

APPENDIX B

REQUIRED DOCUMENTS

LEMAN ACADEMY OF EXCELLENCE
Board Meeting

September 11, 2017
10:00 AM
7720 North Silverbell Road, Tucson, Arizona

Minutes

Members Present- Kevin Leman Dennis O'Reilly Joseph Higgins Wendell Neal Anthony Wingate (via phone)	Members Absent-
Agenda Item A: Roll Call	Dennis O'Reilly called the roll at 9:58 and confirmed a quorum.
Agenda Item B: Call to the Public	Bethany Papajohn, Principal of Leman Academy Oro Valley, was in attendance.
Agenda Item C: Previous Meeting Minutes	<p>The governing board reviewed the minutes of the July 13, 2017 board meeting.</p> <p style="text-align:center">Motion</p> <p>Joe Higgins made the motion to approve the minutes of the previous meeting.</p> <p>Wendell Neal seconded the motion.</p> <p>Motion passed unanimously</p>
Agenda Item D: Proposed by [REDACTED] that the Governing Board consider admitting her son, [REDACTED], whose DOB is [REDACTED], into Kindergarten for the 2017-2018 school year	<p>There was discussion by the governing board about admitting [REDACTED] into Kindergarten at Leman Academy based on the letter and evidence that the parent sent to the school. The board further discussed the criteria it should take for a younger child to be admitted into Kindergarten. Based on Head of Schools report and analysis, it was decided to deny [REDACTED] entrance into Kindergarten for the 2017-2018 school year.</p> <p style="text-align:center">Motion</p> <p>Wendell Neal made the motion to deny entrance based on Head of Schools report and analysis.</p>

	<p>Joe Higgins seconded the motion.</p> <p>Motion passed unanimously</p>
<p>Agenda Item E: Proposed Charter Contract Amendment: Site Expansions for East Tucson and East Valley/Mesa/Chandler</p>	<p>There was discussion by the governing board about site expansions for East Tucson and the East Valley/Mesa/Chandler.</p> <p>Motion</p> <p>Joe Higgins made the motion to instruct staff to make application for the addition of a new site to the existing Leman Academy of Excellence Arizona Charter contract; location to be East Tucson.</p> <p>Tony Wingate seconded the motion.</p> <p>Motion passed unanimously</p> <p>Motion</p> <p>Dennis O'Reilly made the motion to instruct staff to make application for the addition of a new site to the existing Leman Academy of Excellence Arizona Charter contract; location to be East Valley/Mesa/Chandler.</p> <p>Tony Wingate seconded the motion.</p> <p>Motion passed unanimously</p>
<p>Agenda Item F: Principal Reports: Oro Valley, Sierra Vista, Marana</p>	<p>There was discussion by the governing board about Vice Principals, leadership development and master teacher program. There was also discussion on teaching staff changes. A verbal report was given by Bethany Papajohn on the new campus, Oro Valley, regarding student services, professional development and discipline. There was some discussion about discipline issues.</p>
<p>Agenda Item G: Adjournment</p>	<p>Since there were no further agenda items, the meeting was adjourned by Wendell Neal at 10:51 AM.</p>



Arizona State Board for Charter Schools

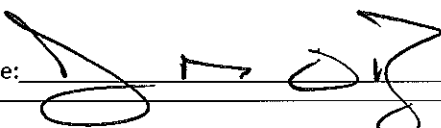
Occupancy Compliance Assurance and Understanding

The Arizona State Board for Charter Schools (Board), at a meeting held on June 8, 2009, approved a revised policy that requires new and existing charter holders to submit a copy of a valid Certificate of Occupancy and current Fire Marshal's Inspection Report for each location where educational services will be provided prior to the initiation of state equalization payments.

The Board will request that the Arizona Department of Education (ADE) withhold state equalization assistance payments for 1) new charter schools that have signed a charter contract, 2) new schools under existing charter contracts, and 3) schools under existing charter contracts moving from one location to another, until the school has submitted valid copies of the required Certificate of Occupancy and current Fire Marshal's Inspection Report for the new educational facility.

Once Board staff has verified that the appropriate documents for each school location have been received, the Board office will notify the Charter Holder and the ADE School Finance Unit's Charter School Payment Manager that the school is eligible for payment. The ADE School Finance Unit will mark the school eligible for payment and a payment will generate in the next payment cycle if all other requirements of ADE School Finance have been met. Schools eligible for payment by the 20th of any month will generate a payment for the next month's payment cycle. Schools marked eligible after the 20th of any month will not generate a payment in next month's payment cycle. No off-system payments will be made.

Charter Holder Information	
Name of Charter Holder Entity	LEMAN ACADEMY OF EXCELLENCE, INC.
School Location(s) for which the request applies	EAST TUCSON - SW CORNER - Houghton & Golf Links

Signature
<p>By signing below, I understand the Board's policy and that I am required to submit an educational use Certificate of Occupancy and a current Fire Marshal's Inspection Report to the Board office for each school facility operated by the Charter Holder. These documents must be verified by Board staff prior to occupancy of the building and prior to receipt of equalization payments for students enrolled at this school.</p> <p>I acknowledge that if these documents are not submitted prior to occupancy, the school's opening date may be postponed and/or the Board may take action as allowed by statute and the charter contract.</p>
<p>Charter Representative Signature:  Date: 9.13.2017</p>

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "Agreement") is made and entered into as of May 8, 2017 (the "Effective Date"), by and between PAYLESS PRUDENCE PROPERTIES, L.L.C., an Arizona limited liability company (the "Seller") and LEMAN EDUCATION SERVICES, INC., an Arizona non-profit corporation and its successors and assigns (the "Buyer"), for the purpose of setting forth the agreement of the parties and of instructing Escrow Agent (defined below) with respect to the transaction contemplated by this Agreement. "Buyer" and "Seller" are sometimes referred to herein each as a "Party" and collectively as "Parties".

RECITALS:

A. Seller owns that certain parcel of real property, as more particularly described on Exhibit "A" attached hereto (the "Land"), located in the center which is commonly known as "Sorrento Square", in Tucson, Pima County, Arizona (the "Project"). The Property consists of approximately ±10 acres of land and approximately and all of Seller's rights, privileges and easements appurtenant to the land, including, without limitation, and all minerals, oil, gas and other hydrocarbon substances and any rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land and all of Seller's right, title and interest in and to all roads, easements, rights of way and alleys adjoining or servicing the Land (collectively, the "Appurtenances"); all improvements, if any, located on the Land and Appurtenances (collectively, the "Improvements," and together with the Land and Appurtenances, the "Real Property"); and any and all of Seller's right, title and interest in and to any of the following existing at the Closing (i) all assignable and transferable development agreements acceptable to Buyer (the "Development Contracts"), (ii) all assignable warranties and guaranties issued to Seller in connection with the Improvements and (iii) all permits, licenses, approvals and authorizations issued by any governmental authority in connection with the Real Property (collectively, the "Contracts and Intangible Property").

The Real Property and Contracts and Intangible Property referred to herein above are collectively referred to herein as the "Property."

B. Seller now desires to sell, transfer and convey the Property to Buyer and Buyer desires to purchase and acquire the Property from Seller, upon and subject to the terms and conditions set forth in this Agreement.

AGREEMENTS:

NOW, THEREFORE, in consideration of the mutual agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

ARTICLE 1: CERTAIN DEFINITIONS AND FUNDAMENTAL PROVISIONS

The Parties acknowledge that the Recitals set forth above are true and correct in all material respects. The defined terms in the Recitals set forth above are hereby incorporated into this

Mr. F. J. 5/10/17
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Agreement by reference. This Article 1 sets forth certain definitions and fundamental provisions for purposes of this Agreement.

1.1 “Additional Deposit” means Twenty-Five Thousand Dollars and 00/100 (\$25,000.00) together with all interest earned thereon (the “Initial Deposit”) pursuant to the terms set forth in Section 2(b) below.

1.2 “Business Days” means Monday through Friday, excluding Saturday and Sunday and excluding bank holidays.

1.3 “Buyer’s Address” means: Leman Education Services, Inc.
Attn: Michael Farley
6601 East Grant Road, Ste 101
Tucson, Arizona 85715

With a copies to: Evan L. Thompson
Thompson-Krone, P.L.C.
4601 E Fort Lowell Rd #109
Tucson, Arizona 85712
Email: evan@thompsonkrone.com

Alpha Commercial Real Estate Service
Attn: Patrick Welchert
3661 W. El Moraga Place
Tucson, Arizona 85745
Phone: (520) 360-9394
Email: pwelchert@alphacommercial.net

1.4 “Closing Date” means a date that is within thirty (30) days after the satisfaction or waiver of the Approval Contingencies (defined in Section 3.3 below).

1.5 “Deposit” means collectively, the Initial Deposit, Additional Deposit, if any, and the Non-Refundable Extension Deposits, if any, and all interest earned thereon.

1.6 “Escrow Agent” means Rebecca Sauers of Title Security Agency, LLC, whose address is One South Church Ave., Suite 1610, Tucson, AZ 85701; Phone: 520-740-0424; Email: rebecca.sauers@titlesecurity.com.

