

When recorded return to:
Mr. Bill Molloy
DevMan Company, L.C.
1515 E. Missouri Ave., Suite 100
Phoenix, AZ 85014-8558

THIS IS A CONFORMED COPY OF INSTRUMENT
RECORDED 9-21-06 @ 11:14
IN BOOK 4427 OF OFFICIAL
RECORDS, PAGE 538

Gene K. Wessely

FIFTEENTH AMENDMENT TO GROUND LEASE

BACKGROUND

The Ground Lease

- A. The City of Cottonwood, formerly known as the Town of Cottonwood, an Arizona municipality, is the "Landlord" under a "Ground Lease Agreement" dated May 5, 1983. The City entered into this "Ground Lease" to encourage development of the Cottonwood Airport industrial property to further economic development within the City of Cottonwood.
- B. A memorandum of the Ground Lease dated May 23, 1983 was recorded January 4, 1984 in Book 1597 pages 576-581 and thereafter corrected by an instrument recorded July 1, 1985 in Book 1734, pages 11-15 of the records of the Yavapai County Recorder (the "Memorandum of Ground Lease").
- C. The Ground Lease Agreement was amended by the First Amendment dated November 30, 1983, the Second Amendment dated March 12, 1985, the Third Amendment dated August 21, 1985, the Fourth Amendment dated February 7, 1989, (the proposed Fifth Amendment dated January 1, 1993 was never signed), the Sixth Amendment dated July 5, 1994, the Seventh Amendment dated September 16, 1997 and the Eighth Amended recorded December 22, 1998. The Ninth Amendment was recorded October 1, 2001. The Tenth Amendment was recorded March 17, 2003. The Eleventh, Twelfth and Thirteenth Amendments were recorded on July 20, 2005; and the Fourteenth Amendment was recorded January 20, 2006. The Ground Lease Agreement and all Amendments are collectively referred to as the "**Ground Lease.**"
- D. Cottonwood Airpark L.C. ("CALC") is the successor in interest to Cottonwood Airpark I, L.C. as successor in interest to Cottonwood Airpark, Inc., which was originally named as "Tenant" under the Ground Lease Agreement.

The Purposes of the Fifteenth Amendment

Purpose: Partial Assignment of Tenant Rights

1. On or about Aug., 21 2006, CALC recorded in the offices of the Yavapai County Recorder at Book 4427, Page 537, an "Assignment of Tenant Rights" in Lot 104 of Cottonwood Airpark as described on the Results of Survey prepared by SEC dated June 16, 2005, with all rights, privileges, easements, appurtenances and improvements thereon, which is legally described as a portion of Tract, legally described in

the attached Exhibit A, comprised of 44,625 square feet, located in Section 33 Township 16N Range 3 East and Section 4 Township 15N Range 3E GSRBM, Yavapai County, Arizona, (collectively, the "Assigned Parcel") to The Seeley, L.L.C., an Arizona limited liability company owned and controlled by William A. Seeley ("Assignee").

2. As required by the Ground Lease, the written consent of the City of Cottonwood to the assignment by CALC of its rights in this transaction has been granted by the City of Cottonwood as Landlord. The purpose of this Amendment is to reflect the reduction in the description of the property now leased by CALC under the Ground Lease due to the above transaction and for certain other limited purposes set forth below.

AGREEMENT

Now, therefore, for valuable consideration received, the parties agree that:

1. **Incorporation by Reference.** The facts, circumstances, descriptions and definitions contained in the Background section of this Amendment are hereby incorporated by reference as an integral part of this Amendment. If there is a conflict or inconsistency between the provisions of this Fifteenth Amendment and any prior Amendment or a conflict between the provisions of this Fifteenth Amendment and any provision of the Ground Lease, then the provisions of this Fifteenth Amendment shall prevail and control. All of the other terms and conditions contained in the Ground Lease (as amended by the prior Amendments) remain in full force and effect, except as modified by this Fifteenth Amendment.

2. **Development by Assignee:** Pursuant to a separate agreement between Landlord and Assignee, Assignee has agreed to certain development obligations regarding the Assigned Parcel. Landlord and Assignee acknowledge that Tenant is not a party to that agreement, and has no obligations or rights with regard to that agreement.

3. **Amendment Regarding the "Assigned Parcel".** As of the Effective Date, the City as Landlord under the Ground Lease and CALC as Tenant hereby:

3.1 agree that all of CALC's rights regarding the Assigned Parcel have been assigned by CALC to Assignee pursuant to the "Assignment of Tenant Rights" defined above;

3.2 certify that formal approval of the Assignment to ASSIGNEE has been granted by the City; Landlord agrees to look solely to ASSIGNEE for collection of all rents and other amounts arising from the Ground Lease for the Assigned Parcel after the Effective Date of the Assignment and releases CALC (and its predecessors) as "Tenant" from all obligations or duties arising under the Ground Lease relative to the Assigned Parcel;

3.3 acknowledge receipt of all rent and other amounts owed by CALC to Landlord under the Ground Lease and confirm that there are no uncured defaults or breaches by CALC under the Ground Lease as of the Effective Date;

