

DevMan Company

Property Development & Management

Cottonwood Airpark, Inc.
Groundlease with
Town of Cottonwood (Arizona Municipality)
May 5, 1983
(Brief Summary)

Effective Date: 23rd of May, 1983

Premises: Exhibit 1, Tracts 1 thru 8 Title to offsite improvements pass to Landlord upon completion of dedication

Term: 25 years for all airport related areas
50 years for all other areas

Term Commencement Date: December 31, 1983

Option: (3) 25 year terms for all airport related areas
(2) 25 year terms for all other areas

Rent Commencement Date: Exhibit 2/December 31, 1983

Unimproved Ground Rent: Due 1st day of January (in advance)
1983 & 1984 \$50 per acre unimproved
1985 - 1990 \$75
1991 - 1996 \$100
1997 - 2006 \$125
2007 and thereafter, including renewals \$125 per acre

Improved Ground Rent: \$.01 per sq. ft. of area within improved lot

Ground Rent Commencement Date: Date on which Tenant receives sub rent from Sub Tenant

Increase In Ground Rent: If sub rent received by Tenant from subtenant increases, then improved ground rent increases proportionately

Rent Credits: All amounts expended by Tenant for "To the Site Improvements"

Use: For all Lawful Purposes permitted by zoning

Construction: Tenant will complete "Master Plan" and submit to Landlord by January 1, 1984

Development Plan And Timetable:

- Within 60 days of approval of ground lease* Tenant to initiate a feasibility study
- October 1, 1984 Tenant advise Landlord in writing of its proposed development timetable to begin installation of "To the Site Improvements"
- Construct all streets, curbs & other offsite improvements for 15 gross acres by December 31, 1988
- Construct all streets, curbs & other offsite improvements for cumulative total of 25 gross acres by December 31, 1993

Extends to 12-31-88
Consent 1-3-88

Inquire w/ city re: development timetable

fk: capsched