1.7 “Exhibits” means the following exhibits that are attached hereto and are hereby incorporated into this Agreement:

Exhibit A	Legal Description of Real Property
Exhibit B	Deed
Exhibit C	Non-Foreign Certificate
Exhibit D	Reciprocal Easement Agreement

1.8 “ASBCS Approval Period” means the period commencing upon the Opening of Escrow and expiring one hundred eighty (180) days thereafter for the purposes set forth in Section 3.3 hereof, as may be extended pursuant to the provisions thereof.

1.9 “Inspection Period” means the period commencing upon the Effective Date and expiring ninety (90) days thereafter.

1.10 “Initial Deposit” means Twenty-Five Thousand Dollars and 00/100 (\$25,000.00) together with all interest earned thereon (the “Initial Deposit”) pursuant to the terms set forth in Section 2(a) below.

1.11 “Extension Deposit” shall have the meaning set forth in Section 3.3 hereof.

1.12 “Purchase Price for Real Property” is Two One Hundred Thousand Dollars and 00/100 (\$2,100,000.00), subject to adjustment as hereinafter provided.

1.13 “Seller’s Address” means: Payless Prudence Properties, L.L.C.
c/o Larsen Baker LLC
6298 E. Grant Rd., Suite 100
Tucson, AZ 85712
Phone: (520) 296-0200
Fax: (520) 296-1571
Email: melissa@larsenbaker.com
george@larsenbaker.com

with copy to: Ferrum K. Wallace
Email: ferrum@larsenbaker.com

1.14 “Title Company” means Title Security Agency, LLC, whose address is One South Church Ave., Suite 1610, Tucson, AZ 85701.

ARTICLE 2: ESCROW; PURCHASE AND SALE

2.1 Opening of Escrow. Seller shall promptly cause an escrow (the “Escrow”) to be opened with Escrow Agent (the “Opening of Escrow”) by delivery to Escrow Agent of a fully-executed copy of this Agreement. Escrow Agent shall promptly execute this Agreement and e-mail fully executed copies to the Parties. Notwithstanding the foregoing, the Escrow shall immediately terminate, without any further action on the part of either Party, if the Buyer fails to deliver its Initial Deposit to the Escrow Agent within three (3) Business Days after the Opening of Escrow. This Agreement shall constitute escrow instructions to Escrow Agent as well as the agreement of the parties hereto. Escrow Agent is hereby appointed and designated to act as Escrow Agent and instructed to deliver, pursuant to the terms of this Agreement, the documents and funds to be deposited into Escrow as herein provided. The Parties hereto shall execute such additional escrow instructions (not inconsistent with this Agreement as determined by Buyer and Seller or their counsel) as Escrow Agent shall deem reasonably necessary for its protection, including Escrow Agent’s general provisions (as may be modified by Buyer, Seller and Escrow Agent). In the event of any

inconsistency between the provisions of this Agreement and such additional escrow instructions, the provisions of this Agreement shall govern.

2.2 Terms of Payment of Purchase Price. The Purchase Price, subject to adjustment as hereinafter provided, shall be payable as follows:

(a) Initial Deposit. Within two (2) Business Days after the Opening of Escrow, Buyer shall deposit with the Escrow Agent the Initial Deposit.

(b) Additional Deposit. On or prior to the expiration of the Inspection Period, provided that Buyer has not earlier terminated this Agreement in accordance with the terms hereof, Buyer shall deposit with the Escrow Agent the Additional Deposit subject to Section 3.2 below. Escrow Agent shall invest the Initial Deposit and Additional Deposit in such federally insured interest bearing account as Buyer shall designate to Escrow Agent and Seller shall approve. Interest accrued on such account shall accrue to Buyer's benefit; provided, however, that if Buyer breaches its obligation to purchase the Property and because of such default the Initial Deposit and Additional Deposit is paid to Seller, then notwithstanding anything herein to the contrary, Seller shall be entitled to receive and to keep all interest which accrues on the account. All Deposit funds shall be (i) deposited by Buyer to the Escrow Agent by wire transfer of immediately available federal funds and (ii) invested as Buyer may instruct from time to time, provided that such investments are federally issued or insured. At Closing (as hereinafter defined), the Initial Deposit and Additional Deposit, together with all interest thereon, shall be credited to Buyer against the Purchase Price. In the event that the sale of the Property is not consummated for any reason, the Initial Deposit and Additional Deposit, together with all interest thereon, shall be applied and/or paid in accordance with the terms of this Agreement. If Buyer exercises the right to terminate this Agreement in accordance with Section 4.3, Section 3.2(a), or Section 7.2 hereof, this Agreement shall terminate and Escrow Agent shall remit the Initial Deposit and Additional Deposit, if any, to Buyer as provided for in this Agreement, and neither Party shall have any further rights, obligations or liabilities hereunder except to the extent that any right, obligation or liability set forth herein expressly survives termination of this Agreement.

(c) Balance of Purchase Price. At the Closing, Buyer shall pay to Seller the balance of the Purchase Price by wire transfer of immediately available federal funds, net of all prorations and adjustments as provided in this Agreement.

ARTICLE 3: INSPECTIONS AND CONTINGENCIES

3.1 Buyer's Inspections.

(a) Inspections, Tests and Studies. During the Inspection Period, Buyer and its agents and representatives shall be entitled at Buyer's sole cost and expense to: (i) enter onto the Property during normal business hours and upon twenty-four (24) hours notice (by e-mail) to Seller, to perform any inspections, investigations, studies and tests of the Property (including, without limitation, physical, structural, mechanical, architectural, engineering, soils, geotechnical and environmental tests) that Buyer deems desirable; (ii) cause a Phase I environmental assessment of the Property to be performed, upon reasonable notice to Seller; (iii) review all Property Documents (defined below); and (iv) investigate such other matters as Buyer may desire. Buyer and Buyer's agents and representatives entry onto and inspections of the Property in accordance with the terms hereof shall not damage the Property in any respect. At Seller's option, Seller may be present for any inspection, test or study. Notwithstanding anything contained herein, in no event shall Buyer undertake a so-called Phase II environmental investigation or conduct any invasive testing of the Property without obtaining Seller's

prior written consent, unless the Phase I shall recommend such additional investigation. If Buyer obtains such consent or the Phase I otherwise recommends the same, and thereafter Buyer or its representatives undertake any borings or other disturbances of the soil of the Property, the soil shall be re-compacted substantially similar to its condition immediately before any such borings or other disturbances were undertaken, and Buyer shall obtain, at Buyer's sole cost and expense, a certificate from a licensed soils engineer that certifies that the soil has been re-compacted to substantially such condition. Buyer shall keep the Property free and clear of any mechanic's, design professionals or similar liens arising out of any entry onto or inspection of the Property. Buyer shall indemnify, protect, defend and hold Seller and its partners, shareholders, members, agents, employees and representatives (collectively, "Seller's Representatives") harmless from and against any and all claims (including, without limitation, claims for liens), causes of action, demands, obligations, losses, damages, liabilities, judgments, costs or expenses including, reasonable attorneys' fees, in connection with or arising out of any inspections carried on by or on behalf of Buyer pursuant to the terms hereof; provided, however, that Buyer shall not indemnify Seller for any claims resulting from the mere discovery of pre-existing conditions or caused by Seller's negligence or willful misconduct. In the event that this Agreement is terminated for any reason, (i) Buyer shall repair any damage to the Property caused by its entry thereon and restore any damage caused to the same upon and during any such entry. The provisions of this Section 3(a) shall survive the Closing or the earlier termination of this Agreement.

(b) Insurance Requirements. Buyer will, at their sole cost and expense, obtain and keep in force during the term of this Agreement, a commercial general liability insurance policy, insuring coverage for bodily injury, property damage, contractual liability and personal injury liability arising out of any of Buyer's or its agents and representatives' use, inspection or occupancy of or at the Property. The commercial general liability policy, with Buyer named as the insured, shall be issued by a reputable insurer reasonably acceptable to Seller. The commercial general liability policies shall list Seller as additional insured. Upon request by Seller, Buyer shall provide a certificate of insurance evidencing the type and amounts of coverage's herein required. The parties acknowledge that the issuance of a current, valid certificate of insurance by the insurance provider or broker shall serve as evidence of payment or current premiums for said insurance policy. Buyer will also require all its independent agents or other representatives entering upon the Property pursuant to Buyer's direction to provide, maintain and keep in force worker's compensation, casualty, liability and other insurance.

