violation of any governmental restriction, or which would violate the Restated Management Agreement. Provider shall use its best efforts to secure full compliance by other service providers with the terms and conditions of their respective Service Contracts and to comply with the obligations of Manager or Provider as lessee under any lease or rental agreement between Manager and the lessor of electric golf carts (the "Cart Lease") and any other equipment lease, agreement, or Service Contract under which Manager or Provider shall be the lessee, obligor or payor with respect to the operation of the Golf Course. Provider shall be expected to perform such other acts and deeds as are reasonable, necessary and proper in the discharge of its duties under this Agreement.

2.4 Specific Duties of Provider Operations. Without limiting the duties and obligations of Provider under any provisions of this Agreement, Provider shall have the following duties and perform the following services:

A. Food and Beverage Operations

In the event it is agreed between Manager and Provider that Provider shall not operate the food and beverage facilities either pursuant to this Agreement or an amendment hereto, or a separate sub-use agreement, and the food and beverage facilities are operated by a third party pursuant to a separate sub-use agreement (the "Restaurant Sub-Use Agreement"), It is further understood and acknowledged that all food and beverage operations at the Golf Course including, without limitation, obtaining and holding a liquor license for the premises, shall be conducted in accordance with Article X(A), (B), (E), (M) and (P) of the Restated Management Agreement. Provider shall Inform Manager of any improvement work being performed by or for the Sub-Operator under any Restaurant Sub-Use Agreement, sign and post (on behalf of Manager and the City) notices of non-responsibility (i.e., notices stating that Manager and City are not to be held financially responsible for any such work being done for the Sub-Operator) in a conspicuous place on the premises (and shall record a verification copy of any such notice if such recording is required by the laws of the State of Nevada), and obtain for Manager all plans, specifications and other construction documents for which the Manager's approval is required under the Restaurant Sub-Use Agreement.

B. Obligations Regarding Operation of the Golf Course. Provider shall perform the following duties, in accordance with the general management standards in Section 2.2 herein, and in compliance with the provisions of Article X(F) and (G) of the Restated Management Agreement, in connection with the operation of the Golf Course:

(1) Prepare and use its best efforts, consistent with the provisions of this Agreement, to implement the Budget pursuant to Subsection (C) below;

(2) As directed by Manager, interview, hire employees on Provider's payroll (and/or engage independent contractors), train, supervise, discipline, and terminate employees and staff needed for operation of the Golf Operations. As directed by Manager, and subject to the prior written approval of Manager, and as set forth in the approved Budget, and in accordance with the further provisions of this Agreement, Provider may institute salary and incentive programs for all or certain employees, which programs will be reasonable and comparable to similarly-situated employees at other first-class golf developments.

(3) As directed by Manager, provide operational and procedural manuals and create job descriptions for employees and independent contractors involved in the Golf Operations.

(4) Implement all pricing policies for the Golf Operations for all income items (green fees, cart fees, balls, equipment, lessons, food, etc.) as established by Manager and modified from time to time.

(5) Provide and supervise the day-to-day operations of the Golf Course, including advising Manager on the development of: (a) a system to maximize the purchasing and mix of inventory; (b) a cash management system; (c) other accounting controls; and (d) a food and beverage plan to expand the usage of the Golf Operations (subject to the provisions of the Restaurant Sub-Use Agreement, if any) to attempt to improve the profitability of the Golf Operations.

(6) Provide and supervise the actual day-to-day physical maintenance of the Golf Course, driving range, practice green(s), golf shop and inventory, maintenance equipment, all matters regarding irrigation (including, without limitation, pumping facilities, pipelines and sprinklers located within the Golf Course, to the extent maintenance of such items is not the exclusive right or obligation of a third party), and other aspects of the Golf Operations in accordance with the quality standards set forth herein, and as may be modified or directed by Manager consistent with customary practice for golf courses of similar quality in the general vicinity, including, without limitation, grounds keeping, cleaning, rubbish removal, painting and landscape maintenance. Provider shall make or cause to be made all ordinary repairs, replacements and/or alterations contemplated in the Budget or as otherwise directed by Manager. Provider shall periodically inspect the Golf Operations to determine the need for maintenance and repair, and shall monitor all contractors performing repair, maintenance or improvement work on the Golf Operations.

(7) As directed by, and with the prior written approval of Manager, and as provided in the Budget, and subject to the provisions of the Cart Lease, monitor capital expenditures for the Golf Operations, including the purchase and/or lease of maintenance equipment and golf carts.

(8) Hold regular meetings as determined by and with the Manager, at the Premises to review the operation of the Golf Operations and provide monthly written reports to Manager setting forth the prior month's and year-to-date Golf Revenues and Golf Expenses, as defined in Subsection (C) below, green fees, cart fees, round and bucket counts, driving range revenue, golf shop revenue, statement of cash flows for the current month and year-to-date, and a comparison of same to the approved Budget, and other items as directed by Manager. The monthly report shall also contain, if requested by Manager, a copy of the monthly bank statements, reconciliation of the bank statement, records of cash receipts and disbursements, reports of ongoing repairs and capital improvements, written commentary as to the performance of the operations and a list of action items, if any, needing immediate management attention, and such other information with respect to the Golf Operations as Manager may from time to time request.

(9) Prepare and deliver annual reports of the results of Golf Operations, including Golf Revenues and Golf Expenses, within 30 days of the completion of the calendar year-end (whether prepared by the Accountants or internally). In addition, Provider will, conduct monthly, or as otherwise reasonably directed by Manager, a physical count of all inventory of the golf shop merchandise.

(10) Maintain, operate, and cause the use of Golf in material compliance with the Restated Management Agreement, and all applicable laws, ordinances, and regulations, and in compliance in all material respects with all applicable contractual requirements affecting the Golf Operations of which Provider has notice and control.

(11) As necessary to fulfill its obligations under this Agreement, Provider will enter into Service Contracts, with Provider and the provider of the services as the parties thereto, on the Manager's behalf, on terms and conditions which the Provider believes in its best judgment are reasonable, in accordance with the terms and limitations contained in the Budget and as directed by Manager, following Manager's approval of the terms thereof.

(12) Prepare and submit to Manager, for Manager's approval, an annual marketing plan for the Golf Course. In connection with the marketing plan, and to the extent available in the marketing portion of the Budget, Provider shall use such efforts as are normal and customary in the industry to obtain reasonable exposure for and usage of the Golf Course, and arrange and conduct reasonable advertising and promotions as Manager and Provider deem necessary to maintain adequate use levels consistent with budgeted revenue levels. This effort shall include:

- (a) Writing and servicing news releases to local media;
- (b) Handling all media inquiries;
- (c) Conducting golf tournaments, exhibitions and clinics;
- (d) Implementing appropriate teaching programs (where available space permits);
- (e) Promoting junior golfers and league play; and
- (f) Promoting outings and special events located at the Golf Course.

(13) Except as may be set forth to the contrary in the insurance provisions of Section 11 herein, and Section IX of the Restated Management Agreement, procure workers' compensation and employee fidelity insurance, and provide Manager with certificates of insurance evidencing same, in amounts, coverages, and with insurers approved by Manager, and at premiums within the current approved Budget or as otherwise approved by Manager, and all such insurance policies shall name Manager, and the City in accordance with Section IX of the Restated Management Agreement, as a loss payee or additional insured thereunder. Manager shall promptly reimburse Provider for all direct costs incurred in obtaining such coverage (or such insurance shall be a line item in the Budget) including, without limitation, the costs of all premiums and commissions paid by Provider, and Provider may pay all premiums and other required expenses in procuring and maintaining adequate insurance coverage required by Manager and Section IX of the Restated Management Agreement, from the Account. Provider agrees to promptly report any and all accidents, damage and loss to Manager (except for de minimis items). Provider shall take no action (such as admission of liability), which would or could prejudice Manager, the City, or its insurance carrier in the defense of any claim.

(14) Without limiting the application of any of the foregoing provisions of this Subsection (B), one or more of Phil Green, C.A. Roberts, Jamie Cook, Orrin Vincent and/or Tom Christy shall be physically present at the Golf Course not less than four (4) days each calendar month.

C. Budget; Manager's Funding; Bank Accounts and Collections; Management Plan.

(1) On or before September 1st of each calendar year hereof, Provider shall deliver to Manager a preliminary budget ("Preliminary Budget") for the following year containing projections of Golf Revenues and Golf Expenses, capital expenditures, reserves, greens fees (after obtaining such figure from Manager) and counts, cart fees and

counts, and bucket fees and counts, in a format to be agreed to between the parties. Provider shall update or revise the Preliminary Budget as requested by the Manager. The Preliminary Budget, as revised and thereafter approved in writing by Manager, in its sole discretion, shall constitute the approved budget for the upcoming calendar year (the "Budget"). In the event that the Manager does not request any changes or make any comments regarding the Preliminary Budget by the end of the first month of such calendar year, then the Preliminary Budget shall be deemed to be the approved Budget for purposes of this Agreement. It is understood and agreed that while Provider shall conduct the Golf Operations within the guidelines of each approved Budget and as otherwise directed by Manager, the Budget is subject to change upon the agreement of Manager, in its sole discretion, in the event of changes in circumstances and/or unforeseen expenditures. Provider agrees to promptly inform Manager of additional funding requirements of any Budget line item, and shall, as necessary and in due course, seek approval of Manager of an amended Budget, which approval may be withheld by Manager in its sole discretion. All debts and obligations consistent with the approved Budget, as it may be amended from time to time, arising in the course of business of the Golf Operations shall be the full and complete obligation of Manager, and Provider shall not be in any way liable for any such obligations by reason of its services performed hereunder, except as set forth herein to the contrary, and subject to the duties and obligations of Provider under the Service Contracts to which Provider is a party, and any other leases or contracts as to which the parties agree Provider shall be a party and signatory.

(2) Provider shall collect all Golf Revenues and all sums otherwise due Manager with respect to the Golf Operations in the ordinary course of business and shall pay all amounts due under the Cart Lease, Service Contracts or other leases or contracts with respect to which Provider or Manager is a lessee or obligor (collectively, the "Lease and Service Contract Obligations"). Provider shall deposit all sums collected from the Golf Operations into an interest-bearing bank account (the "Account") in a financial institution approved by Manager and shall disburse all funds due under the Lease and Service Contract Obligations. Provider shall also pay from Golf Revenues all employee payroll, employee benefits and direct costs for the employees hired by Provider for the Golf Operations. The Account shall have signatories approved by Manager and at least one signatory shall be designated by Provider. No funds generated from any source other than the Golf Operations may be co-mingled in the Account. All funds in the Account shall be the exclusive property of the Manager (without waiving any rights of Provider under this Agreement). Provider shall withdraw funds from the Account only to: (a) pay expenses of the Golf Operations (including the Monthly Fee and Lease and Service Contract Obligations), in accordance with this Agreement; and (b) disburse to Provider funds as contemplated in Section 3 herein and to Manager, as contemplated in the following sentence of this section. At any time that the total balance in the Account exceeds the sum of one (1) month's operating needs plus any maintenance expenditures then being incurred as determined by the Budget then in effect, Provider shall immediately disburse to Manager any excess funds. Provider shall keep detailed records of all bills and invoices received for services, work and supplies contracted for in connection with the ownership, maintenance, improvement and operation of the Golf Operations in accordance with this Agreement, and shall pay all bills as and when same become due and payable unless contested in good faith by Provider or Manager.

(3) Capital expenditures shall be funded by Manager on an as-needed basis in accordance with the capital improvement line items of the approved Budget. In addition, Manager agrees that in the event Provider, in good faith, requests funds on an emergency basis to fulfill its obligations hereunder, Manager shall endeavor to deposit such sums in the Account within two (2) business days of such request or pay the creditor directly.

provided Manager is in agreement that a true emergency exists, subject to Subsection (E)(2) below.

(4) All real estate and personal property taxes and assessments and other like charges (if any) and insurance premiums for insurance coverage obtained by Manager for the Golf Course and Golf Operations shall be paid directly by Manager, or by Provider, if directed by Manager, with Manager's funds.

(5) The failure to meet any projections contained in any approved Budget shall not conclusively be deemed to constitute either party's willful misconduct or negligence hereunder.

(6) On or before October 1st of each calendar year hereof, Provider shall deliver to Manager an operations plan for the Golf Course (which plan will contain the information specified by Manager). The operations plan shall be subject to Manager's approval, in Manager's sole discretion. In addition, Provider shall recommend (from time to time and in writing) to Manager such procedures with respect to the Golf Course, as Provider may deem advisable for more efficient and economically sound management and operation thereof.

D. Obligations Under Basic Documents. Provider shall enforce all contracts with providers of utilities and other services to the Golf Course, excluding the Restaurant Sub-Use Agreement (collectively, the "Service Contracts"), whether Manager or Provider is a party to such Service Contracts. However, Provider shall not commence any legal action or hire outside counsel in connection with such enforcement. Rather, Provider shall recommend the retention of outside counsel when deemed necessary, and if Manager agrees with such recommendation, Manager shall retain outside counsel. In addition, Provider shall duly and punctually perform and comply with all of the obligations, terms and conditions required to be performed or complied with by Manager under the Basic Documents relating to management, operation, maintenance and servicing of the Golf Course, to the end that the Manager's interest in the Restated Management Agreement shall be preserved and no default chargeable to Manager shall occur under the Basic Documents.

E. Repairs and Improvements to the Golf Course. Provider shall monitor the work of all persons and entities performing maintenance, repairs, improvements (and other construction), and any other type of work or services at the Golf Course, as follows:

1. Cost and Authorization of Repairs and Improvements.

a. Work Not to Exceed \$10,000.00. Provider shall obtain cost estimates (and where appropriate shall solicit bids) for all extraordinary repairs and capital improvements to the Golf Course whenever the cost thereof is expected to be \$10,000.00 or less, and shall forward any cost estimate(s) or bid(s) to Manager for approval. Once Manager has communicated to Provider its approval of any such cost estimate(s) or bid(s), Provider shall (on behalf of Manager) enter into an agreement with the construction contractor, shall send Manager a conformed copy of such agreement, and shall (after the contract has been fully executed and a fully executed copy has been provided to Manager) advise the contractor to proceed with the work. Provider shall use Manager's \$10,000.00 Construction Agreement which is attached hereto as Exhibit "A-1" and made a part hereof by this reference.

(i) whenever Manager's \$10,000.00 Construction Agreement is used, no structural work or work related to irrigation or the water supply to the Golf Course shall be done without the prior written approval of Manager, which approval shall be within Manager's sole discretion.

(ii) Provider shall not execute Manager's \$10,000.00 Construction Agreement until Provider has received an Administrative Authorization executed by the appropriate Asset Provider of Manager (and, if applicable, also by the appropriate Manager's Vice President) expressly authorizing the respective Manager's \$10,000.00 Construction Agreement;

b. Administrative Authorization. If Provider executes Manager's \$10,000.00 Construction Agreement without the appropriate Administrative Authorization executed as stated above: (i) Provider shall be liable for, and shall reimburse Manager at Provider's expense (within 10 days of written demand by Manager therefor) for all amounts paid by Manager pursuant to the respective unauthorized Manager's \$10,000.00 Construction Agreement; and (ii) Provider shall indemnify, defend (at Provider's expense, by counsel approved in writing by Manager, which approval shall not be unreasonably withheld) and hold Manager harmless with respect to any and all additional costs, expenses, damages, claims, judgments, lawsuits, causes of action, losses, liabilities, and litigation expenses, including without limitation attorneys' fees and court costs, which may be asserted against Manager arising out of or resulting from Provider's failure to obtain the appropriate Administrative Authorization executed as stated above.

c. Work to Exceed \$10,000.00. Unless prior written approval is obtained from Manager to use cost estimates, Provider shall obtain at least three bids for all repairs and improvements to the Golf Course whenever the cost thereof is expected to exceed \$10,000.00 and shall forward all such bids to Manager for approval, which approval shall be within Manager's sole discretion. If any of the bids are from an entity or individual(s) which own, control or have a financial interest in Provider, or which are under common control with Provider, or which are owned or controlled by Provider, or if Provider has a financial interest in said entity, then in any of these events all bids must be sealed bids to be opened only by Manager. Once Manager has communicated to Provider its approval of any such bid(s), Provider shall obtain the construction contractor's signature on either the Manager's Draw Agreement or Lump Sum Agreement (which are attached hereto as Exhibit "A-2" and made a part hereof by this reference), shall forward such contract to Manager for execution, and shall (after the contract has been fully executed) advise the contractor to proceed with the work. Provider shall not execute either the Draw Agreement or the Lump Sum Agreement.

