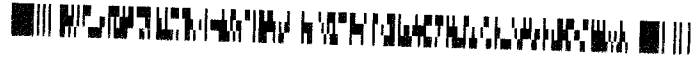


Fee
\$
\$4
\$5
\$1
\$

Recorded at the request of:



When Recorded, MAIL TO:

TIM EMBERLIN  
1620 WILLOW CREEK RD.  
PRESCOTT, AZ 86301

AMENDED AND RESTATED DEVELOPMENT AGREEMENT

## Amended and Restated Development Agreement

### Implementation Agreement (Whispering Canyon Punch List Items)

The implementation agreement made this 25 day of March, 2013 is hereby entered into by and between Inscription Canyon Ranch Sanitary District ("District"), Old Capitol Investments LLC, an Arizona limited liability company and Whispering Canyon Development LLC, an Arizona limited liability company (hereafter Old Capitol Investments LLC and Whispering Canyon Development LLC shall collectively be referred to as "Whispering Canyon").

#### RECITALS

A. The District, Harvard Simon I, LLC an Arizona limited liability company and Whispering Canyon are parties to that Amended and Restated Development Agreement dated March 1, 2012 and recorded on April 13, 2012 in the Office of the Yavapai County Recorder as Instrument No. 2012-0020019 (the "ARDA"). \* **BOOK # 4873 PAGE 909**

B. With respect to Whispering Canyon, Section 2(a) of the ARDA provides that the District shall accept the on and off-site improvements identified on the Whispering Canyon Bill of Sale (Exhibit "F" thereto) upon Whispering Canyon's completion of the punch list items set forth on Exhibit "D" to the ARDA (hereafter the "Punch List").

C. Whispering Canyon has completed items 1, 2 and 4 of its Punch List.

D. Punch List item 3 has not been completed and Whispering Canyon and the District wish to acknowledge that Item 3 is no longer a requirement for the District's approval of the Whispering Canyon Bill of Sale as set forth herein.

NOW, THEREFORE, in consideration of the following covenants and agreements, and other good and valuable consideration, the receipt and sufficient of which are hereby acknowledged, the District and Whispering Canyon agree as follows:

#### AGREEMENT

1. Design Review. The District commissioned Lyon Engineering to complete a design review of the Whispering Canyon collection system. Based on its review, Lyon Engineering provided a letter dated December 6, 2012 (attached hereto as Exhibit "1") indicating that the completion of Punch List item 3 is not necessary.

2. Punch List Item 3. The District agrees that Whispering Canyon is not required to complete item 3 of the Punch List and that all other Whispering Canyon Punch List items are complete.

3. District Acceptance. Within thirty (30) days of the date of this Implementation Agreement, the District agrees to accept the on and off-site improvements identified on the Whispering Canyon Bill of Sale attached as Exhibit "F" to the ARDA. Upon acceptance, Whispering Canyon shall record the Whispering Canyon Bill of Sale and the respective improvements shall become and remain the sole property and responsibility of the District in "as-is, where-is" condition without warranty by Whispering Canyon.

IN WITNESS THEREOF, the parties hereto have caused this Implementation Agreement to be executed on this 25 day of March, 2013.

ICRSD

INSCRIPTION CANYON RANCH  
SANITARY DISTRICT

By: Bob Hilb  
Bob Hilb  
Its: Board Chair

By: Brian Ray  
Brian Ray  
Its: Board Member

By: John Freeman  
John Freeman  
Its: Board Member

Whispering Canyon

OLD CAPITOL INVESTMENTS LLC, an  
Arizona limited liability company

By: Four Capital Group, Inc., an Arizona  
corporation

Its: Member

By: Coley Pherson

Its: President

WHISPERING CANYON DEVELOPMENT  
LLC, an Arizona limited liability company

By: Four Capital Group, Inc., an Arizona  
corporation

Its: Member

By: Coley Pherson

Acknowledged By:  
HARVARD SIMON I, L.L.C., an Arizona  
limited liability company

By: Harvard Talking Rock LLC, an Arizona  
limited liability company

Its: Member

By: Harvard Investments Inc., a Nevada  
corporation

Its: Manager

By: [Signature]

Its: President

December 6, 2012

Davin Benner, P.E.  
Granite Basin Engineering, Inc.  
1981 Commerce Center Circle, Suite B  
Prescott, AZ 86301

Re: Response to Development Agreement Exhibit "D" Punch List Items

The Amended and restated Development Agreement between Whispering Canyon (WC) and the District was recorded in Book 4873, Page 909, Official Records of Yavapai County. This agreement identified four items to be completed by WC prior to acceptance of the existing infrastructure within WC. This letter and attached analysis will address item number three of Exhibit "D". Item three stated "Lots 145-156, 163 & 164 individual onsite pumps undersized. Prove letter of notice to these lots having a need for more storage, give to Title Company for future escrows and send certified letters to lot owners for lots that have been sold".

Lyon Engineering has evaluated the Whispering Canyons P.A.D. Phases 1-11 Sewer Analysis to determine if the lots stated within item three of Exhibit "D" will require a higher capacity pump and storage reservoir to service the lots. Each individual Barnes EcoTRAN System is equipped with the standard OGP2022CE pump; this pump is rated for a maximum pressure head of 200 feet. Pipe segment 62, which services lots 151-153 will have the highest total dynamic head pressure (TDH) to overcome at 167.7 feet. The attached pump curve from the manufacture of the OGP2022CE pump was plotted with each pipe segment that was flagged by the report. These items were flagged because the maximum flow could not be achieved due to the TDH. By plotting the design point for pipe segment 62, the pumps within this segment will operate at 19 gallons a minute at 167.7 TDH. Based on the manufacture's pump capacity of the OGP2022CE pump and the attached sewer analysis, the onsite pumps for the lots indicated within Item three of Exhibit "D" are not undersized. These onsite pumps will perform within the manufacture's recommendations.