(c) Document Review.

i. Seller's Delivery of Reports and Documents. Within seven (7) Business Days after the Opening of Escrow, Seller will make available for inspection by Buyer the following materials (collectively, the "Property Documents"): an existing ALTA Survey of the Property or the entire Project of which Property is a part; copies of the ad valorem property tax statements covering the property for the current and preceding two years; existing Phase I Environmental Report on the Property or the entire Project of which Property is a part; copies of any improvement or assessment requirements that are to be paid by the Seller on the Property as a condition to Closing (defined below); and copies of all conceptual site plans and studies relating to the potential development of the Property in the possession and control of Seller and/or its consultants (collectively, the "Development Documents"). The Development Documents shall include any site plans, engineering reports, traffic studies, archeological reports, geo-technical surveys and correspondence with consultants and/or the municipality created in Seller's past development planning. If Buyer fails to consummate this transaction for any reason, Buyer shall

return to Seller all Property Documents, including all Development Documents, and any other documents and information with respect to the Property provided to Buyer by or on behalf of Seller, together with any and all copies of the same by Buyer. If such information has been electronically scanned, the same shall be permanently deleted.

ii. Proprietary Information. Buyer acknowledges and agrees that the Property Documents are proprietary and confidential in nature and have been or will be made available to Buyer solely to assist Buyer in determining the feasibility of purchasing the Property. Buyer agrees not to disclose the Property Documents or any of the provisions, terms or conditions thereof to any party outside of Buyer's organization except (i) as to Buyer's attorneys, accountants, lenders, prospective lenders, investors and/or prospective investors (collectively, the "Permitted Outside Parties"), or (ii) as may be required by law, rule, regulation, court order or in connection with the enforcement of this Agreement. Buyer further agrees to notify all Permitted Outside Parties that the Property Documents are to be kept confidential and not disclosed to third parties.

iii. No Reliance on Documents. Except as expressly stated herein, Seller makes no representation or warranty as to the truth, accuracy or completeness of any materials, data or information delivered by Seller to Buyer in connection with the transaction contemplated hereby, including without limitation the Property Documents described above. Buyer acknowledges and agrees that all materials, data and information delivered by Seller to Buyer in connection with the transaction contemplated hereby are provided to Buyer as a convenience only and that any reliance on or use of such materials, data or information by Buyer shall be at the sole risk of Buyer, except as otherwise expressly stated herein. Without limiting the generality of the foregoing provisions, Buyer acknowledges and agrees that (i) any environmental or other report with respect to the Property which is delivered by Seller to Buyer shall be for general informational purposes only, (ii) Buyer shall not have any right to rely on any such report delivered by Seller to Buyer, but rather will rely on its own inspections and investigations of the Property and any reports commissioned by Buyer with respect thereto, and (iii) neither Seller, any affiliate of Seller nor the person or entity which prepared any such report delivered by Seller to Buyer shall have any liability to Buyer for any inaccuracy in or omission from any such report.

3.2 Inspection Period Approval: Right of Termination.

(a) Seller agrees that, prior to the expiration of the Inspection Period, Buyer shall have the right to terminate this Agreement for whatever reason, and not to proceed with the purchase of the Property, by giving written notice of such termination to Seller; provided that termination for reasons relating to title and survey shall be made within the time periods and in accordance with the provisions set forth in Article 4 hereof. If Buyer gives such notice of termination within the Inspection Period, this Agreement shall terminate and the Initial Deposit shall be returned to Buyer, and neither Party shall have any further rights, obligations or liabilities hereunder except to the extent that any right, obligation or liability set forth herein expressly survives termination of this Agreement. Time is of the essence with respect to the provisions of this Section 3.2. No later than one (1) Business Day after the expiration of the Inspection Period and delivery by Buyer to Seller and Escrow Agent of written notice that Buyer has satisfied itself with respect to its due diligence review of the Property, or that Buyer is otherwise waiving all rights to terminate this Agreement on account of its due diligence review of the Property, Buyer shall deposit with Escrow Agent the Additional Deposit, and Buyer shall no longer have any right to terminate this Agreement under this Section 3.2.

(b) Buyer's right to terminate this Agreement after the Inspection Period and prior to the date of Closing and the disposition of the Deposit are governed by the provisions of Sections 3.3 and 7.2 hereof. Any other termination by Buyer will release Seller from all liability and will result in Seller's retention of the Deposit.

(c) In no event shall Buyer's right to determine the acceptability of the Property give rise to any Buyer right, benefit or entitlement to a purchase price reduction or repair credit or create any Seller obligation or duty to repair the Property under any circumstances.

3.3 Governmental Approval and Financing Period Contingency. Within forty-five (45) days following the Effective Date of this Agreement, Buyer shall apply to the Arizona State Board for Charter Schools ("ASBCS") for approval to construct and operate a charter school on the Property ("ASBCS Approvals"). Following the submission of the application, Buyer agrees to use its best efforts to obtain such Approvals from the ASBCS. Buyer shall pursue financing on terms and conditions satisfactory to Buyer in its commercially reasonable discretion using diligent efforts ("Financing"). Buyer shall have until the expiration of the Governmental Approval Period to obtain Financing and ASBCS Approvals.(collectively "Approval Contingencies"). In the event Buyer has not received the Financing or ASBCS Approvals on or before the expiration of the ASBCS Approval Period, Buyer shall have the right to extend the ASBCS Approval Period for an additional period of one hundred eighty (180) days by delivering written notice to Seller and Escrow Agent on or before the then existing expiration of the ASBCS Approval Period and simultaneously depositing a Non-refundable Extension Deposit, as defined herein below, of One Hundred Thousand and 00/100 Dollars (\$100,000.00) (the "Extension Deposit") with the Escrow Agent. Buyer shall instruct Escrow Agent to immediately release to Seller the Extension Deposit. Upon receipt of the Extension Deposit, Escrow Agent shall immediately release the Extension Deposit to Seller. The Extension Deposit shall be non-refundable to Buyer, except in the event Buyer is entitled to receive a return of all Deposits made by Buyer pursuant to Section 7.2 hereof in the event Closing fails to occur because of Seller's default, subject to all applicable notice and cure periods set forth in this Agreement. The Extension Deposit paid by Buyer shall be applied to payment of the Purchase Price upon Closing. Such extension shall apply only to Buyer's efforts satisfying the Approval Contingencies as provided in this Section 3.3 and shall not serve as an extension for Buyer's Inspection Period or Title Review Period. If, at any time prior to the earlier of (i) expiration of the ASBCS Approval Period, as the same may be extended, or (ii) the date Buyer satisfies the Approval Contingencies, Buyer determines, in its sole and absolute discretion, that its project is not economically feasible, Buyer may cancel and terminate this Agreement by providing written notice of cancellation and termination to Escrow Agent and Seller. Upon such termination by Buyer, Escrow Agent shall immediately refund to Buyer the Initial Deposit and any Additional Deposit and neither party shall have any further liability or obligation to one another hereunder except for Buyer's obligations to Seller under any indemnity required herein. If Buyer has failed, upon the expiration of the ASBCS Approval Period, as maybe extended hereby, to have delivered written notice of Buyer's termination of this Agreement to Escrow Agent and Seller, Buyer shall be deemed to have waived its Approval Contingencies and elected to proceed to Closing, and the Deposit shall become non-refundable to Buyer, except in the event Buyer is entitled to receive a return of the Deposit pursuant to Section 7.2 hereof in the event Closing fails to occur because of Seller's default, subject to all applicable notice and cure periods set forth in this Agreement.

3.4 Zoning Conditions. Buyer acknowledges that certain zoning conditions affect the Property pursuant to the City of Tucson Approved Development Plan and that Buyer shall review and accept

all development conditions imposed by any governmental or municipal authority in connection with Property, and by its acceptance of the Deed (defined below) at Closing, Buyer shall be deemed to have assumed all such zoning conditions. Buyer hereby acknowledges has made and makes no warranty or representation that Buyer's proposed use as a charter school exempts Buyer from any or all of the zoning conditions.

3.5 Access Points. The Property shall have at least one (1) exclusive entrance, one (1) shared access point from Golflinks Road to the Property, and one (1) shared access point from Houghton Road. Seller, at Seller's sole cost, shall construct (if not constructed as of the date hereof) the shared access point improvements upon the Property, and provide a Reciprocal Easement Agreement ("REA") establishing Buyer's shared easements rights on the shared access points (collectively, the "Shared Access Points"), the location of which shall be delineated in the REA. The initial draft of the REA shall be drafted by Seller and shall be provided to Buyer within forty five(45) days from the Effective Date and the Parties agree to the final form of the REA prior to the expiration of the Inspection Period.

3.6 Monument Signage. Subject to all applicable zoning and other municipal regulations, Buyer shall have the right to apply for its own monument sign located on the Property, at Buyer's sole cost and expense. If, however, Buyer elects to install its signage a panel on the Seller's Golf Links Monument Sign (as hereinafter defined) and/or a panel on the Seller's Houghton Monument Sign (as hereinafter defined), Buyer shall reimburse Seller in the amount of twenty-five percent (25%) of the total documented costs to obtain permits, construct, and install the Golf Links Monument Sign and/or Houghton Monument Sign, including any permit fees and costs incurred in obtaining the City of Tucson's approval, as shall be further set forth in the REA. Subject to the issuance of applicable permits and approvals and subject further to legal requirements as of right, the Seller intends to construct and install for the benefit of the project a four-panel, shared monument sign facing Golf Links Road (the "Golf Links Monument Sign"), and a four-panel, shared monument sign facing Houghton Road (the "Houghton Monument Sign").

ARTICLE 4: TITLE AND SURVEY REVIEW

4.1 Title Commitment. Within seven (7) Business Days after the Opening of Escrow, Seller shall cause the Title Company to deliver to Buyer: (a) a commitment for an ALTA owner's policy of title insurance (the "Commitment") for the Property issued by the Title Company reflecting the Title Company's commitment for issuing an owner's policy to Buyer; and (b) legible photocopies of all documents ("Title Documents") describing title exceptions shown on the Commitment.