3.4 agree that the failure of ASSIGNEE to pay rent, to pay property taxes, or to otherwise fully comply with the terms of the Ground Lease shall be considered a default by ASSIGNEE only as to the Assigned Parcel and shall not be considered as a default by CALC under the Ground Lease affecting any of the other rights of CALC or affecting any other property previously leased by CALC. Landlord agrees to exercise its remedies for a

default by ASSIGNEE as provided under the Ground Lease solely against the Assigned Parcel;

3.5 agree that, conversely, in the event of a default by CALC or its assignees under the Ground Lease, Landlord will exercise its rights solely against CALC or its assignees and will not construe a default by CALC or its assignees as a default by ASSIGNEE under the Assigned Parcel. So long as ASSIGNEE pays its rent and timely performs all other obligations as required under the Assigned Parcel, any default by CALC or its assignees regarding its other obligations under the Ground Lease shall not be construed as a default by ASSIGNEE;

3.6 acknowledge that ASSIGNEE shall independently comply with the insurance provisions of Section 14 of the Ground Lease regarding the Assigned Parcel; and


3.7 agree that the property taxes for the Assigned Parcel, if any, shall be separately assessed and paid by ASSIGNEE.

4. Ratification. The terms and conditions contained in the Ground Lease are hereby ratified, confirmed and continue in full force and effect. The Term Commencement Date of December 31, 1983, began a 25 year Term as to certain portions of the Lease and a 50 year Term as to certain other portions. The Lease also granted options for renewal. The parties intend to ratify and affirm the length of the Term and of the option rights to the maximum extent allowed at law or in equity. There are no amendments, modifications, supplements or other agreements or understandings except for those contained in the Ground Lease. Landlord acknowledges that CALC has paid all rent, fully performed all of its obligations and is in good standing under the Ground Lease.


This Fifteenth Amendment is legally binding as of the respective Effective Dates regardless of the actual date of signing.

CALC:

**COTTONWOOD AIRPARK L.C.,
an Arizona limited liability company
by its authorized signatory:**

By 
**William E. Molloy
Authorized Signatory**

APPROVED AS TO FORM:



John W. Guthrie, J.D.
City Attorney

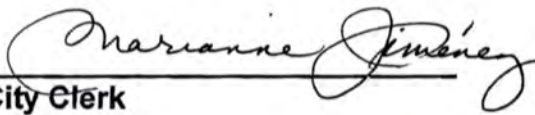
THE CITY OF COTTONWOOD

By 

City Manager

Date: 6.22.06

ATTEST:

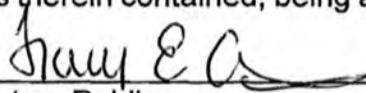
By 

City Clerk



STATE OF ARIZONA)
) ss.
County of Maricopa)

Before me, the undersigned Notary Public, on this 19 day of June, 2006, personally appeared **William E. Molloy, an authorized signatory of Cottonwood Airpark LC, an Arizona limited liability company**, who is personally known to me to be (or satisfactorily proved himself to be) the person who executed the foregoing, acknowledging that he executed the same for the purposes therein contained, being authorized so to do.



Notary Public

My Commission Expires:
Jan 14 2008

STATE OF ARIZONA)

) ss.

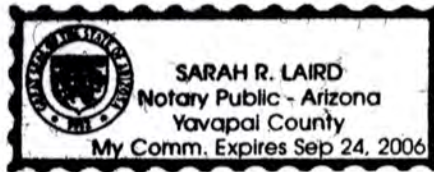
County of Yavapai)

Before me, the undersigned Notary Public, on this 22 day of JUNE, 2006, personally appeared BRIAN MICKELSEN, the **City Manager of the City of Cottonwood**, who is personally known to me to be (or satisfactorily proved himself/herself to be) the person who executed the foregoing Consent, acknowledging that he/she executed the same for the purposes therein contained, being authorized so to do.


Notary Public

My Commission Expires:

9-24-2006



STATE OF ARIZONA)

) ss.

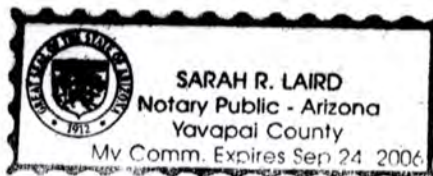
County of Yavapai)

Before me, the undersigned Notary Public, on this 22 day of JUNE, 2006, personally appeared MARIANNE JIMENEZ, the **City Clerk of the City of Cottonwood**, who is personally known to me to be (or satisfactorily proved himself/herself) to be the person who executed the foregoing Consent, acknowledging that he/she executed the same for the purposes therein contained, being authorized so to do.


Notary Public

My Commission Expires:

9-24-2006



06004196

EXHIBIT A

Lot 104, of COTTONWOOD AIRPARK, TRACT ONE, PARTS A & B, according to the plat of record in the office of the County Recorder, Yavapai County, Arizona recorded in Book 25 of Maps, page 19.