2. General Provisions Regarding Repairs, Maintenance and Improvements.

a. Changes to Manager's Standard Maintenance and Service Contract and Construction Contract. Provider shall have the authority to change Manager's standard maintenance and service contract and construction contracts only after obtaining Manager's approval of such change(s).

b. Emergency Repairs and Maintenance. Notwithstanding anything to the contrary in Subsections (C)(3) and (E)(1) above, Provider may effect emergency repairs and maintenance immediately necessary for the preservation and safety of the Golf

Course, to avoid the breach of any of Manager's covenants under any Basic Documents, or to avoid danger to life or property, without the prior approval of the Manager after attempting to contact Manager by telephone, if possible, provided that as soon as possible after such emergency repairs and/or maintenance have been performed, Provider must send to the Manager a report of any repairs and/or maintenance so performed. Without limiting the provisions of Subsection (C)(3) above, any expenditures by Provider for such emergency repairs or maintenance shall be reimbursed by Manager after Manager has been sent copies of all receipts or canceled checks evidencing such expenditures.

c. Authority. Provider shall not hold himself out as having the authority to approve any contract or expenditure (in connection with maintenance, repair and construction work) without the prior approval of the Manager, unless this Agreement expressly gives Provider the authority to approve the specific contract or expenditure or such expenditure is specifically set forth as a line item in the approved Budget.

d. Capitalized Expenditures. In all events, when any expenditure is to be capitalized by Manager, regardless of amount, payment may be made directly by Manager, at Manager's election.

F. Equipment, Supplies and Utility Services. Provider shall make all arrangements for the furnishing to the Golf Course of utility and related services under Service Contracts and for the acquisition of equipment and supplies as necessary for the management, operation, maintenance and servicing of the Golf Course, in accordance with the approved Budget and as required of Manager under the Basic Documents. Any expenditure for utilities and related services under the Leases and Service Contract Obligations or for equipment or supplies shall be made timely pursuant to the provisions of Subsections (B) and (C) above and Section 4 herein. Any proposed Service Contracts shall be forwarded to Manager for approval and execution by Provider. All bills for utilities and related services shall be paid by Provider; provided, Provider shall not (except with Manager's prior written approval, in Manager's sole discretion) make any expenditure which would, when combined with all similar expenditures for the month, exceed the monthly approved budgeted amount for the respective budgeted line item, unless such expenditure is pursuant to a Service Contract or other contract approved and executed by Manager. Notwithstanding the above, Provider is hereby given the authority to execute contracts that can be terminated by Provider and by Manager (i.e., either one acting alone), without cause, and without a termination fee, on thirty (30) days prior written notice.

G. Taxes, Assessments and Utility Charges. Provider shall keep Manager informed of any change in the amount of real or personal property assessments or taxes (if any) relating to the Golf Course of which Provider may become aware, and supply to Manager, at its request, all information and assistance necessary to establish a reasonable assessment of the real and/or personal property for taxation; but, except as provided to the contrary herein, the Provider shall not pay any such charges unless authorized to do so in writing by Manager.

H. Insurance Matters. Provider shall promptly investigate and make a full timely written report to Manager and to Provider's insurance companies as to all accidents, claims for damage relating to the ownership, operation and maintenance of the Golf Course, any damage or destruction to the Golf Course and the estimated cost of repair thereof. Provider shall also prepare any and all other reports required by Manager, Manager's insurance companies, or Provider's insurance companies in connection therewith. Provider's reporting

requirements shall include, without limitation, the duty to report in writing all Indemnified Claims as defined in Section 5. Provider shall file all reports timely with Provider's insurance companies, as required under the terms of the insurance policies involved. Provider shall send to Manager, in the manner specified in Article 15 of this Agreement, one (1) copy of such written report(s) within two (2) business days of the respective accident, claim or damage. Provider shall have no right to settle, compromise or otherwise dispose of any claims, demands or liabilities, whether or not covered by insurance, without the prior written consent of Manager. Manager shall give to Provider a copy of each insurance policy (or a certificate or summary thereof) maintained by Manager with respect to the Golf Course. Any insurance premium billing received by Provider in connection with any insurance policy maintained by Manager with respect to the Golf Course shall be forwarded to Manager for payment.

I. [RESERVED]

J. Provider's Employees; Supervision of Persons Providing Services.

All employees of Provider hired pursuant to Section 2.4(B)(2) herein shall be paid by Provider from Golf Revenues pursuant to Section 4 of this Agreement. Provider shall, on or before execution of this Agreement, inform Manager in writing of the employee(s) of Provider who will have primary responsibility to Manager for Provider's services under this Agreement. All senior employees and independent contractors at the Golf Course (including general manager, head golf pro, golf course superintendent) shall be subject to the prior written approval of Manager, in Manager's sole and absolute discretion, and Manager shall not unreasonably delay such approval or disapproval. Provider shall be responsible to Manager for the supervision of all persons performing services in connection with the performance of all maintenance and operations of the Golf Course, and for determining the manner and time of performance of all acts hereunder; provided, Manager shall, at Manager's election from time to time, have direct access to and contact with Provider's employees in connection with Manager's supervision of the Golf Operations.

K. Books and Records. Provider shall keep full and accurate books of account and other records reflecting the Golf Operations, showing accurately and completely all revenues and expenses from the Golf Course including, without limitation, Golf Revenues and Golf Expenses, as defined herein. Certain accounting functions of Provider shall be outsourced to the Scottsdale, Arizona office maintained by Provider and/or its principals. Provider shall preserve all such books and records for at least three (3) years from the close of the calendar year to which they relate. Such books and records shall be kept in accordance with generally accepted accounting principles consistently applied (except that Manager may direct Provider to keep certain items on a cash rather than accrual basis). Such books and records shall be kept at the office of Provider, with a copy at the Golf Course. Manager and Provider agree that Manager and/or its agents shall be allowed to inspect the books and records during normal business hours upon reasonable telephonic notice to Provider. In connection therewith, Provider shall furnish to Manager monthly operating statements and reports in connection with the Golf Operations, as described above. In addition, within sixty (60) days after the close of each calendar year, Provider shall furnish Manager, through an independent public accountant agreeable to both Provider and Manager (the "Accountants"), an annual compilation of all revenues and expenses from the Golf Operations, including Golf Revenues, Golf Expenses, Net Operating Income and a preliminary calculation of the total of the Monthly Fees for the year, as set forth herein (the "Annual Results"). In the event Manager's accountants propose an adjustment to the Annual Results or dispute any portion of the Annual Results, Manager and Provider shall attempt to amicably resolve any such proposals within thirty (30) days of

Provider's receipt from Manager of notice of such proposed adjustment or dispute. If the parties cannot resolve their differences within such period of time, the parties shall submit the dispute to a nationally reputable accounting firm selected by the parties to determine the final Annual Results. The decision of such accounting firm shall be binding on the parties and the cost of such firm shall be shared equally between the parties. Provider shall deduct from the next payment of Monthly Fees due and payable under this Agreement any excess Monthly Fees which Provider was paid and with respect to which it was ultimately determined, as set forth herein, that Provider was not entitled to receive.

If Manager disputes any item in any statement or in Provider's records, and the same is not corrected to the satisfaction of Manager, or if an audit by Manager's internal audit department or by a firm of certified public accountants employed by Manager discloses any sum due the Manager in excess of one percent (1%) of all sums paid (by Provider to Manager) for the period covered by such audit, then Provider shall, in addition to reimbursing Manager for amounts due (which Provider must do in all cases), bear the cost of said audit. Provider shall keep all books and records pertaining to the Golf Operations, including all supporting vouchers not submitted to Manager, for a period of at least three years.

L. Customer and Other Relations. Provider shall endeavor to create good public relations between the Manager, customers, and service providers under the Service Contracts, equipment lessors or other third parties involved in the Golf Operations.

M. Payment of Withholding, Social Security and Similar Taxes and Contributions. Provider shall be fully responsible for the payment and reporting of all federal, state and local taxes or contributions imposed or required under unemployment insurance, social security and income tax laws and other such laws and regulations pertinent thereto with respect to Provider's employees engaged in the performance of this Agreement.

N. Compliance With Laws. After receiving Manager's written approval, Provider shall take such action as may be necessary to comply with any provision of the Restated Management Agreement, any orders from any agent of Manager's insurer(s) or Provider's insurer(s), or as may be necessary to comply with any orders or requirements affecting the Golf Course (or any parking area for the Golf Course) by a federal, state, county or municipal authority having jurisdiction thereover.

O. Notices. All notices received by Provider from any party or from any governmental or official entity shall be promptly delivered to Manager by Provider.

3. Compensation for Provider's Services. Manager shall pay Provider monthly as compensation for Provider's services rendered hereunder a fee in an amount equal to the sum of: (i) one percent (1%) of the Golf Revenues, as defined herein ("Base Fee"); plus (ii) Three Thousand Dollars (\$3,000) in accounting fees ("Accounting Fee"), payable on a monthly basis pursuant to the approved Budget (collectively, the "Monthly Fee"). The Monthly Fee shall be payable from the Account on the first day of each month (prorated for periods at the beginning or the end of the term of this Agreement which are shorter than a calendar month), in accordance with the further provisions of this Agreement.

In addition to the Monthly Fee, Manager shall pay Provider an incentive fee ("Incentive Fee"), on an annual basis, equal to ten percent (10%) of the Net Operating Income, as defined

herein (reduced by the amount of any capital lease payments by Manager) above Two Million Five Hundred Thousand (\$2,500,000.00).

As used herein, the term "Net Operating Income" shall mean, for each calendar year of the Golf Operations, the "Golf Revenues" less the "Golf Expenses." As used herein, "Golf Revenues" shall mean gross cash revenues and receipts from credit card sales actually received from the Golf Operations including, without limitation, greens fees, cart rentals (but only to the extent such rentals exceed the amount payable to the lessor under the Cart Lease), golf shop revenues, driving range fees, membership dues (if any), equipment rentals, and all other revenue directly derived from the Golf Operations, but excluding food and beverage sales and any security deposit, late charges or interest on late payments under the Restaurant Sub-Use Agreement (if any), proceeds from insurance for loss or damage to the Premises, interest accrued and earned on cash from the Golf Operations including, without limitation, interest accrued on funds in the Account, refunds paid to any customers or patrons of the Golf Course or other third parties in connection with the Golf Operations, any proceeds from a sale, financing or refinancing of the Restated Management Agreement. For purposes of this paragraph, "Golf Expenses" shall mean all disbursements made in the course of Golf Operations during a calendar year including, without limitation, payroll expenses and costs of employee plans, sales taxes, payroll and other withholding taxes for employees involved in the Golf Operations (but excluding all of Provider's general overhead expenses, any other expenses of Provider not incurred solely with respect to the Golf Operations and which are properly allocated to the other golf course operations or other operations of Provider, or any portion of the salary of the on-site employees of Provider which is not properly allocable to the Golf Operations), maintenance expenses incurred in accordance with this Agreement, amounts paid to the lessor under the Cart Lease, charges paid under any Service Contracts or other contracts, insurance premiums, the Monthly Fee, the cost of goods sold in the golf shop, all out-of-pocket costs incurred by Manager for any reason in connection with the Golf Operations including, without limitation, any amounts paid to third-party consultants or attorneys and any amounts paid to any third party or governmental agency in connection with the provision of water to the Golf Course and all other amounts reasonably expended in connection with the ownership, operation and maintenance of the Golf Course including, without limitation, all marketing and sales expenses in accordance with this Agreement. Golf Expenses shall not include: (i) the costs of any capital improvement made by Manager; (ii) depreciation of buildings, improvements or equipment and/or land; (iii) interest expense or income taxes; (iv) distributions or any payments to Manager; (v) any general overhead expenses of Manager or any of Manager's out-of-pocket costs which are not directly allocable to the Golf Operations; or (vi) extraordinary expenses (as reasonably determined by Manager).

4. Payment of Expenses. Any payments incurred by Provider in the performance of its duties and obligations under this Agreement (e.g., for salaries of Provider's employee(s)) in the performance of this Agreement, advertising, signs, repair and maintenance work (including fees for inspection of mechanical equipment), supplies and equipment) shall be disbursed from the Account, as defined herein, and Manager shall be sent copies of all receipts or cancelled checks evidencing such expenditures. No expenditure may be made (nor shall any debt be incurred) without Manager's prior written authorization if such single expenditure or debt or the aggregate of all such expenditures or debts for the quarter would exceed the quarterly amount in the approved Budget for any budgeted line item. However, the immediately preceding sentence shall not apply to: (i) emergency repairs (as described in Paragraph 2.4(E)(2)(b) hereof); or (ii) charges incurred under Service Contracts for utilities.

5. Indemnification.

5.1 Provider's Indemnity. Provider hereby agrees to indemnify, defend and hold harmless Manager and Manager's partners, officers, directors, employees, agents, successors and assigns (collectively, "Manager Indemnified Parties") with respect to any and all costs, expenses, damages, claims, judgments, lawsuits, causes of action, losses, liabilities, and litigation expenses including without limitation attorneys' fees and court costs (collectively, "Indemnified Claims") which may be made against Manager or any Manager Indemnified Parties arising out of or resulting from: (a) any failure of Provider to perform promptly any of its obligations under this Agreement, provided such failure was not caused by Manager or events beyond the reasonable control of Provider, and provided further that Manager has, after written request, furnished Provider sufficient funds to perform such obligations; (b) any acts of Provider beyond the scope of Provider's authority hereunder not otherwise authorized by Manager; and (c) any malfeasance, misfeasance, nonfeasance or negligent acts or omissions by Provider or by any attorney, agent or employee of Provider. In case any action or proceeding is brought against Manager or any Manager Indemnified Parties by reason of any such Indemnified Claims, Provider, upon notice from Manager, shall defend Manager and any Manager Indemnified Parties at Provider's expense by counsel approved in writing by Manager, which approval shall not be unreasonably withheld. The indemnities contained in this Article 5 shall survive any expiration or termination of this Agreement as to any such Indemnified Claims arising prior to the expiration or termination of this Agreement.

5.2 Manager's Indemnity. Manager hereby agrees to indemnify, defend and hold harmless Provider and Provider's affiliates, partners, employees, officers, directors, employees, agents, successors and assigns (collectively, "Provider Indemnified Parties") with respect to any and all costs, expenses, damages, claims, judgments, lawsuits, causes of action, losses, liabilities and litigation expenses including, without limitation, attorneys' fees and court costs in connection with Provider's management of the Golf Course pursuant to this Agreement (collectively, "Indemnified Claims") which may be made against Provider or any Provider Indemnified Parties arising out of or resulting from: (i) any negligent acts or omissions by Manager or by any attorney, agent or employee of Manager; and (ii) any claim for damages asserted by any person against Provider, except for Provider's acts or omissions which entitled or would entitle Manager to indemnification as set forth in Section 5.1 above.

5.3 Provider's Duty to Submit Claims to Its Insurer. Regardless of whether or not any lawsuit is brought against Manager or any Manager Indemnified Parties (i.e., even if no lawsuit is brought), in the event that any Indemnified Claims are asserted against Manager or any Manager Indemnified Parties, if such Indemnified Claims resulted from or arose out of any of the matters specified in items (a), (b) or (c) above in Section 5.1 of this Paragraph 5, Provider shall promptly (and in no event later than as required under the terms of the insurance policies involved) submit all such Indemnified Claims to Provider's liability insurance carrier. Provider's liability insurance shall be deemed to be the primary and non-contributory insurance with respect to such Indemnified Claims, and Provider's insurer shall be responsible for investigating, settling and paying such Indemnified Claims. To the extent that such Indemnified Claims are not investigated, settled and paid in full by Provider's liability insurance carrier, Provider shall, at its own cost, investigate, settle and pay such Indemnified Claims. Nothing contained in this Section 5.3 shall relieve Provider of any of its indemnification or other obligations under this Agreement.