4.2 Survey. During the Inspection Period Seller shall, at its sole cost and expense, employ a reputable surveyor or surveying firm, to survey the Property and prepare and deliver to Buyer and the Title Company an updated ALTA survey thereof (the "Survey") reflecting the legal description of the Property, total area of the Property, the location of all recorded easements, if any, located thereon and all building and set back lines and other matters of record shown in the Commitment.

4.3 Title or Survey Objections. Buyer shall have thirty (30) days after receipt of the updated Survey ("Title Review Period") to give written notice to Seller of such objections as Buyer may have to any exceptions to title disclosed in the Commitment or the Survey. Any exception to title disclosed in the Commitment, any such amendments or the Survey to which Buyer does not object by timely written notice shall be a Permitted Exception (defined below). Time is of the essence with respect to

the provisions of this Section 4.3. In the event Buyer gives timely written notice of objection ("Title Objection Notice") to any exceptions to title and/or survey, Seller shall have the right, but not the obligation, to attempt to remove, satisfy or otherwise cure any exceptions to title or survey so objected to. Within ten (10) days after receipt of Buyer's notice of objection, Seller shall give written notice to Buyer informing Buyer of Seller's election with respect to such exceptions. If Seller fails to give written notice of election within such ten (10) day period, Seller shall be deemed to have elected not to attempt to cure the matter objected to. If Seller elects to attempt to cure any exceptions, Seller shall be entitled to one or more reasonable adjournments of the Closing to attempt such cure, provided, however Seller shall not be obligated to expend any sums, commence any suits or take any other action in order to effect the same. If Seller elects or is deemed to have elected not to cure any exceptions to title or survey objected to by Buyer or if, after electing to attempt to cure, Seller determines that it is unwilling or unable to remove, satisfy or otherwise cure any such exceptions, Buyer's sole remedy hereunder in such event shall be either: (i) to accept title to the Property subject to such exceptions as if Buyer had not objected thereto and without reduction of the Purchase Price or (ii) to terminate this Agreement, pursuant to this Section 4.3, whereupon the Initial Deposit shall be returned to Buyer and neither Party hereto shall have any further rights, obligations or liabilities hereunder except to the extent that any right, obligation or liability set forth herein expressly survives termination of this Agreement. To terminate this Agreement pursuant to this Section 4.3, Buyer must give written notice to Seller of its election to terminate not later than (a) five (5) days after receipt of written notice from Seller of Seller's election not to attempt to cure any exception or of Seller's determination, having previously elected to attempt to cure, that it is unable or unwilling to do so or (b) fifteen (15) days after delivering its timely Title Objection Notice to Seller and, pursuant to Section 4.3, Seller is deemed to have elected not to attempt to cure such exception. If Buyer fails to give timely notice of its election to terminate under this Section for any reason whatsoever, Buyer shall be deemed to have elected to accept title subject to such exception without adjustment of the Purchase Price.

4.4 Definition of Permitted Exceptions. All matters set forth on the Commitment which are not timely objected to by Buyer or which objections are subsequently waived in writing by Buyer, are herein called the "Permitted Exceptions". The term "Permitted Exceptions" shall additionally be deemed to include the following: (a) real estate taxes and assessments which are a lien but not yet due and payable; and (b) any liens, encumbrances, restrictions, exceptions and other title matters disclosed in the Commitment or Survey and approved or deemed approved by Buyer in accordance with this Section 4 shall be referred to herein.

4.5 Delivery of Title Policy at Closing. At and upon Closing, Seller shall cause Title Company to issue a standard 2006 ALTA form owner's title insurance policy (the "Title Policy"), in the face amount of the Purchase Price of the Real Property, which policy shall (i) show title to the Property to be vested of record in Buyer, and (ii) show the Permitted Exceptions to be the only exceptions to title, in the amount of the Purchase Price. Buyer shall have the right to request that the Title Company issue ALTA Extended Coverage Title Insurance as part of the Title Policy provided Buyer pays for all costs of such ALTA Extended Coverage in excess of standard policy. Seller has no obligation to ensure that the Title Company will provide any endorsements to the Title Policy, all of which, if Buyer elects to obtain any such endorsements, shall be Buyer's responsibility and shall be at Buyer's expense.

ARTICLE 5: CLOSING

5.1 Closing Date. Subject to the provisions of this Agreement, the Closing shall occur through Escrow on the Closing Date. As used in this Agreement, the "Closing" shall mean the recordation of the Deed (defined below) in the official records of Pima County, Arizona.

5.2 Seller's Deliveries in Escrow. On or prior to the Closing Date, Seller shall execute and deliver to Escrow Agent the following:

(a) One (1) special warranty deed in a form to be agreed upon between Buyer and Seller in the form attached hereto as Exhibit "B" (the "Deed"), subject only to the Permitted Exceptions, duly executed and acknowledged by Seller, conveying title to the Property to Buyer subject only to the Permitted Exceptions.

(b) One (1) counterpart original of an Affidavit of Property Value to be prepared by the Escrow Agent as required by Arizona law (the "Affidavit of Property Value").

(c) an affidavit stating, under penalty of perjury, Seller's U.S. taxpayer identification number and that Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code, the Foreign Investment in Real Property Tax Act of 1980 ("FIRTPA"), in the form attached hereto as Exhibit "C" (the "Non-Foreign Certificate"), duly executed by Seller.

(d) The Reciprocal Easement Agreement, in substantially the form attached hereto as Exhibit "D".

(e) Such other documents as may be reasonably required by Escrow Agent or Title Company for the proper consummation of the transaction contemplated by this Agreement.

5.3 Buyer's Deliveries in Escrow. On or prior to the Closing Date, Buyer shall execute and deliver to Escrow Agent the following:

(a) The Purchase Price, plus or minus all net prorations, Closing costs and other funds required to be paid by Buyer under this Agreement (all monies Buyer is required to deliver shall be wired to the account designated by Escrow Agent and available for disbursement no later than noon, local time, on the Closing Date).

(b) One (1) counterpart original of the Affidavit of Property Value.

(c) Such other documents as may be reasonably required by Escrow Agent or Title Company for the proper consummation of the transaction contemplated by this Agreement.

5.4 Prorations. The following items shall be prorated between Seller and Buyer at the Closing by increasing or decreasing, as the case may be, the funds to be delivered by Buyer at the Closing, with all items pertaining to the month of Closing to be prorated based on the actual number of days in the month in which the Closing occurs:

(a) Taxes and Assessments. The Real Property taxes, assessments, if any, and any Personal Property taxes shall be prorated based upon the latest available tax information such that Seller shall be responsible for all such taxes levied against the Real Property and Personal Property to

and including the day prior to the Closing, and Buyer shall be responsible for all such taxes levied against the Property for the date of Closing and all periods thereafter. Any Real Property taxes or assessments arising out of the sale of the Real Property to Buyer or a subsequent sale or change in ownership thereafter, and/or arising out of any construction pertaining to the Real Property following the Closing, shall be paid by Buyer when assessed.

(b) Escrow and Title Fees. The escrow fee charged by Escrow Agent and the recording fees associated with the conveyance of the Property shall be paid one-half (1/2) by Seller and one-half (1/2) by Buyer. Upon the Closing, Seller shall pay the title insurance premiums attributable to standard coverage respecting the Title Policy and those endorsements to remove those title objections Seller agrees to remove but can only be accomplished by the issuance of a title endorsement. Upon the Closing, Buyer shall pay (i) the fee for the recording of any of the Assumption Documents, (ii) the premiums for the Title Policy to be issued to Buyer in excess of standard ALTA Owner's Policy coverage, including any costs attributable to ALTA coverage in connection therewith or for other so-called "extended coverage" (to the extent any of the foregoing is requested by Buyer), the cost of any lender's title policy and the cost of all title endorsements issued in connection with the Title Policy and any lender's title policy not required to be paid by Seller as forth above, (iii) the cost of any survey, and (iv) the costs of any inspections, studies or tests Buyer authorizes or conducts. Each Party shall be responsible for the payment of its own attorneys' fees incurred in connection with the transaction which is the subject of this Agreement. Transfer taxes or the like, including excise or sales tax, if any, shall be paid by Seller.

5.5 Actions of Escrow Agent. On the Closing Date, Escrow Agent shall promptly undertake all of the following:

(a) Closing Statement. At Closing, Escrow Agent shall prepare and Seller and Buyer shall approve in writing a final settlement statement consistent with this Agreement.

(b) Disbursement of Funds. Escrow Agent shall disburse all funds deposited with Escrow Agent by Buyer as follows (and in the following order):

i. Pay all closing costs which are to be paid through Escrow (including, without limitation, recording fees, brokerage commissions, Title Policy charges and escrow fees).

ii. After satisfying any requirement under the preliminary title report, and either deducting therefrom or adding thereto (as appropriate) the net amount of the prorations pursuant to Section 5.4 above, disburse the Purchase Price to Seller in accordance with separate wiring instructions to be delivered to Escrow Agent by Seller.

