

FIRST AMENDMENT TO AGREEMENT OF PURCHASE
AND SALE
GAINNEY RANCH TRACT SALE
PARCEL 10C

THIS FIRST AMENDMENT TO AGREEMENT OF PURCHASE AND SALE, Gainey Ranch Tract Sale, Parcel 10C (the "First Amendment") is entered into this 17~~th~~ day of July, 1986, by and between MARKLAND PROPERTIES, INC., an Arizona corporation ("Seller") and DEVELOPERS FINANCIAL GROUP, an Arizona general partnership ("Buyer").

RECITALS:

A. Buyer and Seller entered into that certain Agreement of Purchase and Sale, Gainey Ranch Tract Sale, dated May 31, 1985, providing for the sale by Seller and purchase by Buyer of Parcel 10C of Gainey Ranch (the "Purchase Agreement").

B. Subsection 6(h) of the Purchase Agreement required that Seller install within Gainey Ranch a tennis complex on or before the date specified therein.

C. Section 36 of the Purchase Agreement required that Seller establish a tennis club whose members would have the right to use the tennis complex described in Subsection 6(h) of the Purchase Agreement.

D. Buyer and Seller now wish to delete Section 36 of the Purchase Agreement and to provide for use of the tennis complex in accordance with the terms and conditions contained in this First Amendment.

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

1. Section 36 of the Purchase Agreement is hereby deleted in its entirety.

2. The following Section 36 is hereby added to the Purchase Agreement:

"36. Tennis Complex. The improvements described in Subsection 6(h) above shall be hereinafter referred to as the "Tennis Complex". Seller intends to convey the Tennis

Complex (including tennis courts) to the Master Association subject to the terms and conditions contained herein. Prior to or at the time of such conveyance Seller shall record deed restrictions and a Tract Declaration (as defined in the CC&R's) in order to make the Tennis Complex available as Master Common Area (as defined in the CC&R's) for use by Owners (as defined in the CC&R's) and Residents (as defined in the CC&R's) and also to reserve to the residents of the Property the following rights:

(a) So long as the tennis courts exist and are either owned by the Master Association or designated as Master Common Area, all fulltime residents actually living in any of the 70 dwelling units planned for the Property shall be entitled to use the tennis courts comprising a part of the Tennis Complex without payment of any special use fees for use of the courts or other special fees or charges levied or assessed solely against the users of such courts or of the Tennis Complex; provided, however, such residents shall be obligated to pay any temporary surcharges or temporary fees which are charged to users of the tennis courts in order to finance or defray (in whole or in part) the cost of new improvements to, or expansion of, the Tennis Complex.

(b) The residents of the Property must comply with all applicable rules, regulations and procedures which may be established by the Master Association to govern use of the Tennis Complex, including, but not limited to, court reservation procedures, restrictions on frequency of use to promote court availability and payment of any Special Use Fees (as defined in the CC&R's) required by the Master Association for use of the facilities and services in the Tennis Complex other than the tennis courts.

(c) Residents living in the 70 dwelling units may not be discriminated against in reservation procedures, but they shall have no greater right to use of the courts than other Owners and Residents of Gainey Ranch.

(d) Guests or invitees of the residents of the 70 dwelling units to be constructed on the Property shall be entitled to use of the tennis courts and other facilities comprising the Tennis Complex only

in accordance with the applicable guest policies established by the Master Association, including the payment of any required guest fees.

(e) A non-resident Owner of any of the 70 dwelling units to be constructed on the Property may use the tennis courts on the same basis as those Owners and Residents of Gainey Ranch who are not living in the 70 dwelling units to be constructed on the Property."

Buyer reserves the right to review and approve the deed restrictions and Tract Declaration prior to recordation for the sole purpose of confirming compliance with foregoing provision. Buyers approval shall not be unreasonably withheld or delayed.

3. Buyer, on behalf of itself and its successors and assigns, hereby releases Seller from any claims Buyer may now or hereafter have, whether now known or not, arising out of or in any way related to the fact that a "tennis club" or other private club for use of the Tennis Complex will not or may not be established on Gainey Ranch.

4. Except as herein specifically provided, the Purchase Agreement and all provisions thereof shall remain in full force and effect.

IN WITNESS WHEREOF, Buyer and Seller have executed this First Amendment as of the day and year first above written.


MARKLAND PROPERTIES, INC., an
Arizona corporation

By 
Its Vice President

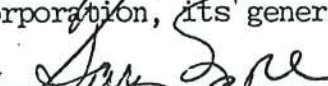
"Seller"

DEVELOPERS FINANCIAL GROUP, an
Arizona general partnership

By DEVELOPERS FINANCIAL GROUP, INC.,
an Arizona corporation, its general
partner

By 
Its President

By GARY SPORE, INC., an Arizona
corporation, its general partner

By 
Its PRESIDENT