6. Term and Termination.

6.1 Term. This Agreement is for a period of one (1) year, commencing as of the later of: (i) the date Manager acquires the rights under the Restated Management Agreement; or (ii) the date of this Agreement; provided, however: (i) this Agreement is subject to termination under Section 6.2 or 6.3 below, and (ii) this Agreement shall automatically renew on a one-year (annual) basis, following the expiration of the term hereof, unless either Manager or Provider gives written notice of termination to the other pursuant to Section 6.2 hereof or Manager gives written notice of termination to Provider pursuant to Section 6.3 hereof, within the time periods provided therein.

6.2 Termination With Cause.

A. By Manager.

(1) Manager may, at all times during the term of this Agreement and any extension thereof, terminate this Agreement upon thirty (30) days written notice from Manager to Provider that Provider is in default under any provision of this Agreement (including, without limitation, the failure of Provider to obtain and maintain any one or more of the types of insurance required under this Agreement); provided, however, Provider shall have the right to cure such default within such thirty-day period, provided Provider immediately commences such cure and diligently prosecutes such cure to completion within such thirty-day period. In the event Provider fails to immediately commence such cure or to diligently prosecute such cure to completion, termination of this Agreement shall be effective upon receipt of a second written notice from Manager to Provider so informing Provider, and the balance of the thirty (30)-day cure period provided for herein shall not apply. Any claim of default in the initial notice from Manager to Provider shall be stated with reasonable particularity and shall state the section or sections of this Agreement, which Manager believes to have been breached.

(2) In addition, Manager may, at all times during the term of this Agreement, and any extension thereof, terminate this Agreement, effective immediately upon receipt of such notice of termination by Provider, in the event that: (a) a receiver, liquidator or trustee of Provider shall be appointed by court order, or a petition to liquidate the assets of Provider shall be filed against Provider under any bankruptcy, reorganization or insolvency law, and such order or petition is not vacated or dismissed within 30 days, or Provider shall file a petition in bankruptcy, or if Provider shall make an assignment for the benefit of its creditors, or if Provider is adjudicated a bankrupt; or (b) Provider attempts to assign its obligations hereunder to another party without Manager's prior written consent; or (c) there is damage or destruction to the Golf Course and Manager decides not to rebuild or restore the Golf Course or there is a taking by condemnation (or similar proceeding or sale in lieu thereof) of the Golf Course, or there is a termination of the Restated Management Agreement; or (d) Provider or a key executive of Provider is convicted of a felony relating to its activities hereunder, commits a material fraud or embezzlement relating to its activities hereunder, or a key executive of Provider is addicted to any substances which materially and adversely impact on Provider's performance hereunder; or (e) Manager fails to acquire the rights to the Restated Management Agreement; any such termination shall be effective immediately upon Provider's receipt of notice from Manager of Manager's failure to acquire the rights to the Restated Management Agreement.

B. By Provider. Provider may, at all times during the term of this Agreement and any extension thereof, terminate this Agreement by written notice to Manager for failure to pay all or a portion of the Monthly Fee, or failure to timely fund the Account as determined by the approved Budget, which termination shall be effective thirty (30) days following Manager's receipt of written notice of the failure of Manager to pay the Monthly Fee to Provider when due, or of the due date for Manager's funding of the Account; provided, however, in the event Manager cures such monetary default within such thirty (30) day period, such notice of termination shall be ineffective and this Agreement shall continue in full force and effect. Any notice of default and claim of failure to pay the Monthly Fee or to fund the Account hereunder shall be stated with particularity and shall specify the amount of such underpayment or nonpayment and shall set forth Provider's calculation of the amount with respect to which Manager is in default.

6.3 Termination Without Cause.

(a) Manager or Provider may terminate this Agreement without cause at any time during the term of this Agreement and any extension thereof, upon at least thirty (30) days' written notice to the other; provided, if Manager sells or otherwise transfers ownership of its interest in the Restated Management Agreement, termination of this Agreement shall be effective immediately upon such sale or other transfer without written notice, provided Manager has previously given Provider not less than twenty (20) days written notice of the pendency of such sale. In the event Provider is terminated by Manager under this Section 6.3 during the first twelve (12) months of the term of this Agreement, Provider will be entitled to receive, as total compensation for Provider's services under this Agreement, for the balance of the twelve (12) month period during which such termination takes place, the Base Fee for the remainder of such twelve (12) month period.

(b) Without limiting the application of subsection (a) above, in the event this Agreement is terminated due to the transfer of Manager's interest in the Restated Management Agreement to a third party, Manager shall pay Provider, upon the consummation of such transfer, an additional fee in the amount of Twenty-Five Thousand dollars (\$25,000) as consideration for Provider's active assistance and cooperation with Manager and such third party in the consummation of such transfer; provided, however, no such additional fee shall be payable in the event the purchaser of Manager's rights is Provider or any entity in which one or more of the principals of Provider holds any ownership interest of any kind, directly or indirectly, either personally or through a corporation, partnership, limited liability company or other entity.

6.4 Provider's Obligations After Termination. Upon the expiration or termination of this Agreement as provided above, Provider shall:

A. Deliver to Manager, or such other person(s) designated by Manager, copies of all books and records of the Golf Course and all funds in the possession of Provider belonging to Manager or received by Provider pursuant to the terms of this Agreement or of any of the Basic Documents;

B. Return to Manager any personal property relating to or used in the operation and maintenance of the Golf Course, except any personal property, which was paid for out of Provider's own funds (without reimbursement from Manager) and is owned by Provider. Provider shall, at its own cost and expense, remove all signs that it may have placed

at the Golf Course indicating that it is the provider of same, and replace and restore any damage resulting therefrom; and

C. Use its best efforts to cooperate with Manager to accomplish an orderly transfer of the services provided by Provider under this Agreement Manager or a party designated in writing by Manager. Accordingly, Provider shall, at no charge to Manager and for a period of 30 days after such expiration or termination, make itself available to consult with and advise Manager (or the party designated by Manager) regarding the services provided by Provider, except that upon the consummation of the sale of Manager's interest in the Restated Management Agreement, Provider shall have no such obligations.

7. **No Agency.** Nothing herein contained shall be construed to establish Provider as an agent of Manager. Manager and Provider agree that Provider is being retained by Manager as an independent contractor, and not as an employee, partner or joint venturer, only for the purposes and to the extent set forth in this Agreement. Except as set forth herein, neither Provider nor any of its employees or employees of any contractor or subcontractor retained by Provider shall be considered as having any employee or agent status with Manager unless written approval of such agency relationship is obtained from Manager, nor shall any such person be entitled to participate in any plans, arrangements or distributions of Manager by virtue of the provisions of this Agreement. The parties agree that, during the term of this Agreement, each party shall be responsible for the withholding and payment of any and all state, federal, FICA or other income taxes from its employees, respectively.

8. **Assignment.** Provider may not assign its obligations under this Agreement without the prior written approval of Manager, which may be withheld by Manager, in its sole discretion. Except as aforesaid, this Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns. Any assignment which is permitted hereunder shall be subject to the terms and provisions of this Agreement; provided, however, that upon any such permitted assignment, such assignee shall succeed to all of the rights and obligations of Provider hereunder, and shall agree to execute all documents and to perform all obligations pursuant to this Agreement. Notwithstanding any assignment of this Agreement, Provider shall not be relieved of any obligations or responsibilities for performance or nonperformance of its duties and obligations hereunder prior to the effective date of such assignment. Any assignment in violation of this Agreement shall terminate the obligation of Manager to disburse compensation to Provider, or any assignee thereof including, without limitation, any portion of the Monthly Fee, notwithstanding the provisions of Section 6.2(A) herein.

9. **No Waiver.** The failure of Manager to seek redress for breach, or to insist upon the strict performance, of any covenant, agreement, provision or condition of this Agreement shall not constitute a waiver thereof, and Manager shall have all remedies provided herein and by applicable law with respect to any subsequent act which would have originally constituted a breach.

10. **Manager's Control Over Golf Course Operations.** It is agreed that Manager has the right to fix and change any fees or rentals, to specify the forms and terms of service contracts and utility contracts, as well as all leases, licenses or other fee or rental arrangements, and to inspect the Golf Course at any and all times.

11. Insurance.

11.1 Manager and Provider shall each obtain and keep in full force and effect, at their own cost, Commercial general liability insurance coverage, including personal injury, bodily injury (including wrongful death), broad form property damage, operations hazard, Manager's protective coverage and contractual liability regarding their respective acts and omissions (and those of their respective agents and employees) in connection with the ownership and management, respectively, of the Golf Course. Such insurance coverage for each party shall have limits as follows: (i) in an amount not less than Three Million Dollars (\$3,000,000.00) in the aggregate and in an amount not less than Three Million Dollars (\$3,000,000.00) per occurrence; and (ii) products and completed operations liability in amount not less than Three Million Dollars (\$3,000,000.00) in the aggregate. Provider's Commercial General Liability insurance policy shall cover all indemnification and related obligations of Provider under Paragraph 5 of this Agreement, and shall name (or contain an endorsement naming) Manager and the City as an additional insured.

11.2 In addition, Provider shall obtain and keep in full force and effect, at its own cost, the following insurance:

A. Worker's Compensation and Employer's Liability insurance relative to all employees and agents of Provider engaged in performing services related to this Agreement, with coverage as follows:

(1) With respect to Worker's Compensation Insurance, coverage as required by the laws of the State of Nevada.

(2) With respect to Employer's Liability insurance, limits as follows: bodily injury each accident--not less than One Million Dollars (\$1,000,000.00) for each accident and in an amount not less than One Million Dollars (\$1,000,000.00) for each employee; and (ii) a bodily injury/disease policy limit of not less than One Million Dollars (\$1,000,000.00) in the aggregate.

B. If not covered by Provider's commercial general liability insurance under Section 11.1 hereof, automobile liability including non-owned automobile liability insurance in an amount not less than Three Million Dollars (\$3,000,000.00) per occurrence, to protect Provider and Manager and the City from any claims for bodily injury (including wrongful death) and property damage resulting from any automobile accident involving Provider or any employee or agent of Provider (even if the automobile being used by Provider or by such employee or agent is not owned by Provider) while performing services related to this Agreement. The policy of such insurance shall contain an endorsement naming Manager and the City as an additional insured.

11.3 Each insurance policy (and certificate thereof) obtained by Provider pursuant to this Agreement shall contain a clause that the insurer will provide Manager with at least 30 days prior written notice of any material change, non-renewal or cancellation of the policy. Each such insurance policy shall be with an insurance company authorized to do business in the state where the Golf Course is located and rated not less than Best's Financial Class X and Best's Policyholder Rating B+. A certificate (on the standard ACORD form and issued by an authorized representative of the insurer) evidencing the coverage under each such policy, as well as a certified copy of the aforementioned additional insured endorsements

referred to in Section 11.1 and Paragraph 11.2(B) above, shall be delivered to Manager prior to commencement of the term of this Agreement. Each such policy shall provide that any loss payable thereunder shall be payable notwithstanding:

- A. any act or neglect of Provider or Manager, or
- B. any activity by Provider which is more hazardous than permitted by the terms of such policy or policies, or
- C. any foreclosure or other action or proceeding with respect to the Restated Management Agreement, taken by any mortgagee(s) or trustee(s) pursuant to any provision of the mortgage(s) or deed(s) of trust, or
- D. any change in the ownership of the rights under the Restated Management Agreement; or
- E. any change in title or ownership of the Golf Course.

11.4 If any insurance policy required hereunder to be obtained by Provider is scheduled to expire during the term of this Agreement, Provider shall, at least 30 days prior to the expiration date, provide Manager with a new certificate (which complies with the requirements in Section 11.3) evidencing that such insurance policy has been renewed in the required amounts. Should Provider at any time neglect or refuse to provide any of the insurance required herein, or should such insurance be cancelled, Manager shall have the right (but not the obligation) to procure the same, and the cost thereof shall be deducted from Provider's compensation.

11.5 Manager and Provider hereby waive their rights against each other (as well as the officers, employees, agents, and authorized representatives of each other) with respect to any claims (including, but not limited to, claims for bodily injury to any person(s), and/or damage to any part of the Golf Course, and/or any fixtures, equipment, personal property, improvements and/or alterations in or to the Golf Course, which are caused by or result from (i) risks insured against under any valid and collectible insurance contract or policy carried by Manager or Provider (whichever the case may be) and in force at the time of any such injury and/or damage, or (ii) risks which would be covered under any insurance required to be obtained and maintained by Manager or Provider (whichever the case may be) under this Article 11, even if such required insurance is not in fact obtained and maintained. Said mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Agreement with respect to any bodily injury or any loss or damage to property of the parties hereto. Each party shall cause each insurance policy obtained by it with respect to this Agreement to provide that the insurer waives all rights of recovery by way of subrogation against either Manager or Provider (whichever the case may be) and against the officers, employees, agents, and authorized representatives of Manager and Provider in connection with any claims for bodily injury or property damage covered by such policy, and such waiver shall be indicated in any insurance certificate to be provided pursuant to this Agreement. If any insurance policy required under this Agreement is obtainable only by the payment of an additional premium charge (i.e., above that charged by the insurer for such policy without a waiver of subrogation), the party undertaking to obtain the insurance shall have the option to either pay the additional premium for a waiver of subrogation from such insurer or to place the insurance with another insurance company that meets the requirements set forth in Section

11.3 hereof and shall issue the aforementioned waiver of subrogation free of charge. If any insurer (with respect to any insurance required under this Agreement) will not waive its right of subrogation, not even with payment of an additional premium, the party undertaking to obtain the insurance shall place the insurance with another insurance company that meets the minimum requirements set forth in Section 11.3 and will issue the aforementioned waiver of subrogation, and said insured party shall pay any additional premium charge required by its insurer for issuing a waiver of subrogation. Notwithstanding anything herein to the contrary, (i), no waiver of subrogation shall be required from the insurance company carrying Worker's Compensation insurance and Employer's Liability insurance for Provider, and (ii) Manager may, in its sole discretion, self-insure for all or any part of Manager's insurance obligations pursuant to this Agreement.

12. Limitation on Liability It is expressly understood and agreed between the parties that the liability of Manager and Provider, respectively (including, without limitation, any partnership, joint venture or other entity which succeeds to the interest of Manager or Provider hereunder), shall be limited solely to the net assets of Manager and Provider, respectively. No limited partner, director, officer, or shareholder of Manager or Provider, respectively (or of any such successor partnership, joint venture or other entity) shall be personally liable with respect to any claim arising out of or relating to this Agreement, except as expressly set forth herein. In addition, no claim may be brought by one party against the other under the indemnification provisions of Section 5 herein unless such claim is asserted in writing within one (1) year after the claiming party acquires actual knowledge of the occurrence of the act or failure to act which gave rise to such claim, except for: (i) claims based on fraud or willful misconduct; and/or (ii) claims brought by a third party against one party, for which the other party believes it is entitled to indemnification under Section 5 herein. Neither Manager nor Provider shall be liable to the other for any lost profits, consequential damages or punitive damages, except as expressly set forth herein, and each party hereby waives any and all claims for its own lost profits, consequential damages and/or punitive damages arising from any breach of this Agreement. Notwithstanding any foregoing provision of this Paragraph 12 to the contrary, Manager and Provider shall be liable to one another for any damages resulting from the gross negligence, fraud (either actual or constructive) and/or any other form of willful misconduct, whether or not such matter constitutes a breach or default under this Agreement.