(b) Recordation. Cause the Deed and requisite affidavit of real property value, and any other documents which the parties hereto may mutually direct to be recorded in the Official Records of the county wherein the Property is located, and obtain conformed copies thereof for distribution to Buyer and Seller.

5.6 Possession. Upon confirmation of the Closing, Seller shall deliver to Buyer possession of the Real Property and Personal Property, subject to the Permitted Exceptions.

ARTICLE 6: REPRESENTATIONS AND WARRANTIES: CERTAIN COVENANTS

6.1 **General Disclaimer: "AS IS, WHERE IS" Sale.** Buyer acknowledges and agrees that upon Closing, Seller shall sell and convey to Buyer and Buyer shall accept the Property "**AS IS, WHERE IS, WITH ALL FAULTS**". Except as expressly set forth in this Agreement, Buyer has not relied and will not rely on, and Seller has not made and is not liable for or bound by, any express or implied warranties, guarantees, statements, representations or information pertaining to the Property or relating thereto made or furnished by Seller, or any property manager, real estate broker, agent or third party representing or purporting to represent Seller, to whomever made or given, directly or indirectly, orally or in writing. Buyer represents that it is relying solely on its own expertise and that of Buyer's consultants in purchasing the Property and shall make an independent verification of the accuracy of any documents and information provided by Seller. Buyer will conduct such inspections and investigations of the Property as Buyer deems necessary, including, but not limited to, the physical and environmental conditions thereof, and shall rely upon same. Upon Closing, Buyer shall assume the risk that adverse matters, including, but not limited to, adverse physical or construction defects or adverse environmental, health or safety conditions, may not have been revealed by Buyer's inspections and investigations except as set forth in this Agreement.

6.2 **Limited Representations and Warranties of Seller.** Seller hereby represents and warrants to Buyer the following:

(a) **Litigation.** To its Actual Knowledge (defined below) there is no pending action, litigation, condemnation or other proceeding against the Property or against Seller (or any of its partners or principals) with respect to the Property.

(b) **Compliance.** To its Actual Knowledge, Seller has received no written notice from any governmental authority having jurisdiction over the Property to the effect that the Property is not in compliance with applicable laws and ordinances.

(c) **Due Authority.** This Agreement and all agreements, instruments and documents herein provided to be executed or to be caused to be executed by Seller are and on the Closing Date will be duly authorized, executed and delivered by and are binding upon Seller. Seller is an Arizona limited liability company, duly organized and validly existing under the laws of the State of Arizona and is authorized to do business in the State of Arizona and is duly authorized and qualified to do all things required of it under this Agreement. Seller has the legal capacity and authority to enter into this Agreement and consummate the transaction herein contemplated without the consent or joinder of any other Party (except as otherwise set forth in this Agreement).

(d) **Environmental Matters.** Seller has not received any notice or reports indicating the presence of Hazardous Substances on the Property other than that which may be set forth in any environmental report included in the Property Documents.

(e) **Condemnation Notices.** Seller has not received any notice and has no knowledge of or information as to any existing or threatened condemnation or other legal action of any kind involving the Property.

(f) **Materialmen's Liens.** No work has been performed or is in progress at the Property and no materials have been furnished to the Property which might give rise to mechanic's, materialman's, or other liens against any part of the Property. For avoidance of doubt, the

representations contained in this subsection (f) apply to the Property only and does not apply the remaining Project.

(g) Patriot Act. Neither Seller nor any person, group, entity or nation that Seller is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control, and Seller is not engaging in the transaction contemplated hereby, directly or indirectly, on behalf of, or instigating or facilitating the same, directly or indirectly, on behalf of, any such person, group, entity or nation. Seller is not engaging in such transaction, directly or indirectly, in violation of any Laws relating to drug trafficking, money laundering or predicate crimes to money laundering. The investment of direct or indirect equity owners in Seller is not prohibited by applicable law and neither the transaction contemplated hereby nor this Agreement is or will be in violation of applicable law. Seller has and will continue to implement procedures, and has consistently and will continue consistently to apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing.

(c) Actual Knowledge Defined. Actual Knowledge where referenced in Section 6.1(b) above shall mean only the present actual knowledge (as distinguished from implied, imputed or constructive knowledge) of George C. Larsen, and shall not be construed, by imputation or otherwise, to refer to the knowledge of Seller, or any affiliate of Seller, to Seller's property manager, or to any other officer, agent, manager, representative, advisor, or employee of Seller or any affiliate thereof or to impose upon such designated employee any duty to investigate the matter to which such actual knowledge, or the absence thereof, pertains.

6.3 Hazardous Substances Defined. Buyer acknowledges that it will have the opportunity to inspect the Property during the Inspection Period, and during such period, observe its physical characteristics and existing conditions and the opportunity to conduct such investigation and study on and of the Property and adjacent areas as Buyer deems necessary, Buyer hereby forever releases Seller from all responsibility and liability whether arising before or after the Closing Date (except if the representation by Seller in Section 6.2(d) hereof, and liabilities under the Comprehensive Environmental Response, Compensation and Liability Act Of 1980 (42 U.S.C. §§ 9601 *et seq.*), as amended ("CERCLA"), regarding the condition, valuation, salability or utility of the Property, or its suitability for any purpose whatsoever (including, but not limited to, with respect to the presence in the soil, air, and surface and subsurface waters, of Hazardous Substances (hereinafter defined) on, under, adjacent to or otherwise affecting the Property). For purposes of this Agreement, "Hazardous Substances" means any hazardous, toxic or dangerous waste, substance or material, pollutant or contaminant, as defined for purposes of CERCLA, or the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 *et seq.*), as amended, or any other federal, state or local law, ordinance, rule or regulation applicable to the Property, or any substance which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, or any substance which contains gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls (PCBs), radon gas, urea formaldehyde, asbestos, lead or electromagnetic waves.

6.4 Interim Covenants of Seller. Until the Closing Date or the sooner termination of this Agreement, Seller shall maintain the Property in the same manner as prior hereto pursuant to its normal course of business (such maintenance obligations not including extraordinary capital

expenditures or expenditures not incurred in such normal course of business), subject to reasonable wear and tear and further subject to destruction by casualty or other events beyond the control of Seller.

6.5 Backup Offers. Until such time as the Escrow has been terminated, Seller shall not actively market the Property for sale or solicit offers to acquire the Property. Notwithstanding the foregoing, the Seller retains the right to accept back up contracts for the purchase of the Property, so long as such back up contracts are clearly subordinate to the obligations of the parties under this Agreement.

ARTICLE 7: REMEDIES

7.1 Buyer's Default: Seller's Remedies. Provided Seller is not in default hereunder, if Buyer fails or refuses to consummate the purchase of the Property pursuant to this Agreement at the Closing for any reason other than the termination of this Agreement by Buyer pursuant to a right to terminate expressly set forth in this Agreement, then Seller, as Seller's sole and exclusive remedy, shall have the right to terminate this Agreement by giving written notice thereof to Buyer prior to or at the Closing, whereupon neither party hereto shall have any further rights or obligations hereunder, and Seller shall retain the Deposit as liquidated damages, free of any claims by Buyer or any other person with respect thereto. It is agreed that the Deposit to which the Seller is entitled under a termination above is a reasonable forecast of just compensation for the harm that would be caused by Buyer's breach, and that the harm that would be caused by such breach is one that is incapable or very difficult of accurate estimation.


SELLER'S INITIALS


BUYER'S INITIALS

7.2 Seller's Default: Buyer's Remedies. Except for any breaches waived in writing by Buyer, in the event Seller defaults in its obligation to convey the Property to Buyer pursuant to this Agreement, Buyer may as its sole and exclusive remedy for such breach, elect to either; (i) terminate this Agreement by written notice to Seller and the Escrow Agent, in which event the Deposit and all accrued interest thereon shall be returned to Buyer, or (ii) initiate legal action for damages, provided that such damages shall be limited to Buyer's reasonable, out of pocket expenses actually incurred with third parties in connection with the contemplated transaction hereunder not to exceed the aggregate sum of One Hundred Thousand and no/100 Dollars (\$100,000.00), (iii) file an action for specific performance of Seller's obligation to convey the Property to Buyer in accordance with this Agreement within sixty (60) days of the scheduled Closing Date to compel Seller to close.

(a) Limitation of Seller's Liability. Notwithstanding any contrary provision contained herein, except with respect to the indemnity obligations set forth in this Agreement, (i) the liability of Seller hereunder (whether for a breach of this Agreement prior to closing, a breach of a representation or warranty, or otherwise) shall in no event exceed the interest of Seller in the Property and any judgments rendered against Seller shall be satisfied solely out of the amount of the proceeds of the sale of its interest in the Property and (ii) Buyer shall have no recourse against any of the past, present or future, direct or indirect partners, members, managers, principals, directors, officers, agents, affiliates or representatives of Seller or of any of the assets or property of any of the foregoing for the payment or collection of any amount, judgment, judicial process, arbitral award, fee or cost or for any other obligation or claim arising out of or based upon this Agreement and requiring the payment of money by Seller. This Section 7.2 shall survive the Closing.

7.3 Attorneys' Fees. If any action or proceeding is commenced by either Party to enforce its rights or remedies under this Agreement, the prevailing party in such action or proceeding, including any bankruptcy, insolvency or appellate proceedings, shall be entitled to recover its reasonable attorneys' fees and court costs incurred therewith, however, Buyer's recovery of such attorneys' fees and court costs shall not exceed Seller's interest in the Property.

ARTICLE 8: RISK OF LOSS

8.1 Condemnation or Damage. If, prior to Closing, any governmental authority or other entity having condemnation authority shall institute an eminent domain proceeding or take any steps preliminary thereto (including the giving of any direct or indirect notice of intent to institute such proceedings) or the Property is damaged with regard to a "Material Portion" of the Real Property (as defined below), and the same is not dismissed prior to the Closing Date, Buyer shall be entitled, as its sole remedy, to terminate this Agreement upon written notice to Seller (i) within ten (10) Business Days following notice by Seller to Buyer of such condemnation or the threatened condemnation or (ii) on the Closing Date, whichever occurs first. If Buyer does not terminate this Agreement pursuant to the preceding sentence, Buyer shall be conclusively deemed to have elected to accept such condemnation and waives any right to terminate this Agreement as a result thereof. For purposes of this Section 8.1, a "Material Portion" shall mean that portion of the Real Property which, if taken or condemned, would reduce the value of the Property by not less than \$50,000. If Buyer elects to terminate this Agreement under this Section 8.1, the entire portion of the Initial Deposit and Additional Deposit, if any, then held by Escrow Agent shall be returned to Buyer upon Seller's receipt of the Property Documents, and neither Party to this Agreement shall thereafter have any further rights or obligations hereunder. If Buyer waives (or is deemed to have waived) the right to terminate this Agreement as a result of such a condemnation, despite such condemnation, Seller and Buyer shall proceed to Closing in accordance with the terms of this Agreement with no reduction in the Purchase Price, and Seller shall assign to Buyer at Closing all of Seller's right, title and interest in and to all proceeds resulting or to result from said condemnation.

8.2 Nonmaterial Damage or Condemnation. If, prior to Closing, damage relating to the Property has occurred which is not described in Section 8.1, the Closing shall take place as provided in this Agreement with no reduction of the Purchase Price, and Seller shall assign to Buyer at Closing, as part of the Intangible Property, all of Seller's right, title and interest in and to all proceeds resulting or to result from said condemnation.

ARTICLE 9: CONDITIONS TO CLOSING

9.1 Buyer's Conditions to Closing. The obligation of Buyer to complete the transaction contemplated by this Agreement is subject to the following conditions precedent (the "Buyer's Closing Conditions"), which conditions may be waived, or the time for satisfaction thereof extended, by Buyer only in a writing executed by Buyer:

(a) All of Seller's representations and warranties set forth in this Agreement shall be true, correct, and complete in all material respects as of the Closing Date, and Seller, on or prior to the Closing Date, shall have complied with and/or performed all of the material obligations, covenants, and agreements required on the part of Seller to be complied with or performed pursuant to the terms of this Agreement, including the execution and delivery by Seller of all closing documents described in Section 5.2 hereof, and the construction of the Shared Access Points described in Section 3.4 hereof.

(b) The Inspection Period, Title Review Period, and Governmental Approval Period shall have expired or shall otherwise each have been satisfied or waived by Buyer as provided herein.

(c) The Title Company shall be prepared and willing to issue to Buyer the title policy described in Section 4.5 above.

If any of Buyer's Closing Conditions described in this Section 9.1 have not been satisfied within the applicable time periods, Buyer may waive the unsatisfied Buyer Closing Condition and proceed to Closing in accordance with this Agreement, without adjustment or abatement of the Purchase Price. To the extent that the failure of any applicable Buyer Closing Conditions is caused by breach of any term or condition of this Agreement by Seller, Buyer shall be entitled to pursue its rights and remedies pursuant to the terms of Article 7 hereof.

9.2 Seller's Conditions to Closing. The obligation of Seller to complete the transaction contemplated by this Agreement is subject to the following conditions precedent (the "Seller's Closing Conditions"), which conditions may be waived, or the time for satisfaction thereof extended, by Seller only in a writing executed by Seller:

(a) All of Buyer's representations and warranties set forth in this Agreement shall be true, correct, and complete in all material respects as of the Closing Date, and Buyer, on or prior to the Closing Date, shall have complied with and/or performed all of the material obligations, covenants, and agreements required on the part of Buyer to be complied with or performed pursuant to the terms of this Agreement, including the execution and delivery by Buyer of all closing documents described in Section 5.3 hereof.

(b) No action or proceeding shall have been commenced by or against Buyer or any affiliate of Buyer under the federal bankruptcy code.

If any of Seller's Closing Conditions described in this Section 9.2 have not been satisfied within the applicable time periods, Seller may waive the unsatisfied Seller Closing Condition and proceed to Closing in accordance with this Agreement, without adjustment or abatement of the Purchase Price, or terminate this Agreement by written notice to Buyer, in which event Buyer shall pay for all cancellation charges of the Title Company and Escrow Agent, if any, and to the extent that the failure of any applicable Seller Closing Conditions is caused by breach of any term or condition of this Agreement by Buyer, or Buyer's failure to timely perform any condition or obligations set forth herein, Seller shall be entitled to pursue its rights and remedies pursuant to the terms of Article 7 hereof.

ARTICLE 10: MISCELLANEOUS

10.1 Broker Disclosure. At Closing, the Seller shall pay a real estate commission pursuant to a separate commission agreement to Alpha Commercial Real Estate Service, LLC ("Buyer's Exclusive Broker"). At Closing, Seller shall pay a real estate commission to Larsen Baker, L.L.C. ("Seller's Exclusive Broker") pursuant to a separate commission agreement. Except as set forth herein, each Party hereto hereby represents and warrants to the other Party that no real estate brokerage commission is payable to any other person or entity in connection with the transaction contemplated herein based upon any dealings or actions by the Party making such representation, excepting only Larsen Baker, L.L.C. representing exclusively the Seller and Alpha Commercial Real Estate Service

representing exclusively the Seller. Each Party further agrees to and shall indemnify, protect, defend and hold the other Party harmless from and against the payment of any commission to any person or entity claiming by, through or under the indemnifying Party (other than the brokers identified herein). This indemnification shall extend to any and all claims, liabilities, costs, losses, damages, causes of action and expenses (including reasonable attorneys' fees and court costs) arising as a result of such claims, and shall survive the Closing. The Buyer's Exclusive Broker and Seller's Exclusive Broker shall not be entitled to any monies or other recovery realized by Seller arising out of Buyer's default under this Agreement. Buyer acknowledges that some principals of Seller are licensed real estate brokers in the State of Arizona.

10.2 Entire Agreement. This Agreement contains the entire agreement of the parties hereto. There are no other agreements, oral or written, and this Agreement can be amended only by written agreement signed by all parties hereto, and by reference, made a part hereof.

10.3 Agreement Binding on Parties. This Agreement, and the terms, covenants, and conditions herein contained, shall inure to the benefit of and be binding upon the heirs, personal representatives, successors, and assigns of each of the parties hereto.

10.4 Assignment. Buyer may assign without Seller's consent its rights under this Agreement to any domestic corporation or limited liability company where Buyer is required to do so pursuant to any regulation governing Arizona Charter Schools or as may be required by Buyer's lender or financing arrangement. The foregoing right of transfer without consent is expressly conditioned on the following: Buyer shall give Seller contemporaneous notice of the transfer; the assignee shall expressly assume in writing all of the obligations of the assignor whenever arising; the assignee shall not have a further right of assignment pursuant to the foregoing sentence; Buyer shall deliver a true and complete copy of the fully-executed assignment instrument. Upon one transfer in compliance with the foregoing Buyer shall have no further liability under this Agreement for matters first arising after the assignment date.

10.5 Notice. Any notice, communication, request, reply or advice (collectively, "Notice") provided for or permitted by this Agreement to be made or accepted by either Party must be in writing at the following addresses:

(a) If to Seller: Payless Prudence Properties, L.L.C.
Attn: George Larsen and Melissa Lal
6298 E. Grant Rd., Suite 100
Tucson, Arizona 85712
(520) 296-0200
Email: melissa@larsenbaker.com
george@larsenbaker.com

With a copy to: Ferrum K. Wallace
6298 E. Grant Rd., Suite 100
Tucson, Arizona 85712
Telephone: (520) 296-0200 ext. 224
Email: ferrum@larsenbaker.com

- (b) If to Buyer: Leman Educational Services, Inc.
6601 East Grant Road
Suite 101
Tucson, Arizona 85715
Telephone: (520) 631-7400
- (c) With a copy to: Evan L. Thompson, Esq.
Thompson Krone, PLC
4601 East Ft. Lowell Road, Ste 109
Tucson, Arizona 85712
Telephone No.: (520) 884-9694
E-mail: evan@thompsonkrone.com
- (d) Escrow Agent: Title Security Agency, LLC
Attn: Rebecca Sauer
1 S. Church Avenue Suite 1610
Tucson, Arizona, 85701
E-Mail: rebeccasauer@titlesecurity.com

Notice may, unless otherwise provided herein, be given or served (i) by depositing the same in the United States mail, postage paid, certified, and addressed to the Party to be notified, with return receipt requested, (ii) by delivering the same to such Party, or an agent of such Party, in person or by commercial courier, (iii) by facsimile or email transmission, evidenced by confirmed receipt and concurrently followed by a "hard" copy of same delivered to the Party by mail, personal delivery or overnight delivery pursuant to clauses (i), (ii) or (iv) hereof, or (iv) by depositing the same into custody of a nationally recognized overnight delivery service. Notice deposited in the mail in the manner hereinabove described shall be effective on the third (3rd) business day after such deposit. Notice given in any other manner shall be effective upon posting as to facsimile or e-mailed notice and only if and when received by the Party to be notified between the hours of 8:00 A.M. and 5:00 P.M. of any business day with delivery made after such hours to be deemed received the following business day. For the purposes of notice, the Seller's Address, Buyer's Address, Escrow Agent's and Title Company's addresses shall, until changed as hereinafter provided, be as set forth in Article I. The Parties hereto shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by at least five (5) days written notice to the other Party.