13. Representations and Warranties of Manager.

Manager hereby represents and warrants to Provider as follows:

(1) Manager is a limited liability company, organized, validly existing and in good standing in the State of Delaware, and qualified to do business in the State of Nevada;

(2) Manager has full power and authority to enter into and perform its obligations in accordance with the terms and provisions of this Agreement;

(3) To the best of Manager's knowledge, there are no actions, suits or proceedings pending or threatened against Manager that might materially and adversely affect the Golf Course or Manager in connection with the Golf Operations;

(4) To the best of Manager's knowledge, the execution and performance of this Agreement by Manager will not result in any breach of the terms and

conditions of, or constitute a default under, any agreement or instrument to which Manager is a party or under which Manager is obligated; and

(5) To the best of Manager's knowledge, Manager is not in default in the performance or observance of its obligations under any agreements in connection with the Golf Course or the Golf Operations.

For purposes of the representations and warranties herein, any references to "Manager's knowledge" shall mean the actual knowledge of John C. Mulvihill and David Honerkamp as the officers of Pacific Life Insurance Company, Manager's sole member, with responsibility for the monitoring and supervision of Provider and the Golf Operations, following Manager's acquisition of the rights under the Restated Management Agreement, without duty to make any particular independent investigation of such matters. It is understood and acknowledged that: (i) Manager either will have acquired the rights to the Restated Management Agreement through foreclosure, deed-in-lieu of foreclosure, or its equivalent, simultaneously with the execution of this Agreement or within a short time before or after the date of this Agreement; and (ii) in making the representations and warranties herein, Manager is relying upon its limited knowledge, as a lender of, and familiarity with, the Golf Course and Golf Operations.

14. Representations and Warranties of Provider.

Provider hereby represents and warrants to Manager as follows:

(1) Provider is a limited liability company, organized, validly existing and in good standing in the State of Nevada;

(2) Provider has full power and authority to enter into and perform in accordance with the terms and provisions of this Agreement;

(3) To the best of Provider's knowledge, there are no actions, suits or proceedings pending or threatened against Provider which might materially and adversely affect Provider's performance of its obligations hereunder or the Golf Operations in general;

(4) To the best of Provider's knowledge, this Agreement will not result in any breach of the terms or conditions of, or constitute a default under any agreement or instrument to which Provider is a party or under which Provider is obligated.

15. Notices. Unless otherwise specifically provided, all notices, demands, statements and communications required hereunder or by law shall be in writing and shall be sent by certified or registered mail, postage prepaid, return receipt requested, or by any reputable overnight or one day express mailing service such as Federal Express, to the following addresses, or to such other address as shall from time to time have been designated by written notice by either party to the other party as herein provided:

Provider: OB Sports Golf Management
7025 E. Greenway Parkway, Suite 550
Scottsdale, Arizona 85254
Attn: Phil Green, President
C.A. Roberts, Vice President, Business
Development
Telephone: (480) 948-1300
Fax: (480) 948-0990
E-Mail: pgreen@obsports.com
caroberts@obsports.com

with a copy to: Holland & Knight LLP
2300 US Bancorp Tower
111 S.W. Fifth Avenue
Portland, OR 97204
Attn: George J. Gregores, Esq.
Telephone: (503) 243-5879
Fax: (503) 241-8014
E-Mail: george.gregores@hkllaw.com

Manager: Pacific Life Insurance Company
700 Newport Center Drive
Newport Beach, California 92660
Attn: Dave Honerkamp, Assistant Vice President
Real Estate Investments
Fax: (714) 760-9680
E-Mail: david.honerkamp@pacificlife.com

with a copy to: Pacific Life Insurance Company
700 Newport Center Drive
Newport Beach, California 92660
Attn: Dale E. Hawley, Esq., Law Dept.
Fax: (949) 219-3706
E-Mail: dale.hawley@pacificlife.com

Any notices mailed in accordance with the provisions hereof shall be effective as of the date of actual receipt. Notices may be delivered by facsimile; provided, however, the date of actual receipt of any notice sent by facsimile shall be confirmed either by electronic confirmation by the facsimile machine of the noticing party, or independently through notification of the transmittal of such facsimile notice. Electronic confirmation of facsimile notices need not be transmitted to the party receiving such notice.

16. **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.

17. **Applicable Law.** This Agreement shall be construed in accordance with the laws of Nevada.

18. **Entire Agreement; No Oral Amendments.** 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. This Agreement may be modified or amended only by an instrument in writing signed by the party against whom enforcement of such amendment or modification is sought.

19. **Fidelity Bond.** If Manager wishes to insure itself against dishonest or fraudulent acts by Provider and/or Provider's employees with respect to fees (and any other payments) received by Provider on behalf of Manager from the operation of the Golf Course, then Manager shall, through its own blanket coverage or through other sources, provide such coverage at its own expense. However, if Manager does not elect to obtain such coverage on its own, then Manager shall so notify Provider, and in such event, Provider shall obtain (and maintain, unless subsequently notified by Manager that Manager has obtained such coverage on its own), at the sole expense of Provider, a fidelity bond in the penal sum of Three Hundred Thousand Dollars (\$300,000.00) which bond shall insure against dishonest or fraudulent acts by Provider and/or Provider's employees with respect to all fees (and any other payments) received on Manager's behalf by Provider from patrons of the Golf Course and/or in the course of the Golf Operations. Provider shall use its best efforts to obtain a fidelity bond with Manager as a named insured or additional insured, with the definition of the "insured's employee" to be modified to mean employees of Provider rather than of Manager. If such a bond is unavailable, Provider shall obtain an endorsement (to whatever bond it obtains) making the benefits of such bond payable to Manager, or in any event payable jointly to Manager and Provider, and shall execute an agreement giving Manager the right to proceed (in the name of Provider) directly against the bonding company in the event of a claim on the bond. Provider shall furnish to Manager a certificate (on the standard ACORD form and issued by an authorized representative of the insurer) evidencing the coverage under such bond (and any endorsements thereto), which certificate will contain a clause that the bonding company will provide Manager with at least 30 days prior written notice of any material changes, non-renewal or cancellation of the bond. Manager may from time to time require adjustments in the amount of such bond to reflect increases or decreases in the aggregate rents and other charges payable with respect to the Golf Course, provided that the cost of the bond shall at all times be borne by Provider. Any fidelity bond obtained by Provider pursuant to this Agreement shall be with a bonding company or insurance company authorized to do business in the State of Nevada, and rated not less than Best's Financial Class X and Best's Policyholder Rating B+.

20. **Affirmative Action and Non-Discrimination.** If the fees to be paid to Provider pursuant to this Agreement are \$10,000 or more, then, to the extent same apply to this Agreement, the following affirmative action provisions of the federal regulations (41 C.F.R.) are incorporated herein by this reference: Section 60-1.4, Section 60-250.4 and Section 60-741.4. If said fees are less than \$10,000 but are \$2,500 or more, then only Section 60-741.4 is incorporated herein.

21. **Attorneys' Fees.** If any action is instituted by either of the parties hereto for the enforcement or interpretation of any of its rights or remedies in or under this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all costs incurred by the prevailing party in said action and any appeal therefrom, including reasonable attorneys' fees to be fixed by the court therein. Said costs and attorneys' fees shall be included as part of the judgment in any such action. Further, should Manager be made a party to any litigation between Provider and any third party, then, to the extent that the litigation resulted from any matters for which Provider is obligated to indemnify Manager pursuant to this Agreement,

Provider shall pay the costs and attorneys' fees incurred by or imposed upon Manager in connection with such litigation.

22. Authority. (a) If Provider executes this Agreement as a corporation or a subsidiary of a corporation, each individual executing this Agreement represents and warrants that he or she is duly authorized to sign and deliver this Agreement on behalf of Provider, in accordance with a duly adopted resolution of the Board of Directors of Provider, or in accordance with the bylaws of Provider, that this Agreement is binding upon Provider in accordance with its terms, that Provider is a duly authorized, adequately capitalized and existing limited liability company which is qualified to do business in the State of Nevada, and that Provider shall, within 30 days after request by Manager, deliver to Manager a certified copy of a resolution of the Board of Directors of Provider authorizing or ratifying the execution of this Agreement.

(b) If Provider executes this Agreement as a partnership, each individual executing this Agreement on behalf of said partnership represents and warrants that he or she is a general partner of said partnership, and that this Agreement is binding upon said partnership in accordance with its terms.

(c) If this Agreement is signed by only one person on behalf of Provider, that person hereby represents and warrants to Manager that he or she is duly authorized to bind Provider to the provisions of this Agreement, with his or her signature alone.

23. Contractors and Subcontractors. Contracts between Provider and any contractor or subcontractor retained by Provider to perform security or other services in connection with the Golf Course and/or Golf Operations shall be consistent with the provisions of this Agreement. Provider shall require each contractor or subcontractor (retained by him to perform such services to the Golf Course) to: (i) procure and maintain, at such contractor's or subcontractor's own expense during the performance of such services, General Liability (for bodily injury and property damage) insurance, as well as Automobile Liability, Worker's Compensation, and Employer's Liability insurance, substantially similar to that required of Provider under Paragraphs 11 and 19 of this Agreement; and (ii) deposit with Manager certificates (which comply with the requirements in Paragraphs 11 and 19) evidencing such insurance. Provider shall not allow any contractor or subcontractor to provide such services to the Golf Course until all required insurance has been obtained and Manager has received the certificates evidencing same. Any agreement between Provider and any contractor or subcontractor shall provide that such agreement will terminate immediately upon the termination of this Agreement, and will provide that such agreement may be terminated by Provider, for any reason upon 30 days prior written notice by Provider to such contractor or subcontractor.

24. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under applicable law, but if any provision of this Agreement shall be invalid or prohibited hereunder, such provision shall be ineffective to the extent of the prohibition or invalidation, but the remainder of such provision, and the remaining provisions of this Agreement, shall not be invalidated.

25. Time. Time is of the essence of this Agreement.

26. Restated Management Agreement Controlling. To the extent the provisions of the Restated Management Agreement are in conflict with this Agreement, the provisions of the Restated Management Agreement shall control, but only to the extent of the inconsistency and only to the extent such inconsistency requires a greater obligation.

27. Counterpart and Facsimile Signatures. This Agreement may be executed in one or more counterparts, and by facsimile signature, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PROVIDER:

OB SPORTS GOLF MANAGEMENT (AP), LLC
a Nevada limited liability company

By: _____
Name: _____
Its: _____

MANAGER:

LAS VEGAS GOLF I, LLC
a Delaware limited liability company

By: Pacific Life Insurance Company
a California corporation
Its: Sole member

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

25. Time. Time is of the essence of this Agreement.

26. Restated Management Agreement Controlling. To the extent the provisions of the Restated Management Agreement are in conflict with this Agreement, the provisions of the Restated Management Agreement shall control, but only to the extent of the inconsistency and only to the extent such inconsistency requires a greater obligation.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PROVIDER:


OB SPORTS GOLF MANAGEMENT (AP), LLC
a Nevada limited liability company


By: _____
Name: _____
Its: _____

MANAGER:

LAS VEGAS GOLF I, LLC
a Delaware limited liability company

By: Pacific Life Insurance Company
a California corporation
Its: Sole member

By: 
Name: John McMill
Its: Vice President

By: 
Name: Debra Cunningham
Its: Assistant Secretary

25 Time. Time is of the essence of this Agreement.

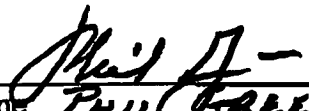
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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written

PROVIDER:

OB SPORTS GOLF MANAGEMENT (AP), LLC
a Nevada limited liability company

By: 
Name: PHIL GREEN
Its: PRESIDENT

MANAGER:

LAS VEGAS GOLF I, LLC
a Delaware limited liability company

By: Pacific Life Insurance Company
a California corporation
Its: Sole member

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

EXHIBIT A-1

**Construction Agreement
(Work not to exceed \$10,000)**

[To be provided]

EXHIBIT A-2
DRAW AGREEMENT
or
LUMP SUM AGREEMENT

[To be provided]

EXHIBIT B
RESTATED MANAGEMENT AGREEMENT

CERTIFICATE DISCLOSURE OF OWNERSHIP/PRINCIPALS

1. Definitions

"City" means the City of Las Vegas.

"City Council" means the governing body of the City of Las Vegas.

"Contracting Entity" means the individual, partnership, or corporation seeking to enter into a contract or agreement with the City of Las Vegas.

"Principal" means, for each type of business organization, the following: (a) sole proprietorship – the owner of the business; (b) corporation – the directors and officers of the corporation; but not any branch managers of offices which are a part of the corporation; (c) partnership – the general partner and limited partners; (d) limited liability company – the managing member as well as all the other members.

2. Policy

In accordance with Resolution 79-99 and 105-99 adopted by the City Council, Contracting Entities seeking to enter into certain contracts or agreements with the City of Las Vegas must disclose information regarding ownership interests and principals. Such disclosure generally is required in conjunction with a Request for Proposals (RFP). In other cases, such disclosure must be made prior to the execution of a contract or agreement.

3. Instructions

The disclosure required by the Resolutions referenced above shall be made through the completion and execution of this Certificate. The Contracting Entity shall complete Block 1, Block 2, and Block 3. The Contracting Entity shall complete either Block 4 or its alternate in Block 5. Specific information, which must be provided, is highlighted. An Officer or other official authorized to contractually bind the Contracting Entity shall sign and date the Certificate, and such signing shall be notarized.

4. Incorporation

This Certificate shall be incorporated into the resulting contract or agreement, if any, between the City and the Contracting Entity. Upon execution of such contract or agreement, the Contracting Entity is under a continuing obligation to notify the City in writing of any material changes to the information in this Certificate. This notification shall be made within fifteen (15) days of the change. Failure to notify the City of any material change may result, at the option of the City, in a default termination (in whole or in part) of the contract or agreement, and/or a withholding of payments due the Contracting Entity.

**CERTIFICATE - DISCLOSURE OF OWNERSHIP/PRINCIPALS
(CONTINUED)**

<p>Block 1 Contracting Entity (Name)</p> <p><i>OB SPORTS GOLF MANAGEMENT (AP) LLC</i></p> <p>Name</p> <p><i>7025 E. GREENWAY PKWY STE 550</i></p> <p>Address</p> <p><i>SCOTTSDALE AZ 85254</i></p> <p>EIN or Social Security # <i>35-2201529</i></p>	<p>Block 2 Description</p> <p>Subject Matter of Contract Agreement</p> <p><i>MANAGEMENT AGREEMENT WITH LAS VEGAS GOLF I, LLC</i></p>
--	--

Block 3 Type of Business

Individual
 Partnership
 Limited Liability Company
 Corporation

Block 4 Disclosure of Ownership and Principals

In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.

	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	<i>ORRIN D. VINCENT, M/M OF #5</i>	<i>7025 E. GREENWAY PKWY STE 550 SCOTTSDALE AZ 85254</i>	<i>480-948-1300</i>
2.	<i>JAMIE COOK, M/M OF #5</i>	<i>"</i>	<i>"</i>
3.	<i>CA ROBERTS, M/M OF #5</i>	<i>"</i>	<i>"</i>
4.	<i>PHIL GREEN, M/M OF #5</i>	<i>"</i>	<i>"</i>
5.	<i>OB SPORTS GOLF MANAGEMENT, LLC M/M</i>	<i>"</i>	<i>"</i>
6.			
7.			
8.			
9.			
10.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals - Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: _____

Block 4 Disclosure of Ownership and Principals - Alternate

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: _____

Number of Pages: _____

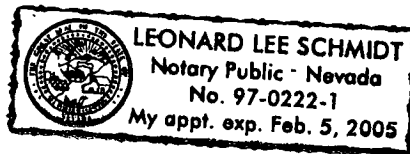
I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

Phil J.
Name
6-20-03
Date

Subscribed and sworn to before me this 20 day of

JUNE, 2003.

Leonard Lee Schmidt
Notary Public



ANGEL PARK GOLF CLUB

SUB-USE AGREEMENT

THIS SUB-USE AGREEMENT ("Agreement"), effective as of May 30, 2003, is made by and between LAS VEGAS GOLF I, LLC a Delaware limited liability company, ("Operator"), and OB SPORTS F/B MANAGEMENT, LLC, a Nevada limited liability company, ("Sub-Operator"), with reference to the facts set forth below.