10.6 Time of the Essence. Time is of the essence in all things pertaining to the performance of this Agreement.

10.7 Governing Law. This Agreement shall be construed in accordance with the laws of the State of Arizona, without regard to any conflicts of law provisions. Venue of any action hereunder shall be in Pima County.

10.8 Section Headings. The section headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several sections hereof.

10.9 Business Days. If any date or any period provided for in this Agreement shall end on a Saturday, Sunday or legal holiday, the applicable date or period shall be extended to the first business day following such Saturday, Sunday or legal holiday.

10.10 No Recordation. There shall be no recordation of either this Agreement or any memorandum hereof, or any affidavit pertaining hereto and any such recordation of this Agreement or memorandum hereto by Buyer without the prior written consent of Seller.

10.11 Severability. If any provision of this Agreement or application to any Party or circumstance shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

10.12 Survival of Seller's Representations and Warranties. The representations and warranties of Seller set forth in this Agreement, including, without limitation, Article V hereof, shall survive the Closing for a period of one (1) year following the date of Closing (the "Survival Period"), at which time they will be of no further force or effect except as hereinafter provided in this Section and Seller shall indemnify, defend and hold harmless Buyer of and from all loss, cost, damage, liability or expense, including attorneys' fees and costs incurred, on account of any breach of such representations and warranties. Seller shall not have any liability to Buyer for a breach of any representation or warranty unless written notice containing a description of the specific nature of such breach shall have been given by Buyer to Seller prior to the expiration of the Survival Period and an action shall have been commenced and filed by Buyer against Seller within sixty (60) days after delivery of notice of the alleged breach.

10.13 1031 Exchange. Buyer and Seller acknowledge that either Party may wish to structure this transaction as a tax deferred exchange of like-kind property within the meaning of Section 1031 of the Internal Revenue Code. Each Party agrees to reasonably cooperate with the other Party to effect such an exchange; provided, however, that: (i) the cooperating Party shall not be required to acquire or take title to any exchange property; (ii) the cooperating Party shall not be required to incur any expense (excluding attorneys' fees) or liability whatsoever in connection with the exchange, including, without limitation, any obligation for the payment of any escrow, title, brokerage or other costs incurred with respect to the exchange; (iii) no substitution of the effectuating Party shall release said Party from any of its obligations, warranties or representations set forth in this Agreement or from liability for any prior or subsequent default under this Agreement by the effectuating Party, its successors, or assigns, which obligations shall continue as the obligations of a principal and not of a surety or guarantor; (iv) the effectuating Party shall give the cooperating Party at least ten (10) Business Days prior notice of the proposed changes required to effect such exchange and the identity of any Party to be substituted in the escrow; (v) the effectuating Party shall be responsible for preparing all additional agreements, documents and escrow instructions (collectively, the "Exchange Documents") required by the exchange, at its sole cost and expense; (vi) the exchange shall not delay the date for performance of any obligation by any Party and will not result in any change in the terms or conditions of the Agreement and (vii) the effectuating Party shall be responsible for making all determinations as to the legal sufficiency, tax considerations and other considerations relating to the proposed exchange, the Exchange Documents and the transactions contemplated thereby, and the cooperating Party shall in no event be responsible for, or in any way be deemed to warrant or

represent any tax or other consequences of the exchange transaction arising by reason of the cooperating Party's performance of the acts required hereby.

10.14 Waiver of Jury Trial. The Parties hereby expressly covenant and agree **TO WAIVE THE RIGHT TO ANY TRIAL BY JURY IN CONNECTION WITH ANY LITIGATION OR JUDICIAL PROCEEDING** relating to, directly or indirectly, or in any way concerning this Agreement or the conduct, omission, action, obligation, duty, right, benefit, privilege or liability of a Party hereunder, **TO THE FULLEST EXTENT PERMITTED BY LAW**. This waiver of right of trial by jury is separately given and is knowingly, intentionally and voluntarily made by the Parties, with and upon the advice of competent counsel. This waiver is intended to and does encompass each instance and each issue as to which the right to a jury trial would otherwise accrue. The Parties each certify and represent to each other that no Party, representative or agent of the Parties (including, but not limited to, their respective counsel) has represented, expressly or otherwise, to Buyer or Seller or to any agent or representative of Buyer or Seller (including, but not limited to, their respective counsel) that they will not seek to enforce this waiver of right to jury trial. This waiver shall apply to any future amendments, supplements or modifications of this Agreement.

10.15 Further Subdivision or Replat of Parcels. Buyer acknowledges that Seller, during the pendency of the transactions contemplated herein, as owner of the Project, shall have the right to modify any existing plat of the Project and to make adjustments to parcel boundary lines within the Project. Seller may make other adjustments to the plat if Buyer not materially affected or if Seller will be materially affected consent to the modification. Buyer shall not unreasonably withhold its consent to an adjustment. To the extent required for the approval of any plat or replat, Buyer shall cooperate with Buyer to obtain such approvals and sign any documents and instruments necessary for the approval of such plat, provided Buyer shall not be required to expend any sum with respect to the obtaining of such approvals.

10.16 Counterparts; Electronic Delivery. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement. To facilitate execution and delivery of this Agreement, the Parties may execute and exchange executed counterparts by facsimile or e-mail in a PDF file to the other party or to the other Party's counsel and the Escrow Agent. Facsimile signatures or signatures in a PDF file shall have the same legal effect as original signatures.

[Remainder of Page Left Intentionally Blank. Signatures Follow.]

MAF
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5/10/17

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date indicated below.

SELLER:

PAYLESS PRUDENCE PROPERTIES, L.L.C.,
an Arizona limited liability company

By: 

George C. Larsen, as Successor Co-Trustee of
the Donald L. Baker Exempt Trust 2, under
agreement dated June 13, 2006, as amended,
Member

BUYER:

LEMAN EDUCATIONAL SERVICES,
INC. an Arizona non-profit corporation


MICHAEL FARLEY

Its: ~~President~~ Secretary

By: 

George C. Larsen, as Trustee of the George
and Margaret Larsen Exempt Trust, under
agreement dated July 11, 2003, Member

ACKNOWLEDGMENT BY ESCROW AGENT

Title Security Agency, by its agent Rebecca Sauers, referred to in this Agreement as the
"Escrow Agent," hereby acknowledges that it received this Agreement executed by Seller and Buyer
on May 8, 2017, and accepts the obligations of and instructions for the Escrow Agent as set
forth herein. It further acknowledges that it received the Initial Deposit on May 8, 2017.

DATE: May 8, 2017

TITLE SECURITY AGENCY, LLC

By: 

Rebecca Sauers, Commercial Escrow Officer

EXHIBIT "A"
LEGAL DESCRIPTION

Pima County Tax Parcel Numbers:

136-12-9420
136-12-9430
136-12-9440
136-12-9450
136-12-9460
136-12-9470
136-12-9520

EXHIBIT "B"

WHEN RECORDED MAIL TO:

Evan L. Thompson
Thompson-Krone, P.L.C.
4601 E Fort Lowell Rd #109
Tucson, Arizona 85712

(Space Above Line for Recorder's Use Only)

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED (this "Deed") is made as of the ____ day of ____, 2016, by PAYLESS PRUDENCE PROPERTIES, L.L.C., an Arizona limited liability company (hereinafter "Grantor"), for the benefit of LAIRD REAL ESTATE, LLC, an Arizona limited liability company ("Grantee").

WITNESSETH:

THAT Grantor, for and in consideration of the sum of Ten Dollars (\$10.00), and for other good and valuable consideration to it paid by Grantee, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, SOLD, and CONVEYED, and does by these presents, GRANT, SELL, and CONVEY unto Grantees, their successors and assigns, that certain real property situated in the County of Pima, State of Arizona, and described on Exhibit "A" attached hereto, incorporated herein, and made a part hereof for all purposes, together with any and all of the rights, benefits, privileges, easements, rights of way, tenements, and hereditaments, privileges and appurtenances pertaining to the property, including any right, title, and interest of Grantor in and to any property lying in or under the bed of any street, alley, road, or right-of-way, open or proposed, abutting or adjacent to the property, all water, water rights, oil, gas, or other mineral interests in, on, under, or above the property belonging or in any wise appertaining or incidental thereto, if any, and all improvements, buildings, structures, and fixtures located thereon (said real property, together with said improvements, rights, and appurtenances, being herein collectively referred to as the "Property").