RECITALS

WHEREAS, the City of Las Vegas ("City") is the owner of approximately three hundred twenty (320) acres of land which is legally described as the North One-Half (N½) of Section 31 and the North One-Half (N½) of the North One-Half (N½) of Section 32, Township 20 South, Range 60 East, M.D.M. ("Parcel 1" herein), that was conveyed to the City by the United States Department of Interior pursuant to Patent #1231300 (Nevada 057018), dated March 15, 1963 (the "1963 Patent"), from the United States of America; and

WHEREAS, the City is the owner of approximately three hundred twenty (320) acres of land which is legally described as the East One-Half (E½) of Section 29, Township 20 South, Range 50 East M.D.M. ("Parcel 2" herein), that was conveyed to the City by the United States Department of Interior pursuant to Patent #27-96-0031 (Nevada 054655), dated May 22, 1996 (the "1996 Patent"), from the United States of America; and

WHEREAS, the City and Angel Park Management Corporation, a Nevada corporation ("APMC") made and entered into that certain agreement entitled "Management Agreement" dated October 21, 1987, as the same was amended by "First Amendment to Management Agreement" dated March 16, 1988, by "Second Amendment to Management Agreement" dated May 9, 1988, by "Third Amendment to Management Agreement" dated December 4, 1995, by "Fourth Amendment to Management Agreement," by "Fifth Amendment to Management Agreement" dated August 21, 1996, and "Sixth Amendment to Management Agreement" dated June 9, 1997 (collectively the "Management Agreement"), pursuant to which the City granted to APMC the exclusive right to design, construct, occupy, operate and maintain, on behalf of the City, a public golfing facility, consisting of two (2) eighteen-hole golf courses, a twelve-hole par three course, a clubhouse, lighted driving range, and related facilities (collectively the "Facility") on those portions of Parcel 1 and Parcel 2 that are described in Exhibit "E" to the Management Agreement (the "Premises"), all as is more particularly described in, and provided by, the Management Agreement; and

WHEREAS, all of the rights and obligations of APMC under the Management Agreement were assigned by it to, and assumed by, Angel Park Golf Project, Ltd., a Colorado limited partnership ("APGC") by Agreement of Assignment dated March 16, 1988, which assignment and assumption were consented to by the City pursuant to its Consent to Assignment dated March 16, 1988; and

WHEREAS, all the rights and obligations of APGC under the Management Agreement were assigned by it to, and assumed by, Angel Park, LLC, a Delaware limited liability company, a subsidiary of O.B. Sports LLC, a Delaware limited liability company ("Angel Park, LLC"), by that certain Bill of Sale, Assignment and Assumption dated December 4, 1995, which was consented to by the City by action of the City Council;

WHEREAS, the City and Angel, LLC, made and entered into a Restated Management Agreement dated September 15, 1999, as the same was amended by First Amendment to Restated Management Agreement dated April 5, 2000 (collectively the "Restated Management Agreement") a copy of which is attached as Exhibit A, pursuant to which the City offered Angel Park, LLC the exclusive right to occupy, operate, maintain and receive and retain all of the income and profits from, and Angel Park, LLC agreed to occupy, operate and maintain, on

behalf of the City, The Facility on the premises, subject to the terms and conditions of the Restated Management Agreement;

WHEREAS, all the rights and obligations of Angel Park, LLC under the Restated Management Agreement were assumed and assigned by it to, and assumed by, Operator, by that certain Bill of Sale, Assignment and Assumption dated April 7, 2003, which was authorized and ordered by the United States Bankruptcy Court for the Southern District of Texas, Houston, Division, in the jointly administered Case No. 02-43169-H4-11; and

WHEREAS, Sub-Operator desires to obtain from Operator the right to use, and Operator desires to grant to Sub-Operator the right to use, the portion of the clubhouse (the "Clubhouse") located at the Facility depicted on attached Exhibit B (the "Restaurant Premises") for the purpose of operating therein a restaurant and adjacent bar area servicing the patrons and members of the Facility (the "Restaurant") and for beverage cart service at the Facility for the term set forth herein; and;

WHEREAS, this Agreement is contemplated by Article XIV (m) of the Restated Management Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, Operator and Sub-Operator agree as follows:

ARTICLE I

RESTAURANT PREMISES

Restaurant Premises. Operator hereby appoints Sub-Operator, and Sub-Operator hereby accepts from Operator, upon the terms and conditions set forth in this Agreement, the right to exclusively operate and use the Restaurant Premises for the purpose of providing food and beverage services.

ARTICLE II

TERM OF AGREEMENT

2.1 Term. The initial term of this Agreement ("Initial Term") shall commence on May 30, 2003 ("Commencement Date") and expire on April 7, 2004, and this Agreement shall automatically renew on a one-year (annual) basis, following the expiration of the Initial Term and on April 7th of each subsequent year, until this Agreement is terminated pursuant to Paragraph 2.2. The Initial Term, or upon the expiration of the Initial Term, the then effective automatic one year renewal period is referred to herein as the "Term."

2.2 Termination. This Agreement will terminate ninety (90) days following written notice of termination given by Sub-Operator to Operator, or thirty (30) days following written notice of termination given by Operator to Sub-Operator.

2.3 Sub-Operator's Obligations After Termination. Upon the expiration or termination of this Agreement as provided above, Sub-Operator shall:

2.3.1 Delivery of Books and Records. Deliver to Operator, or such other person(s) designated by Operator, copies of all books and records of the Restaurant Premises and all funds in the possession of Sub-Operator belonging to Operator or received by Sub-Operator pursuant to the terms of this Agreement or of any of the Basic Documents;

2.3.2 Return of Property. Return to Operator any personal property relating to or used in the operation and maintenance of the Golf Course, except any personal property which was paid for out of Sub-Operator's own funds (without reimbursement from Operator) and is owned by Sub-Operator. Sub-Operator shall, at its own cost and expense, remove all signs that it may have placed at the Golf Course indicating that it is the provider of same, and replace and restore any damage resulting therefrom; and

2.3.3 Cooperation. Use its best efforts to cooperate with Operator to accomplish an orderly transfer of the operation and management of the Golf Course to Operator or a party designated in writing by Operator. Accordingly, Sub-Operator shall, at no charge to Operator and for a period of thirty (30) days after such expiration or termination, make itself available to consult with and advise Operator (or the party designated by Operator) regarding the operation and maintenance of the Golf Course, except that upon the consummation of the sale of the Golf Course, Sub-Operator shall have no such obligations.

ARTICLE III

FEES

3.1 Fees. On the fifth (5th) day of each calendar month during the Term, Sub-Operator shall pay to Operator a fixed use fee of \$46,330.00 per month ("Monthly Fee;" collectively all such Monthly Fees payable hereunder, the "Fees").

3.2 Gross Receipts. The term "Gross Receipts" as used in this Agreement shall mean all receipts from all business conducted subsequent to the Commencement Date by or in connection with the operation of the Restaurant, for cash, check or credit terms, including, but not limited to, all receipts from the sale of food, beverages (including alcoholic beverages), goods, wares, equipment and merchandise on or from the Restaurant Premises (including the gross amount received by reason of orders taken on the Restaurant Premises although filled elsewhere and the gross amount received by reason of orders taken on or about the Facility by means of cart sales or refreshment stands operated under the direction or management of Sub-Operator), all receipts derived from services performed on or from the Restaurant Premises and all receipts derived from investments of Gross Receipts; provided, however, that in no event shall Gross Receipts include:

(a) The amount of any sales, use or gross receipts tax imposed by federal, state or municipal or other governmental authorities directly upon sales and collected from customers, provided that the amounts thereof are added to the sales price or absorbed therein and paid by Sub-Operator to such governmental authority;

(b) Revenues of licensees and concessionaires using the Restaurant Premises; provided, however, that all commissions, fee percentages and other payments received by Sub-Operator from any licensee or concessionaire shall be included in Gross Receipts;

(c) Gratuities added to customer billings for compensation to Restaurant employees;

(d) Food, non-alcoholic beverages, merchandise or services supplied to Restaurant employees and complimentary food, non-alcoholic beverages, merchandise or services supplied to any other persons or guests not required to pay for same;

(e) Sums and credits received in the settlement of claims for loss or damage to food, alcoholic beverages, merchandise or Sub-Operator's property;

(f) Gift certificates or like vouchers, until such time as the same shall have been converted into a sale by redemption.

3.3 Operating Costs. The term "Operating Costs" as used in this Agreement shall mean all costs incurred in operating the Restaurant, including, without limitation, the Monthly Fee, all maintenance and repair costs and expenses, wages, salaries, insurance, utilities, inventory, supplies and taxes other than Sub-Operator's income taxes. Sub-Operator's income taxes shall not be attributable to the operation of the Restaurant for purposes of this Paragraph.

3.4 Monthly Net Income. The term "Monthly Net Income" as used in this Agreement shall mean Gross Receipts minus Operating Costs for a particular month.

3.5 Sub-Operator's Records. For the purpose of ascertaining Monthly Net Income, Sub-Operator agrees to keep and maintain, and to require its permitted managers, sublessees, concessionaires and licensees, if any, to keep and maintain, at the Restaurant Premises or at such other place as Operator may approve in writing, a permanent, accurate set of books and records of all sales of merchandise and revenue derived from business conducted on the Restaurant Premises, and all supporting records such as tax reports, banking records, cash register tapes, sales slips and other sales records. Sub-Operator shall install and maintain accurate receipt-printing cash registers -and shall record on the cash registers every sale made in or from the Restaurant Premises. In addition, upon request of Operator, Sub-Operator shall furnish to Operator copies of its quarterly California sales and use tax returns, within thirty (30) days after the earlier of the date on which any such return is filed or required to be filed with the State of Nevada. All such books and records shall be retained and preserved for at least three (3) years after the end of the calendar year to which they relate. The receipt by Operator of any statement, any deferral of Monthly Rent or payment of deferred Rent or any reimbursement of Monthly Net Income, shall not bind Operator as to the correctness of the statement or any such deferral, payment or reimbursement.

3.6 Audit. Within three (3) years after the receipt of any statement issued by Sub-Operator pursuant to this Agreement, Operator shall be entitled to inspect and examine or to cause a complete audit to be made by a certified public accountant to be designated by Operator of Sub-Operator's entire business affairs and records relating to the Restaurant Premises for the period covered by any such statement. Such inspection and examination or such audit shall be limited to a determination of Sub-Operator's Gross Receipts, shall be conducted during normal business hours, and shall occur at the Restaurant Premises or such other place as Operator may have permitted Sub-Operator to maintain its records. If the audit shows that there is a deficiency in the payment of Fees, Sub-Operator shall immediately pay to Operator any such deficiency which is established by such audit together with interest at the greater of twelve percent (12%) per annum or the maximum rate permitted by law from the date that such Fees was otherwise due. The costs of such audit shall be paid by Operator unless the audit shows that Sub-Operator understated Gross Receipts by more than five percent (5%), in which case Sub-Operator shall reimburse Operator for all Operator's costs and expenses connected with such audit. Any information gained from such statements, inspection, examination or audit shall be confidential and shall not be disclosed except to carry out the purposes hereof; except, however, that Operator shall be permitted to divulge such information in connection with any, financing, refinancing, sale, reletting upon termination, or other assignment of Operator's Interest in the Restaurant Premises.

3.7 Monthly Fee Adjustment. At the end of the Initial Term and at the end of each Term thereafter, Operator may adjust the Monthly Fee by giving written notice of the adjusted Monthly Fee to Sub-Operator on or before the 5th day following the end of the Initial Term or Term. The adjusted Monthly Fee will be effective on the Monthly Fee due date for the immediately following calendar month. If Sub-Operator does not accept the adjusted Monthly Fee, Sub-Operator shall give written notice to Operator on or before the effective date of the adjusted Monthly Fee, in which case Operator may elect not to reset the Monthly Fee or terminate the contract pursuant to Paragraph 2.2.

ARTICLE IV

INTENTIONALLY OMITTED

ARTICLE V

TAXES AND ASSESSMENTS

Sub-Operator shall be responsible for paying any assessments, fees or other governmental charges, general or special, ordinary or extraordinary, of every kind or nature whatsoever with respect to the operation of the Restaurant, or personal property taxes payable with respect to the personal property and equipment of Operator and Sub-Operator located in or about the Restaurant Premises, which shall, during the Term of this Agreement, be levied, assessed, imposed upon or

otherwise become due and payable with respect to the Restaurant Premises. All such items shall become part of Operating Costs.

ARTICLE VI USE OF THE PREMISES: LIMITATIONS

6.1 Permitted Uses. The Restaurant Premises shall be used and occupied by Sub-Operator for the purpose of operating a golf course restaurant and bar serving breakfast, lunch, and dinner, and any other food and beverage service rendered to the Facility, its members, guests and patrons as shall be approved in writing by Operator, and for no other purpose, all in accordance with the Restated Management Agreement. Operator shall have the right to reasonably approve the menu, prices, and hours of operation of the Restaurant Premises.

6.2 Continuous Operation. Throughout the Term, Sub-Operator shall in good faith continuously conduct and carry on its business in the entire Restaurant Premises for the uses specified in this Agreement and shall continuously operate the Restaurant, during all business hours as set by Operator. If the Restaurant Premises are destroyed or partially condemned and this Agreement remains in full force and effect, Sub-Operator shall continue operation of its business at the Restaurant Premises to the extent reasonably practical from the standpoint of good business judgment, during any period of reconstruction. Sub-Operator shall carry and offer for sale at all times, a full and complete stock of food, beverages (including alcoholic beverages) and merchandise at competitive prices, and shall maintain adequate personnel for the efficient serving of the Facility's customers. Sub-Operator shall employ its best efforts to operate the business conducted on the Restaurant Premises in a manner that will produce the maximum volume of Gross Receipts. Sub-Operator shall use only such space in the Restaurant Premises for office, clerical, and other nonselling purposes as is reasonably required for Sub-Operator's business on the Restaurant Premises.

6.3 On-Site Manager. Sub-Operator shall engage appropriate personnel to provide on-site management of the operations of the Restaurant, which personnel shall be supervised by Sub-Operator.

6.4 Restaurant Employees. Sub-Operator shall employ all personnel necessary to operate the Restaurant pursuant to this Agreement and shall retain all appropriate oversight over such employees. Sub-Operator shall notify Operator promptly of any situation potentially requiring discipline and/or termination of any employee, any injury to any employee, any inquiries by employees regarding compensation or benefits, any notice by an employee of the employee's intent to terminate, and any complaints by employees, and Sub-Operator shall take all necessary and appropriate action to address the situation.

6.5 Liquor License. Sub-Operator shall use its best efforts to obtain and maintain an on-sale general eating place license issued by the City of Las Vegas issued in Sub-Operator's name (the "Liquor License") for the sale of alcoholic beverages at the Restaurant Premises and from any liquor carts, at all times during the Term, to abide by the conditions thereof, and to renew the same as necessary from time to time to avoid cancellation or expiration thereof. Sub-Operator shall transfer the Liquor License to Operator or to another party as Operator may direct, if requested by Operator, upon termination of this Agreement. Such transfer of the Liquor License shall comply with the City of Las Vegas liquor control ordinances and regulations.

6.6 Compliance: Nuisance. Sub-Operator shall procure, maintain and renew all permits and licenses required for the transaction of its business in the Restaurant Premises, including, without limitation, the Liquor License in accordance with Paragraph 6.5. Sub-Operator shall not engage in any activity on or allow anything to be brought and/or maintained on the Restaurant Premises in violation of any law, statute, zoning, restriction, ordinance or governmental rule or regulation or in conflict with the certificate of occupancy for the Clubhouse, or which is prohibited by any standard form of fire insurance policy, or which may cause a cancellation of any insurance policy covering the Clubhouse or any part thereof or any of its contents, or in violation of the Restated Management Agreement. Sub-Operator shall not do or permit anything to be done in or about the Restaurant Premises which will in any way obstruct or interfere with the rights of other users of the Facility, or injure or annoy Facility users. Sub-Operator shall not use or allow the Restaurant Premises to be used for any improper, immoral, unlawful or

objectionable purpose, or cause, maintain or permit any nuisance on or about the Restaurant Premises, the Facility, or commit or suffer to be committed any waste on or about the Restaurant Premises or the Facility. In the event Sub-Operator fails to comply with the provisions of this Paragraph and Operator should therefore be charged an additional insurance premium, Sub-Operator shall immediately upon demand, reimburse Operator for such additional premium. In addition, Operator shall have the right, but not the obligation, to enter onto the Restaurant Premises, as provided in Paragraph 6.7 hereof, without notice, and abate any unauthorized use of the Restaurant Premises or waste or nuisance. All costs and expenses incurred by Operator arising from such abatement, including, without limitation, Operator's overhead and attorneys' fees, shall be immediately due and payable by Sub-Operator upon Operator's demand for payment. Sub-Operator's payment of any sums under this Paragraph shall neither constitute a cure of its default under this Paragraph nor in anyway affect Operator's remedies at law, in equity, or under this Agreement and arising out of Sub-Operator's breach of its obligations and undertaking under this Paragraph.

6.7 Operator's Right To Enter The Restaurant Premises. Sub-Operator shall permit Operator and its agents and employees to enter the Restaurant Premises without notice, for any reason, at any time. Sub-Operator hereby waives any claim for damages for any injury or inconvenience to or interference with Sub-Operator's business, and any other loss occasioned thereby. The above rights are subject to reasonable security regulations of Sub-Operator, and to the requirement that Operator shall at all times act in a manner to cause the least possible interference with Sub-Operator's business.

ARTICLE VII

ASSIGNMENT AND SUBLETTING

Sub-Operator shall not directly or indirectly, voluntarily or by operation of law, transfer, assign, encumber or hypothecate this Agreement. No assignment, encumbrance, subletting or other transfer in violation of the terms of this Article, whether voluntary or involuntary, by operation of law, under legal process or proceedings, by receivership, in bankruptcy or otherwise, shall be valid or effective, and at Operator's election, shall constitute a default by Sub-Operator under this Agreement. Sub-Operator acknowledges that Operator has entered into this Agreement in order to obtain for the benefit of the Facility the unique advantages available because the provider of services under an Operational and Services Agreement is affiliated with the Sub-Operator, and the foregoing prohibition on assignment or subletting is expressly agreed to by Sub-Operator in consideration of such fact.

ARTICLE VIII

TRANSFER OF OPERATOR'S INTEREST

In the event of assignment by Operator of its interest in the Restated Management Agreement, Operator shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Agreement, arising out of any act, occurrence or omission occurring after the consummation of assignment and the assignee of any subsequent assignment of the Restated Management Agreement, shall be deemed, without any further agreement between the parties or their successors in interest, or between the parties and any such assignee, to have assumed and agreed to carry out any and all of the covenants and obligations of Operator under this Agreement. Sub-Operator agrees to attorn to such assignee, provided that such assignee agrees that Sub-Operator's right to operate the Restaurant Premises shall not be disturbed so long as Sub-Operator shall pay the Fees and observe and perform all of Sub-Operator's provisions under this Agreement unless this Agreement is terminated pursuant Paragraph 2.2.

ARTICLE IX

ALTERATIONS ADDITIONS AND IMPROVEMENTS

9.1 No Alterations. Sub-Operator shall not make any alterations additions or improvements (collectively, "Alterations") to the Restaurant Premises, without the prior written consent of Operator.

9.2 Liens. Sub-Operator shall not allow or cause any liens or claims against the arising out of, or any claims for damages growing out of, any work performed, materials furnished or obligations incurred by or for Sub-Operator, and Sub-Operator shall cause any such liens or claims to be released of record by payment or posting of a proper bond within five (5) days after Operator so requests in writing. Operator shall have, in addition to all other remedies provided herein and by law, the right to cause the same to be released by such means as Operator deems proper, including payment of or defense against the claim giving rise to such lien. All sums paid by Operator and all expenses incurred by it in connection therewith shall create automatically an obligation of Sub-Operator to pay to Operator an equivalent amount as additional Fees upon demand by Operator. Sub-Operator agrees to indemnify and hold Operator and the City of Las Vegas harmless from all liability for any and all such liens and claims and all costs and expenses in connection therewith, including, without limitation, attorneys' fees.

9.3 Changes or Alterations by Operator. Operator reserves the right, at any time and from time to time, to make such changes, alterations, additions, improvements, repairs or replacements in or to the Facility, as well as in or to the street entrances thereto, or after reasonable notice, to change the number and designation by which the Facility or the Clubhouse is commonly known, as Operator may deem necessary or desirable; provided, however, that there shall be no unreasonable obstruction of the right of access to the Restaurant Premises. Nothing contained in this Paragraph shall relieve Sub-Operator of any duty, obligation or liability of Sub-Operator with respect to making any repair, replacement or improvement, or complying with any law, order or requirement of any governmental or other authority, or construed to impose upon Operator any obligation, responsibility or liability whatsoever for the care, supervision or repair of the Restaurant Premises or any part thereof, or of the Facility, except as otherwise provided in this Agreement.

ARTICLE X

MAINTENANCE AND REPAIR

10.1 Sub-Operator's Maintenance and Repair. Sub-Operator's use of the Restaurant Premises shall constitute Sub-Operator's acceptance of the Restaurant Premises as being in good, complete, and sanitary order, condition and repair, in conformity with the provisions of this Agreement in all respects, subject to the Restated Management Agreement and all applicable laws, ordinances, codes, rules and regulations. Sub-Operator hereby acknowledges that Operator has installed in the Restaurant Premises all improvements, fixtures, furniture and other personal property necessary for the operation of the Restaurant, and that the ownership of all such improvements, fixtures, equipment, machinery, furniture and other personal property is and shall continue to be vested in Operator. Sub-Operator, at all times during the Term, shall, as Operating Costs, keep, maintain, and preserve the Restaurant Premises including the interior-surface of the exterior walls, all windows and doors, all plate glass and showcases, all carpeting and other floor-covering, all electrical equipment, and all plumbing and sprinkler systems installed therein, in first class order, condition, and repair. Sub-Operator acknowledges that neither Operator nor its agents have made any representations or warranties with respect to the condition of the Restaurant Premises or with respect to the suitability or fitness of the Restaurant Premises for the conduct of Sub-Operator's business or for any other purpose. Sub-Operator shall keep the building portion of the Restaurant Premises and sidewalks, serviceways and loading areas adjacent to the Restaurant Premises, neat, clean and free from dirt or rubbish at all times, and shall store all trash and garbage within such service areas as may be designated by Operator for such purpose, and arrange for the regular pick-up of such trash and garbage.

Operator may at its option arrange for regular pick-up and removal of trash from the Restaurant Premises as an Operating Expense. Sub-Operator shall not operate an incinerator or burn trash or garbage within the Restaurant Premises.

10.2 Operator's Maintenance and Repair. Operator shall maintain and repair the Facility; provided, however, Operator shall not be responsible for repair or replacement of damage or wear or tear to same which are caused in part by the act, neglect or omission of any duty by Sub-Operator, Sub-Operator's agents, employees, contractors, subcontractors, sublessees or invitees, in

which case Sub-Operator shall pay to Operator, as additional Fees, the cost of such maintenance and repair. Except as otherwise provided in Article XIII hereof relating to destruction or damage of the Restaurant Premises there shall be no allowance, abatement of Fees or liability of Operator for diminution of value or interference with Sub-Operator's business, and no claim by Sub-Operator for the loss of use of said Restaurant Premises, by reason of inconvenience, annoyance or injury to Sub-Operator arising from any maintenance, repairs, alterations, replacements or improvements to the Facility or any portion thereof by Operator, its agents, employees or contractors. To the extent Operator may be responsible for maintenance or repair under this Agreement, Operator shall not be liable to Sub-Operator for failure to perform any maintenance or repair on the Facility or any portion thereof, unless Operator has received from Sub-Operator written notice of the need for such maintenance or repair and has failed to commence and diligently perform such maintenance or complete such repair within thirty (30) days of such notice or such length of time as is reasonably required by Operator to complete the same.

ARTICLE XI

UTILITIES AND SERVICES

11.1 Utilities and Services Charges. Operator shall provide to the Restaurant Premises all gas, electricity, telephone, water and other utilities reasonably necessary for Sub-Operator's business operations on the Restaurant Premises from and after the Commencement Date. Sub-Operator shall not be responsible for paying any costs relating to utilities or service charges, except to the extent such charges are attributable to the negligence or willful misconduct of Sub-Operator in performing its duties under this Agreement.

11.2 Interruption of Utilities. Notwithstanding anything to the contrary in Paragraph 11.1 above, Operator shall not be liable in damages or otherwise for failure or interruption in the furnishing of utilities or services to the Restaurant Premises when such failure or interruption results from accidents, breakage, repairs, strikes, lockouts or other labor troubles or disputes, or any other causes beyond Operator's reasonable control; provided, however, that no Fees shall be due for any period during which such failure or interruption occurs. In the case of a failure or interruption, Operator shall take all reasonable steps to restore the interrupted utilities or services. Operator shall not be liable for reduction in power usage to the Restaurant Premises when such reductions are required by the utility companies as a condition of their continued service to the Restaurant Premises. No such failure or interruption shall entitle Sub-Operator to terminate this Agreement or abate the Fees or other charges hereunder and Sub-Operator shall not be relieved from the performance of any covenant in this Agreement because of such failure. In the event any municipal, state, federal or other regulatory body (whether judicial, executive or legislative) imposes mandatory controls on Operator, the Property or the Facility relating to the use or conservation of energy or water, gas, light or electricity or the reduction of automobile use or automobile and other emissions, or in the event such a body requests voluntary cutbacks or conservation, or suggests voluntary guidelines for the use of energy or water, gas, light or electricity usage or the reduction of automobiles or automobile and/or other emissions and Operator (in its absolute discretion) deems it advisable or appropriate to comply with such voluntary cutbacks, conservation or guidelines, Operator may comply with such mandatory or voluntary controls to the extent Operator can control the use of energy or light, gas, water or electricity or the reduction of automobiles, or automobile and/or other emissions on the Property or the Facility. Compliance with any of the above shall not in any event constitute a partial or complete loss of use of the Restaurant Premises by Sub-Operator, or shall entitle Sub-Operator to any abatement or mitigation of Fees or other charges, or shall Operator in any way be liable for damages or injury caused thereby to Sub-Operator, Sub-Operator's property, business, employees, customers or suppliers.

ARTICLE XII.

INSURANCE

12.1 Insurance Coverage. Operator and Sub-Operator shall each obtain and keep in full force and effect, at their own cost, Commercial general liability insurance coverage, including personal injury, bodily injury (including wrongful death), broad form property damage, operations hazard,

Operator's protective coverage and contractual liability regarding their respective acts and omissions (and those of their respective agents and employees) in connection with the ownership and management, respectively, of the Golf Course. Such insurance coverage for each party shall have limits as follows: (i) in an amount not less than Three Million Dollars (\$3,000,000.00) in the aggregate and in an amount not less than Three Million Dollars (\$3,000,000.00) per occurrence; and (ii) products and completed operations liability in amount not less than Three Million Dollars (\$3,000,000.00) in the aggregate. Sub-Operator's Commercial General Liability insurance policy shall cover all indemnification and related obligations of Sub-Operator under Paragraph 5 of this Agreement, and shall name (or contain an endorsement naming) Operator as an additional insured.

12.2 Additional Insurance: In addition, Sub-Operator shall obtain and keep in full force and effect, at its own cost, the following insurance:

A. Worker's Compensation and Employer's Liability insurance relative to all employees and agents of Sub-Operator engaged in performing services related to this Agreement, with coverage as follows:

(1) With respect to Worker's Compensation Insurance, coverage as required by the laws of the State of Nevada.

(2) With respect to Employer's Liability insurance, limits as follows: bodily injury each accident--not less than One Million Dollars (\$1,000,000.00) for each accident and in an amount not less than One Million Dollars (\$1,000,000.00) for each employee; and (ii) a bodily injury/disease policy limit of not less than One Million Dollars (\$1,000,000.00) in the aggregate.

B. Automobile Liability Insurance: If not covered by Sub-Operator's commercial general liability insurance under Section 12.1 hereof, automobile liability including non-owned automobile liability insurance in an amount not less than Three Million Dollars (\$3,000,000.00) per occurrence, to protect Sub-Operator and Operator from any claims for bodily injury (including wrongful death) and property damage resulting from any automobile accident involving Sub-Operator or any employee or agent of Sub-Operator (even if the automobile being used by Sub-Operator or by such employee or agent is not owned by Sub-Operator) while performing services related to this Agreement. The policy of such insurance shall contain an endorsement naming Operator as an additional insured.

12.3 Policy Requirements: Each insurance policy (and certificate thereof) obtained by Sub-Operator pursuant to this Agreement shall contain a clause that the insurer will provide Operator with at least 30 days prior written notice of any material change, non-renewal or cancellation of the policy. Each such insurance policy shall be with an insurance company authorized to do business in the state where the Golf Course is located and rated not less than Best's Financial Class X and Best's Policyholder Rating B+. A certificate (on the standard ACORD form and issued by an authorized representative of the insurer) evidencing the coverage under each such policy, as well as a certified copy of the aforementioned additional insured endorsements referred to in Section 12.1 and Paragraph 12.2(B) above, shall be delivered to Operator prior to commencement of the term of this Agreement. Each such policy shall provide that any loss payable thereunder shall be payable notwithstanding:

- A. any act or neglect of Sub-Operator or Operator, or
- B. any activity by Sub-Operator which is more hazardous than permitted by the terms of such policy or policies, or
- C. any foreclosure or other action or proceeding with respect to the Golf Course, taken by any mortgagee(s) or trustee(s) pursuant to any provision of the mortgage(s) or deed(s) of trust, or
- D. any change in title or ownership of the Golf Course.

12.4 Expiration of Insurance. If any insurance policy required to be obtained by Sub-Operator is scheduled to expire during the term of this Agreement, Sub-Operator shall, at least 30 days prior to the expiration date, provide Operator with a new certificate (which complies with the requirements

in Section 12.3) evidencing that such insurance policy has been renewed in the required amounts. Should Sub-Operator at any time neglect or refuse to provide any of the insurance required herein, or should such insurance be cancelled, Operator shall have the right (but not the obligation) to procure the same, and the cost thereof shall be added to the Fees.

12.5 Waiver of Rights: Operator and Sub-Operator hereby waive their rights against each other (as well as the officers, employees, agents, and authorized representatives of each other) with respect to any claims (including, but not limited to, claims for bodily injury to any person(s), and/or damage to any part of the Restaurant Premises, and/or any fixtures, equipment, personal property, improvements and/or alterations in or to the Restaurant Premises, which are caused by or result from (i) risks insured against under any valid and collectible insurance contract or policy carried by Operator or Sub-Operator (whichever the case may be) and in force at the time of any such injury and/or damage, or (ii) risks which would be covered under any insurance required to be obtained and maintained by Operator or Sub-Operator (whichever the case may be) under this Article 12, even if such required insurance is not in fact obtained and maintained. Said mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Agreement with respect to any bodily injury or any loss or damage to property of the parties hereto. Each party shall cause each insurance policy obtained by it with respect to this Agreement to provide that the insurer waives all rights of recovery by way of subrogation against either Operator or Sub-Operator (whichever the case may be) and against the officers, employees, agents, and authorized representatives of Operator and Sub-Operator in connection with any claims for bodily injury or property damage covered by such policy, and such waiver shall be indicated in any insurance certificate to be provided pursuant to this Agreement. If any insurance policy required under this Agreement is obtainable only by the payment of an additional premium charge (i.e., above that charged by the insurer for such policy without a waiver of subrogation), the party undertaking to obtain the insurance shall have the option to either pay the additional premium for a waiver of subrogation from such insurer or to place the insurance with another insurance company that meets the requirements set forth in Section 12.3 hereof and shall issue the aforementioned waiver of subrogation free of charge. If any insurer (with respect to any insurance required under this Agreement) will not waive its right of subrogation, not even with payment of an additional premium, the party undertaking to obtain the insurance shall place the insurance with another insurance company that meets the minimum requirements set forth in Section 12.3 and will issue the aforementioned waiver of subrogation, and said insured party shall pay any additional premium charge required by its insurer for issuing a waiver of subrogation. Notwithstanding anything herein to the contrary, (i), no waiver of subrogation shall be required from the insurance company carrying Worker's Compensation insurance and Employer's Liability insurance for Sub-Operator, and (ii) Operator may, in its sole discretion, self-insure for all or any part of Operator's insurance obligations pursuant to this Agreement.