SUBJECT TO the Permitted Exceptions attached hereto as Exhibit "B" and incorporated herein by this reference.

TO HAVE AND TO HOLD the Property unto Grantee and Grantees' heirs, executors, administrators, legal representatives, successors and assigns forever, subject to the matters herein stated; and Grantor does hereby bind itself and its successors and assigns to WARRANT AND FOREVER DEFEND title to the Property, subject to the Permitted Encumbrances, only against its own acts and none other.

mnf 5/18/17

IN WITNESS WHEREOF, Grantor has executed this Deed as of the date first set forth above.

GRANTOR:

PAYLESS PRUDENCE PROPERTIES, L.L.C., an Arizona limited liability company

By: _____
George C. Larsen, as Successor Co-Trustee of the Donald L. Baker Exempt Trust 2, under agreement dated June 13, 2006, as amended, Member

By: _____
Sidney Y. Kohn, as Successor Co-Trustee of the Donald L. Baker Exempt Trust 2, under agreement dated June 13, 2006, as amended, Member

By: _____
George C. Larsen, as Trustee of the George and Margaret Larsen Exempt Trust, under agreement dated July 11, 2003, Member

STATE OF ARIZONA)
) ss:
COUNTY OF PIMA)

BEFORE ME, a Notary Public in and for said County and State, personally appeared George C. Larsen, Trustee of the George and Margaret Larsen Exempt Trust, under agreement dated July 11, 2003 and as Successor Co-Trustee of the Donald L. Baker Exempt Trust 2, under agreement dated June 13, 2006 Members of Payless Prudence Properties, L.L.C., an Arizona limited liability company, who acknowledged that he did sign the foregoing instrument for and on behalf of said company and that the same was his free and authorized act and deed in his authorized capacity, and the free act and authorized act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal, this _____ day of _____, 2017.

Notary Public

My commission expires: _____

Exhibit B

MJE (8518117)
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STATE OF ARIZONA)
) ss:
COUNTY OF PIMA)

BEFORE ME, a Notary Public in and for said County and State, personally appeared Sidney Y. Kohn, as Successor Co-Trustee of the Donald L. Baker Exempt Trust 2, under agreement dated June 13, 2006 Members of Payless Prudence Properties, L.L.C., an Arizona limited liability company, who acknowledged that he did sign the foregoing instrument for and on behalf of said company and that the same was his free and authorized act and deed in his authorized capacity, and the free act and authorized act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal, this _____ day of _____, 2017.

Notary Public

My commission expires: _____

EXHIBIT "A" to Special Warranty Deed

LEGAL DESCRIPTION OF PROPERTY

[To be attached]

EXHIBIT "B" to Special Warranty Deed

PERMITTED EXCEPTIONS

[To be attached]

Exhibit B

MAE
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8/9/17

EXHIBIT "C"

**NON-FOREIGN CERTIFICATE
TRANSFEROR'S CERTIFICATION OF NON-FOREIGN STATUS**

To inform _____ ("Transferee"), that withholding of tax under Section 1445 of the Internal Revenue Code of 1986, as amended (the "Code"), will not be required upon the transfer of certain real Property, located in Gila County, Arizona to Transferee, by PAYSON DEVELOPMENT ASSOCIATES, LLC an Arizona limited liability company ("Transferor"), Transferor hereby certifies to Transferee:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Code and the Income Tax Regulations promulgated thereunder);

2. Transferor's U.S. tax identification number is: _____ ; and

3. Transferor's office address is: 6298 E. Grant Road, Suite 100, Tucson, AZ 85712.

Transferor understands that this Certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Transferor understands that Transferee is relying on this Certification in determining whether withholding is required upon said transfer.

TRANSFEROR:

PAYLESS PRUDENCE PROPERTIES, L.L.C.,
an Arizona limited liability company

By:

George C. Larsen, as Successor Co-Trustee of the Donald L. Baker Exempt Trust 2, under agreement dated June 13, 2006, as amended, Member

By:

Sidney Y. Kohn, as Successor Co-Trustee of the Donald L. Baker Exempt Trust 2, under agreement dated June 13, 2006, as amended, Member

By:

George C. Larsen, as Trustee of the George and Margaret Larsen Exempt Trust, under agreement dated July 11, 2003, Member

05/18/17

MnF

EXHIBIT "D"
RECIPROCAL EASEMENT AGREEMENT

[To Be Attached]



PERFORMANCE
CHARTER SCHOOL DEVELOPMENT

July 31, 2017

Kathy Senseman, President
Arizona State Board for Charter Schools
P.O. Box 18328
Phoenix, Arizona 85009

RE: Leman Academy of Excellence

Dear Mrs. Senseman

The purpose of this letter is to inform the Board of Directors at the Arizona State Board of Charter Schools that Performance Charter School Development is currently working with Leman Academy of Excellence to acquire, finance and construction necessary improvements at the former "Hillcrest Academy" site at 3761 S Power Road, in Mesa Arizona and at a new site located in southeast Tucson at the SWC of Golf Links Road and Houghton Road.

After a multiple bid process, our firm has come to terms with the current owner of the former Hillcrest Academy, Bank of Oklahoma and we anticipate an executed purchase contract signed by the end of the current week with a closing date in the middle of November 2017.

Additionally, we are working with Leman Academy of Excellence to acquire, construct and finance a ground up project in Tucson, Arizona located at the SWC of Golf Links Road and Houghton Road. This site is already under contract and is contingent upon the school's ability to expand at this location.

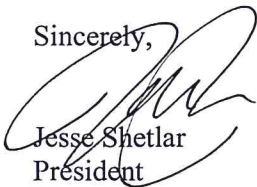
Performance Charter School Development and Leman Academy of Excellence have verbally agreed to terms on the general finance structure; however, we are awaiting the subject decision of the Arizona State Board of Charter Schools' in relation to Leman Academy of Excellence's ability to expand before we can finalize.

Our firm is headquartered in Houston, Texas with offices in Tempe, Arizona and Boise, Idaho. Our sponsor has completed over 300 projects across 22 states over 40 years. I personally have been involved in the charter school industry for the last seven years, most recently as the National Lender for Charter Schools for Mutual of Omaha Bank. Over that time frame, I was involved in approximately \$300 million in charter school projects. Additionally, I was a corporate member of the Arizona and Texas charter school associations. Furthermore, I was a member of the Business Advisory Council for the Arizona Charter School Association.

Based on my experience in this sector, I hold Leman Academy of Excellence and its management team in the highest regard and look forward to working with them on these projects.

Please let us know if you have any questions

Sincerely,



Jesse Shetlar
President



STATE OF ARIZONA
DEPARTMENT OF PUBLIC SAFETY
Level One Fingerprint Clearance Card

Name: NATHAN R. EDWARDS

Birth Date: [REDACTED] **Issue Date:** 2/5/2016

M	220	6 03	HAZ	BRO
Sex	Weight	Height	Eyes	Hair

Card Number: 2A01336486 **Expire Date:** 2/5/2022

IVP0202168

THIS FINGERPRINT CLEARANCE CARD WAS ISSUED
PURSUANT TO ARS 41-1758

DPS(ACCT) P.O. BOX 18390 Phoenix, AZ 85005



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

09/14/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Krell Financial Group 3303 East Baseline Rd. Suite 106 Gilbert, AZ 85234	CONTACT NAME: Carolyn Svorinic
	PHONE (A/C, No, Ext): 480-345-9737 FAX (A/C, No): 480-345-9736
	E-MAIL ADDRESS: Carolyn@krellfinancial.com
	INSURER(S) AFFORDING COVERAGE
	INSURER A: Philadelphia Insurance Companies
INSURED LEMAN ACADEMY OF EXCELENCE KATHERINE L DETERMAN 7720 N. SILVERBELL RD. TUCSON, AZ 85743	INSURER B: Philadelphia
	INSURER C:
	INSURER D:
	INSURER E:
	INSURER F:

COVERAGES**CERTIFICATE NUMBER:** 00000000-41373**REVISION NUMBER:** 11

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			PHPK1638951	04/14/2017	04/14/2018	EACH OCCURRENCE \$ 1,000,000.00 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000.00 GENERAL AGGREGATE \$ 2,000,000.00 PRODUCTS - COMP/OP AGG \$ 2,000,000.00
A	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK1638951	04/14/2017	04/14/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> CLAIMS-MADE DED RETENTION \$			PHUB580122	04/14/2017	04/14/2018	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	Student Accident			PHPA002659	04/17/2016	04/04/2018	Each \$ 50,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

BOKF, NA DBA Bank of Arizona, as trustee on behalf of the industrial development authority of the County of Pima, it's successors and/or assigns as thier respective interests may appear 3001 E Camelback Rd, Ste 100, Phoenix, AZ 85016

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

(CFS)

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