12.6 Overriding Policy Requirements. Notwithstanding any provision in this Agreement, each policy of insurance to be carried pursuant to this Agreement shall also meet the requirements for insurance set forth in the Restated Management Agreement. If there is a conflict between the insurance provisions of this Agreement and the requirements under the Restated Management Agreement, the more stringent of the two shall control.

ARTICLE XIII

DAMAGE OR DESTRUCTION: CONDEMNATION

13.1 Insurance Proceeds. If all or any portion of the Restaurant Premises shall be damaged or destroyed at any time during the term of this Agreement by fire, casualty or any other cause, proceeds of insurance maintained pursuant to this Agreement, shall, to the extent necessary, be made available to cause such damage to be repaired and the Restaurant Premises to be restored and rebuilt, unless Operator in its sole and absolute discretion determines that it is imprudent or uneconomic to pursue such repair, restoration and rebuilding. During any period when all or any portion of the Restaurant Premises have been damaged or destroyed, the economic relationship between Operator and Sub-Operator shall be adjusted to take account of the reduction in business, if any, caused by such damage or destruction, until the Restaurant Premises have been fully repaired.

13.2 Condemnation. In the event the entire Restaurant Premises and/or Clubhouse, or such portion thereof as shall in Operator's discretion render further efforts to operate the Restaurant imprudent or uneconomic, shall be taken under the power of eminent domain or similar power by any public or quasi-public authority, this Agreement shall terminate as of the date of such taking and Sub-Operator shall receive no portion of the award.

13.3 Partial Condemnation. If a portion of the Restaurant Premises and/or Clubhouse is taken and such taking does not render further operation of the Restaurant imprudent or uneconomic in Operator's sole and absolute discretion, this Agreement shall continue in full force and effect and such portion of the proceeds from such taking as are reasonably necessary shall be made available - to make alterations and modifications to the Restaurant Premises for the purposes of its continued operation as the Restaurant; provided, however, that during such period all Fees Sub-Operator shall be abated and, provided further, that to the extent that the Restaurant Premises are not fully restored the economic relationship between Operator and Sub-Operator shall be adjusted to take account of the reduction in business, if any, caused by such condemnation.

13.4 Damage to Sub-Operator's Property. Operator shall not be liable for any damage of any kind or for any damage to property or injury to persons during the Term from any cause whatsoever by reason of the use, occupancy or enjoyment of the Restaurant Premises or Facility by Sub-Operator or by reason of the use, occupancy or enjoyment of the Restaurant Premises or the Facility by any other person; or by reasons of the violation of any law, regulation or ordinance by Sub-Operator, its directors, officers, employees, agents, customers, invitees or contractors. Sub-Operator, as a material part of the consideration to Operator, hereby assumes all risk of injuries to or death of any person or damage to any property arising out of any occurrence on or in the Restaurant Premises or Facility from any cause except as may be caused by the gross negligence of Operator, its directors, officers, employees or agents, and Sub-Operator hereby waives all claims in respect thereof as against Operator. Neither Operator nor its directors, officers, employees or agents shall be liable for the damage to property entrusted to Operator's employees of the Facility, nor for loss of or damage to any property by theft or otherwise. Even if Operator elects to provide Common Area security, Operator shall not be liable for any losses due to theft, whether by robbery, burglary or otherwise, or for damages to *property or for injury or death of any person or persons arising out of any robbery or burglary or other criminal activity, and Sub-Operator hereby waives any claim or claims it may now or hereafter possess based upon Operator's furnishing of Common Area security. Operator, its directors, officers, employees, or agents shall not be liable for any injury to persons or damage to property resulting from fire, explosion, steam, gas, electricity, water or rain which may leak or flow from or into any part of the Clubhouse or from the breakage, leakage, destruction or other defects of the pipes, appliances, plumbing or air conditioning therein or from the roof, street or subsurface or from any other place or resulting from dampness or any other cause whatsoever, unless caused by or due to the gross negligence of Operator, its directors, officers, employees or agents.

Operator or its directors, officers, partners, employees or agents shall not be liable for any latent defect in the Restaurant Premises or in the Facility. Sub-Operator shall give prompt notice to Operator in case of fire or accidents in the Restaurant Premises or in the Facility or defects therein or in the fixtures or equipment attached thereto or used in connection therewith. The parties agree that Operator shall not be liable for any damages arising from any act, omission or neglect of any other Sub-Operator, or user of the Clubhouse.

ARTICLE XIV

INDEMNIFICATION; OPERATOR'S LIABILITY

14.1 Operator's Indemnity. Operator hereby agrees to indemnify, defend and hold harmless Sub-Operator and Sub-Operator's members, managers, affiliates, partners, officers, directors, employees, agents, successors and assigns (collectively, "Sub-Operator Indemnified Parties") with respect to any and all costs, expenses, damages, claims, judgments, lawsuits, causes of action, losses, liabilities and litigation expenses including, without limitation, attorneys fees and court costs (collectively, "Indemnified Claims") which may be made against Sub-Operator or any Sub-Operator Indemnified Parties

arising out of or resulting from: (i) any negligent acts or omissions by Operator or by any attorney, agent or employee of Operator; and (ii) any claim for damages asserted by any person against Sub-Operator, except for Sub-Operator's, acts which entitle Operator to indemnification as set forth in Paragraph 14.2 hereof.

14.2 Sub-Operator's Indemnity. Sub-Operator hereby agrees to indemnify, defend and hold harmless Operator and Operator's members, managers, partners, officers, directors, employees, agents, successors and assigns (collectively, "Operator Indemnified Parties") with respect to any and all costs, expenses, damages, claims, judgments, lawsuits, causes of action, losses, liabilities, and litigation expenses, including, without limitation, attorneys' fees and court costs (collectively, "Indemnified Claims") which may be made against Operator or any Operator Indemnified Parties arising out of or resulting from:

(a) any failure of Sub-Operator to perform promptly any of its obligations under this Agreement, provided such failure was not caused by Operator or events beyond the reasonable control of Sub-Operator, and provided further that Operator has, after written request, furnished Sub-Operator sufficient funds to perform such obligations;

(b) any acts of Sub-Operator beyond the scope of Sub-Operator's authority not otherwise authorized by Operator, and (c) any malfeasance, misfeasance, nonfeasance or negligent acts or omissions by Sub-Operator or by any attorney, agent or employee of Sub-Operator. In case any action or proceeding is brought against Operator or any Operator Indemnified Parties by reason of any such Indemnified Claims, Sub-Operator, upon notice from Operator, shall defend Operator and any Operator Indemnified Parties at Sub-Operator's expense by counsel approved in writing by Operator, which approval shall not be unreasonably withheld.

14.3 Sub-Operator's Duty to Submit Claims to Its Insurer. Regardless of whether or not any lawsuit is brought against Operator or any Operator Indemnified Parties (i.e., even if no lawsuit is brought), in the event that any Indemnified Claims are asserted against Operator or any Operator Indemnified Parties, if such Indemnified Claims resulted from or arose out of any of the matters specified in items (a), (b) or (c) above in Paragraph 14.2 of this Article 14, Sub-Operator shall promptly (and in no event later than as required under the terms of the insurance policies involved) submit all such Indemnified Claims to Sub-Operator's liability insurance carrier. Sub-Operator's liability insurance shall be deemed to be the primary and non-contributory insurance with respect to such Indemnified Claims, and Sub-Operator's insurer shall be responsible for investigating, settling and paying such Indemnified Claims. Nothing contained in this Paragraph 14.3 shall relieve Sub-Operator of any of its indemnification or other obligations under this Agreement.

14.4 Survival of Indemnities. The indemnities contained in this Article 14 shall survive any expiration or termination of this Agreement as to any such Indemnified Claims arising prior to the expiration or termination of this Agreement.

ARTICLE XV

LATE PAYMENTS

Sub-Operator shall pay to Operator interest on any Fees or other charge due under this Agreement, including delinquency fees, if any, from the date due until the date paid at the maximum legal rate permitted by law from the date due and payable until the same shall have been fully paid. Acceptance of such interest shall not constitute a waiver by Operator of Sub-Operator's obligations regarding timely payment of Fees or other sums due nor shall such acceptance excuse default or prevent Operator from exercising any of its other rights and remedies granted hereunder.

ARTICLE XVI

BANKRUPTCY

Bankruptcy or Insolvency. In no event shall this Agreement be assigned or assignable by operation of law and in no event shall this Agreement be an asset of Sub-Operator in any receivership, bankruptcy, insolvency, or reorganization-proceeding.

ARTICLE XVII

SURRENDER UPON TERMINATION AND LIMITATION OF LIABILITY

17.1 Removal. Upon termination of this Agreement, Sub-Operator shall peacefully surrender to Operator the Restaurant Premises in the same condition as when received. Sub-Operator waives all claims against Operator for any damage to Sub-Operator resulting from Operator's retention or disposition of any such items. Sub-Operator shall be liable to Operator for Operator's costs for storing, removing and disposing of any such items, as such costs accrue.

17.2 Prohibited Removal. All fixtures and equipment shall be and remain part of the Restaurant Premises and shall not be removed by Sub-Operator at the end of the Term unless otherwise expressly provided for in writing by Operator. Such fixtures, equipment and Alterations shall include but not be limited to all floor coverings, draperies, paneling, molding, doors, vaults (exclusive of vault doors), plumbing systems, electrical systems, lighting systems, cooling systems, ventilating systems, sprinkling systems, silencing equipment, communication systems, all fixtures and outlets for the systems mentioned above and all telephone, radio, telecopy and television systems, and any special flooring or ceiling installations.

17.3 Limitation on Liability. It is expressly understood and agreed between the parties that the liability of Operator and Sub-Operator, respectively (including, without limitation, any partnership, joint venture or other entity which succeeds to the interest of Operator or Sub-Operator), shall be limited solely to the net assets of Operator and Sub-Operator, respectively. No member, manager, limited partner, director, officer, or shareholder of Operator or Sub-Operator, respectively (or of any such successor partnership, joint venture or other entity) shall be personally liable with respect to any claim arising out of or relating to this Agreement, except as expressly set forth herein. In addition, no claim may be brought by one party against the other under the indemnification provisions of Article 14 herein unless such claim is asserted in writing within one (1) year after the claiming party acquires actual knowledge of the occurrence of the act or failure to act which gave rise to such claim, except for: (i) claims based on fraud or willful misconduct; and/or (ii) claims brought by a third party against one party, for which the other party believes it is entitled to indemnification under Article 14 herein. Neither Operator nor Sub-Operator shall be liable to the other for any lost profits, consequential damages or punitive damages, except as expressly set forth herein, and each party hereby waives any and all claims for its own lost profits, consequential damages and/or punitive damages arising from any breach of this Agreement. Notwithstanding any foregoing provision of this Article 17 to the contrary, Operator and Sub-Operator shall be liable to one another for any damages resulting from the gross negligence, fraud (either actual or constructive) and/or any other form of willful misconduct, whether or not such matter constitutes a breach or default under this Agreement.

ARTICLE XVIII

GENERAL PROVISIONS

18.1 Use of Name of Angel Park Golf Club. Sub-Operator may use the name "Angel Park Golf Club" in all Sub-Operator's advertising, upon receipt of Operator's written approval of such advertising material, which approval shall be in Operator's sole and absolute discretion, in connection with Sub-Operator's business at the Restaurant Premises and for no other purpose, except with Operator's consent. Notwithstanding the foregoing, Sub-Operator shall not have or acquire any property right or interest in the name of "Angel Park Golf Club."

18.2 Headings. The paragraph headings of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

18.3 Time of Essence. Time is of the essence of this Agreement and each and every provision hereof.

18.4 Successors. The terms, covenants, conditions and agreements contained herein shall, subject to the provisions restricting successors or assigns, be binding on the heirs, successors, legal representatives, and assigns of the parties.

18.5 Joint and Several Obligations. If more than one person or entity constitutes Sub-Operator, the obligations imposed on each party shall be joint and several.

18.6 Governing Law. This Agreement shall be governed by and construed pursuant to the laws of the State of Nevada.

18.7 Severability. The invalidity of any provision of this Agreement, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

18.8 Authority. Each individual executing this Agreement on behalf of Sub-Operator represents and warrants that such individual is duly authorized to execute and deliver this Agreement on behalf of Sub-Operator, in accordance with the operating agreement of Sub-Operator, and that this Agreement is binding upon Sub-Operator in accordance with its terms.

18.9 Incorporation of Prior Agreements; Amendments. No prior agreement or understanding pertaining to the matters expressed herein shall be of any force or effect. This Agreement may be modified in writing only, signed by the parties in interest at the time of such modification.

18.10 Attorneys' Fees. If any action is instituted by either of the parties hereto for the enforcement or interpretation of any of its rights or remedies in or under this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all costs incurred by the prevailing party in said action and any appeal therefrom, including reasonable attorneys' fees to be fixed by the court therein. Said costs and attorneys' fees shall be included as part of the judgment in any such action. Further, should Operator be made a party to any litigation between Sub-Operator and any third party, then, to the extent that the litigation resulted from any matters for which Sub-Operator is obligated to indemnify Operator pursuant to this Agreement, Sub-Operator shall pay the costs and attorneys' fees incurred by or imposed upon Operator in connection with such litigation.

18.11 No Waiver. The failure of Operator to seek redress for breach, or to insist upon the strict performance, of any covenant, agreement, provision or condition of this Agreement shall not constitute a waiver thereof, and Operator shall have all remedies provided herein and by applicable law with respect to any subsequent act which would have originally constituted a breach.

18.12 Notices. Unless otherwise specifically provided, all notices, demands, statements and communications required hereunder or by law shall be in writing and shall be sent by certified or registered mail, postage prepaid, return receipt requested, or by any reputable overnight or one day express mailing service such as Federal Express, to the following addresses, or to such other address as shall from time to time have been designated by written notice by either party to the other party as herein provided:

Operator: Pacific Life Insurance Company
700 Newport Center Drive
Newport Beach, California 92660
Attn: Dave Honerkamp, Assistant Vice President
Real Estate Investments
Telephone: 949.219.3773
Fax: 714.760.9680
E-Mail: david.honerkamp@pacificlife.com

with a copy to: Pacific Life Insurance Company
700 Newport Center Drive
Newport Beach, California 92660
Attn: Dale E. Hawley, Esq., Law Dept.
Telephone: 949.219.3225
Fax: 949.219.3706
E-Mail: dale.hawley@pacificlife.com

Sub-Operator: OB Sports F/B Management
c/o OB Sports Golf Management
7025 E. Greenway Parkway, Suite 550
Scottsdale, Arizona 85254
Attn: Phil Green, President
C.A. Roberts, Vice President, Business
Development
Telephone: (480) 948-1300
Fax: (480) 948-0990
E-Mail: pgreen@obsports.com
caroberts@obsports.com

with a copy to: Holland & Knight LLP
2300 US Bancorp Tower
111 S.W. Fifth Avenue
Portland, OR 97204
Attn: George J. Gregores, Esq.
Telephone: (503) 243-5879
Fax: (503) 241-8014
E-Mail: george.gregores@hklaw.com

Any notices mailed in accordance with the provisions hereof shall be effective as of the date of actual receipt. Notices may be delivered by facsimile; provided, however, the date of actual receipt of any notice sent by facsimile shall be confirmed either by electronic confirmation by the facsimile machine of the noticing party, or independently through notification of the transmittal of such facsimile notice. Electronic confirmation of facsimile notices need not be transmitted to the party receiving such notice.

18.13 Compliance with Legal Requirements. Sub-Operator shall promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, with any directive or occupancy certificate issued pursuant to any law by any public officer or officers insofar as any thereof relate to or affect the condition, use or occupancy of the Restaurant Premises.

18.14 No Agency. Nothing herein contained shall be construed to establish Sub-Operator as an agent of Operator. Operator and Sub-Operator agree that Sub-Operator is being retained by Operator as an independent contractor, and not as an employee, partner or joint venturer, only for the purposes and to the extent set forth in this Agreement. Except as set forth herein, neither Sub-Operator nor any of its employees or employees of any contractor or subcontractor retained by Sub-Operator shall be considered as having any employee or agent status with Operator unless written approval of such agency relationship is obtained from Operator, nor shall any such person be entitled to participate in any plans, arrangements or distributions of Operator by virtue of the provisions of this Agreement. The parties agree that, during the term of this Agreement, each party shall be responsible for the withholding and payment of any and all state, federal, FICA or other income taxes from its employees, respectively.

18.15 Incorporation of Exhibits. Each of the exhibits attached to this Agreement are by this reference made a part hereof as if fully set forth herein. In the event of variation or discrepancy, the duplicate original hereof (including exhibits, if any, specified above) held by Operator shall control.


18.16 Paragraphs. All uses of the words "Paragraph (s)" and "subparagraph (s)" in this Agreement are references to paragraphs of this Agreement, unless otherwise specified.

18.17 Counterpart and Facsimile Signatures. This Agreement may be executed in one or more counterparts, and by facsimile signature, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

OPERATOR:

LAS VEGAS GOLF I, LLC
a Delaware limited liability company
By: Pacific Life Insurance Company
Its Sole Member

By: 
Name: David C. Honerkamp
Its: Assistant Vice President

By: 
Name: C.S. Dillion
Its: Assistant Secretary

SUB-OPERATOR:

OB SPORTS F/B MANAGEMENT, LLC
a Nevada limited liability company

By: _____
Name: _____
Its: _____

18.16 Paragraphs. All uses of the words "Paragraph (s)" and "subparagraph (s)" in this Agreement are references to paragraphs of this Agreement, unless otherwise specified.

18.17 Counterpart and Facsimile Signatures. This Agreement may be executed in one or more counterparts, and by facsimile signature, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

OPERATOR:

LAS VEGAS GOLF I, LLC
a Delaware limited liability company
By: Pacific Life Insurance Company
Its Sole Member

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

SUB-OPERATOR:

OB SPORTS F/B MANAGEMENT, LLC
a Nevada limited liability company

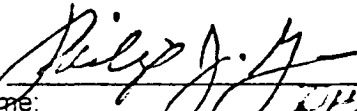
By: 
Name: PHILIP J. GREEN
Its: PACIFIC LIFE

EXHIBIT A
RESTATED MANAGEMENT AGREEMENT

EXHIBIT B
RESTAURANT PREMISES

ANGEL PARK GOLF CLUB

FIRST AMENDMENT TO
SUB-USE AGREEMENT

THIS FIRST AMENDMENT TO SUB-USE AGREEMENT ("First Amendment"), effective as of June 4, 2003, is made by and between LAS VEGAS GOLF I, LLC a Delaware limited liability company, ("Operator"), and OB SPORTS F/B MANAGEMENT, LLC, a Nevada limited liability company, ("Sub-Operator"), with reference to the facts set forth below.

RECITALS

WHEREAS, Operator and Sub-Operator entered into that certain Sub-Use Agreement, effective May 30, 2003 ("Agreement"); and

WHEREAS, Operator and Sub-Operator desire to amend Paragraph 6.5 of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, Operator and Sub-Operator agree as follows:

AGREEMENT

1. Paragraph 6.5 of the Agreement is deleted in its entirety, and the following paragraph is added in place of the deleted paragraph:

*6.5 Liquor License. Sub-Operator shall use its best efforts to obtain and maintain an on-sale general eating place license issued by the City of Las Vegas issued in Sub-Operator's name (the "Liquor License") for the sale of alcoholic beverages at the Restaurant Premises and from any liquor carts, at all times during the Term, to abide by the conditions thereof, and to renew the same as necessary from time to time to avoid cancellation or expiration thereof. Operator shall have a right of first refusal to acquire the Liquor License. Operator may exercise the right of first refusal upon receipt of written notice from Sub-Operator that Sub-Operator intends to sell or has an offer to sell the Liquor License and the terms of the offer or proposed sale. Operator shall have ten business days from receipt of Sub-Operator's notice to exercise its right of first refusal. If Operator does not notify Sub-Operator in writing, within ten business days of receipt of Sub-Operator's notice, of Operator's intent to exercise its right of first refusal on the terms specified in Sub-Operator's notice. Operator's right of first refusal shall terminate with respect to that sale only; provided, the sale is consummated on the same terms specified in Sub-Operator's notice. Any transfer of the Liquor License shall comply with the City of Las Vegas liquor control ordinances and regulations.

2. Except as provided in this First Amendment, all of the terms and provisions in the Agreement shall continue in full force and effect.

2. This First Amendment may be executed in one or more counterparts, and by facsimile signature, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

OPERATOR:

LAS VEGAS GOLF I, LLC
a Delaware limited liability company
By: Pacific Life Insurance Company
Its Sole Member

By: *John M. Dillion*
Name: John M. Dillion
Its: Vice President

By: *C.S. Dillion*
Name: C.S. Dillion
Its: Assistant Secretary

SUB-OPERATOR:

OB SPORTS F/B MANAGEMENT, LLC
a Nevada limited liability company

By: _____
Name: _____
Its: _____

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written

OPERATOR:


LAS VEGAS GOLF I, LLC
a Delaware limited liability company
By: Pacific Life Insurance Company
Its Sole Member

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

SUB-OPERATOR:

OB SPORTS F/B MANAGEMENT, LLC
a Nevada limited liability company

By: 
Name: PHIL GREEN
Its: PRESIDENT

**CERTIFICATE
DISCLOSURE OF OWNERSHIP/PRINCIPALS**

1. Definitions

"City" means the City of Las Vegas.

"City Council" means the governing body of the City of Las Vegas.

"Contracting Entity" means the individual, partnership, or corporation seeking to enter into a contract or agreement with the City of Las Vegas.

"Principal" means, for each type of business organization, the following: (a) sole proprietorship – the owner of the business; (b) corporation – the directors and officers of the corporation; but not any branch managers of offices which are a part of the corporation; (c) partnership – the general partner and limited partners; (d) limited liability company – the managing member as well as all the other members.

2. Policy

In accordance with Resolution 79-99 and 105-99 adopted by the City Council, Contracting Entities seeking to enter into certain contracts or agreements with the City of Las Vegas must disclose information regarding ownership interests and principals. Such disclosure generally is required in conjunction with a Request for Proposals (RFP). In other cases, such disclosure must be made prior to the execution of a contract or agreement.

3. Instructions

The disclosure required by the Resolutions referenced above shall be made through the completion and execution of this Certificate. The Contracting Entity shall complete Block 1, Block 2, and Block 3. The Contracting Entity shall complete either Block 4 or its alternate in Block 5. Specific information, which must be provided, is highlighted. An Officer or other official authorized to contractually bind the Contracting Entity shall sign and date the Certificate, and such signing shall be notarized.

4. Incorporation

This Certificate shall be incorporated into the resulting contract or agreement, if any, between the City and the Contracting Entity. Upon execution of such contract or agreement, the Contracting Entity is under a continuing obligation to notify the City in writing of any material changes to the information in this Certificate. This notification shall be made within fifteen (15) days of the change. Failure to notify the City of any material change may result, at the option of the City, in a default termination (in whole or in part) of the contract or agreement, and/or a withholding of payments due the Contracting Entity.

**CERTIFICATE - DISCLOSURE OF OWNERSHIP/PRINCIPALS
(CONTINUED)**

<p>Block 1 Contracting Entity (Name)</p> <p><i>OB SPORTS F/B MANAGEMENT, LLC</i></p> <p>Name</p> <p><i>7025 E. GREENWAY PKWY JTX 550</i></p> <p>Address</p> <p><i>SCOTTSDALE AZ 85254</i></p> <p>EIN or Social Security # <i>14-1884224</i></p>	<p>Block 2 Description</p> <p>Subject Matter of Contract Agreement</p> <p><i>SUB-USE AGREEMENT WITH OB SPORTS GOLF MANAGEMENT (AP) LLC</i></p>
---	--

Block 3 Type of Business

Individual
 Partnership
 Limited Liability Company
 Corporation

Block 4 Disclosure of Ownership and Principals

In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.

#	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	<i>JAMIE COOK, MEMBER/MAN.</i>	<i>7025 E. GREENWAY PKWY JTX 550 SCOTTSDALE, AZ 85254</i>	<i>480-948-1300</i>
2.	<i>PHIL GREEN, MEMBER/MAN.</i>	<i>LI</i>	<i>II</i>
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals - Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: _____

Block 5: Disclosure of Ownership and Principals - Alternate

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: _____

Number of Pages: _____

I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

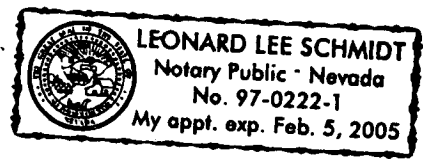
Phil A. -
Name

6-20-03
Date

Subscribed and sworn to before me this 20 day of

JUNE, 2003.

Leonard Lee Schmidt
Notary Public



LIONEL SAWYER & COLLINS

ATTORNEYS AT LAW

1700 BANK OF AMERICA PLAZA
300 SOUTH FOURTH STREET
LAS VEGAS, NEVADA 89101
(702) 383-8856

FAX (702) 383-8845
lsc@lionsawyer.com
www.lionsawyer.com

June 23, 2003

SAMUEL S. LIONEL
GRANT SAWYER
(800) 499-6111

JON R. COLLINS
(702) 383-8877

RICHARD H. BRYAN
JEFFREY P. ZUCKER
PAUL R. NEJMANOWSKI
ROBERT D. FAIRIS
DAVID N. FREDERICK
DENNIS L. KENNEDY
RICHARD W. HORTON
DAN C. BOWEN
MARK A. SOLOMON
RODNEY M. JEAN
HARVEY WHITTEMORE
1000 TOUTON
DAVID WHITTEMORE
CAM FERENBACH
LYNDA S. MADRY

MARK H. GOLDSTEIN
ANTHONY N. CADOT
KIRBY J. SMITH
COLLEEN A. DOLAN
JENNIFER A. SMITH
GARY W. DUNON
LAUREL E. DAVIS
DAN R. REASER
CARL D. SAVELY
MARK LEMMONS
HOWARD C. COLE
PAUL E. LARSEN
D. GREGORY GIOBBANO
MARK A. MCINTIRE
STEPHEN R. RACKETT
ALLEN J. WILT
Lynn S. Fulstone
TROY J. REID
DAN C. McGUIRE
LESLIE BRYAN HART

JEFFREY D. MENICUCCI
ETTA L. WALKER
GRAIS E. EYEM
TOOB E. KENNEDY
LAURA J. THALACKER
SHAWN M. ELICEGUI
KENNETH R. MYERS
ROCTOR J. CARBAJAL II
EMILIA K. CARROLL
JANET SUE BESSEMER
G. LANCE COBURN
WILLIAM J. MCKEAN
SCOTT A. EATON
JOSHUA M. DICKEY
MATTHEW E. WAYSON
JOHN M. NAYLOR
GREGORY R. GEMIGNANI
C. LEIF REID
DANA A. DWIGGINS
ELIZABETH K. SHENNAN
MEGAN PARKER BOWEN
DOREEN SPEARS HARTWELL
SEAN T. WATERS

MARIO P. LOVATO
ELLUCK C. HSU
STEVEN E. HOLLINGWORTH
LINDA M. GUILLEN
PAUL D. POWELL
LAURA K. GRANIER
JOSE M. REID
DANIEL R. MCNUTT
KYLE D. STEPHENS
LOUIS V. CSOKA
ALAN D. FREER
LJUBISA KOSTIC
MAXIMILIANO D. COUILLIER III
REY G. REID
JEFFREY A. MORSE
ELIZABETH BRICKFIELD
MARK P. WETJEN
E. JOE CAIN
LEAH A. AYALA
STEVEN J. NEWMAN
SARAH E. HARMON
CRISTINA L. JOHNSON
MICHAEL D. KNOX

OF COUNSEL

ROBERT M. BUCKALEW
BRIAN MURAT
ELLEN WHITTEMORE
BRIAN HARRIS
ABBIE S. FRIEDMAN

WRITER'S DIRECT DIAL NUMBER:

702 383 8856

Via Facsimile 384-0527 and Hand Delivery

David Roark
Manager, Real Estate & Assets
City of Las Vegas
400 Stewart Avenue, Fourth Floor
Las Vegas, Nevada 89101

Re: Angel Park Golf Course

Dear Mr. Roark:

Consistent with your request concerning the above referenced matter, the City should contact:

Dale F. Hawley, Esq.
Legal Department
Pacific Life Insurance Company
700 Newport Center Drive
Newport Beach, CA 92660-6397

(949) 219-3225

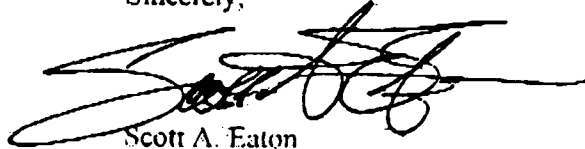
in the event there were ever an issue concerning the management and operation of Angel Park Golf Club while Las Vegas Golf I, LLC, is the party to the Management Agreement with the City of Las Vegas for this facility. We trust this is satisfactory for your purposes at this time.

LIONEL SAWYER & COLLINS
ATTORNEYS AT LAW

David Roark
June 23, 2003
Page 2

Please advise should there be any questions or a need for anything further. Thank you for your continuing cooperation and assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott A. Eaton", with a large, sweeping flourish extending to the right.

Scott A. Eaton

SAE/rck

cc: Dale Hawley, Esq. (w/o enclosures)

REAL ESTATE COMMITTEE AGENDA
REAL ESTATE COMMITTEE MEETING OF: JUNE 30, 2003

CITIZENS PARTICIPATION: ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISIONS OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A MATTER NOT LISTED ON THE AGENDA, PLEASE CLEARLY STATE YOUR NAME AND ADDRESS. IN CONSIDERATION OF OTHERS, AVOID REPETITION, AND LIMIT YOUR COMMENTS TO NO MORE THAN THREE (3) MINUTES. TO ENSURE ALL PERSONS EQUAL OPPORTUNITY TO SPEAK, EACH SUBJECT MATTER WILL BE LIMITED TO TEN (10) MINUTES.

MINUTES:

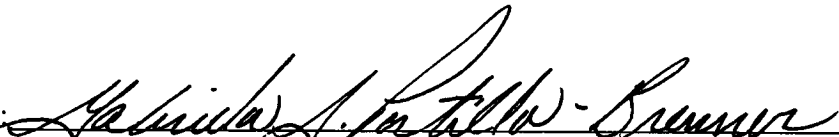
AL GALLEGO, citizen of Las Vegas, reminded the new Councilwoman that the meetings are rarely this quiet. He questioned what will happen to the light standards along the area of the freeway where the homes are being removed. Light standards are needed on Ninth Street, Bonanza Road and streets in that area. Perhaps they could be moved before the standards disappear. The construction company apparently believes those belong to them. It is unfortunate that some of those beautiful homes had to be demolished.

(3:09 - 3:10)

1-216

THE MEETING ADJOURNED AT 3:10 P.M.

Respectfully submitted:



GABRIELA S. PORTILLO-BRENNER, DEPUTY CITY CLERK

July 1, 2003