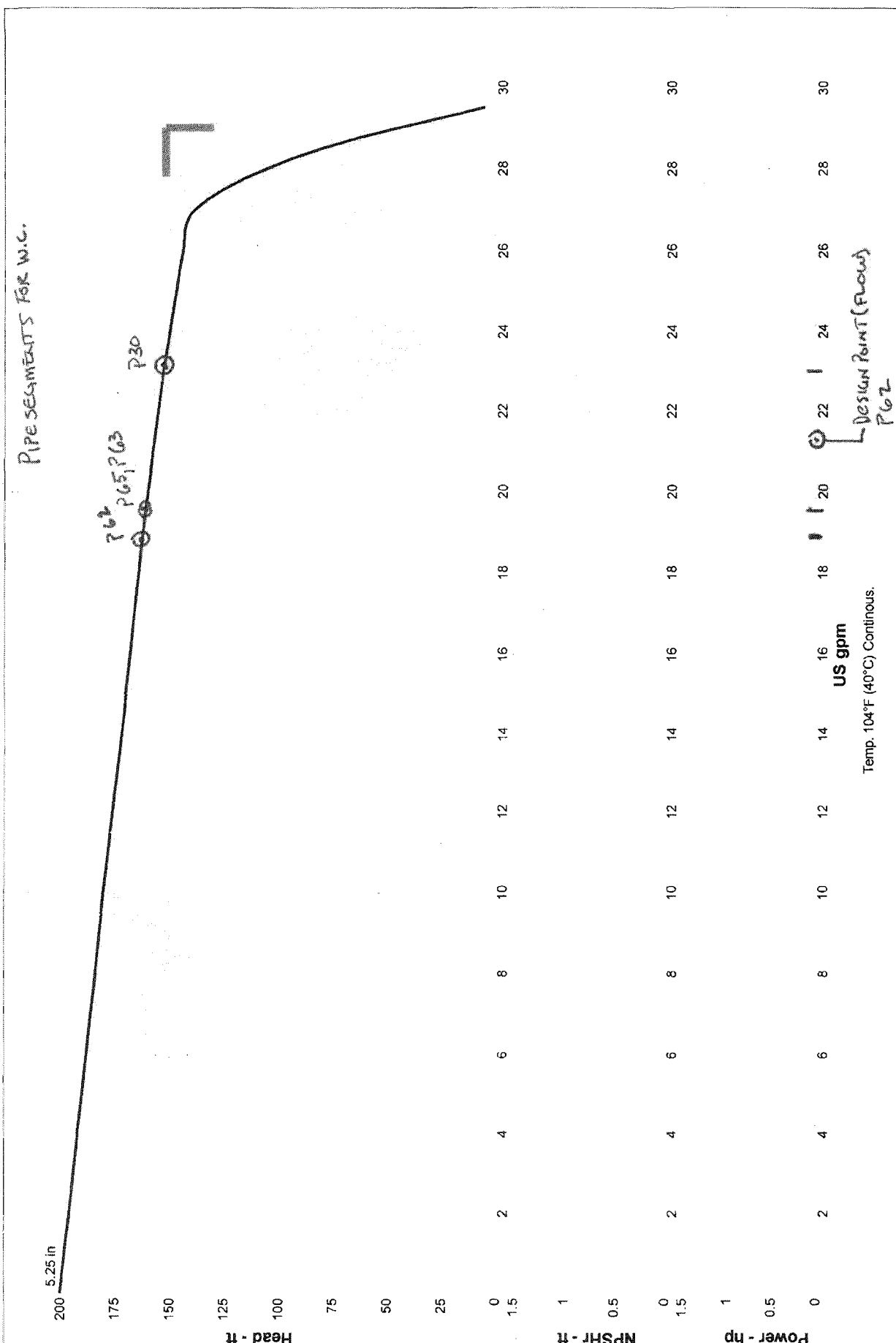
The second area of the report that was identified in the analysis is the hours to discharge for pipe segments 130 and 96. These areas are flagged due to there only being two homes within each pipe segment. These pipe segments are at the end of the system and will only move the wastewater within the force main when each onsite pump system is active. Each pipe segment does flow into other reaches of the system which will pump out the

wastewater as other onsite pumps continue to operate as normal. The worst case for this analysis is 11.4 hours, which means the wastewater within the force main will reach the wastewater treatment plant within one day. This will prevent the wastewater from turning septic and creating odor within the system. The manufacture recommends a discharge time of 10 hours. We feel that the extra 1.4 hours is not an issue with onsite pump systems or the sewer system. Other areas of the system have up to 9.75 hours to discharge, which is typical for a system of this size. This will not affect the performance of the low pressure sewer and will not provide an operation and maintenance issue for the District.

Based on the updated sewer analysis for WC and the manufacture's pump curve, the low pressure sewer system will operate within the manufactures recommendations, and notices for the lots identified in Item three of Exhibit "D" will not be required.

Respectfully Submitted,

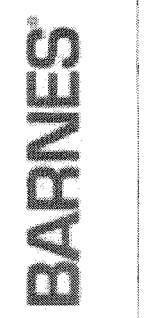
Scott A. Lyon, P.E.  
Vice President



Company: Lyon  
 Name: Scott Lyon  
 12/3/2012

Crane/Barnes  
 Catalog: Crane Barnes.60, Vers 4-12  
 Grinder - 3B - 3600  
 Design Point: 29 US gpm, 151.74 ft

Size: OGP2022  
 Speed: 3450 rpm  
 Dia: 5.25 in  
 Curve: V115328





**EXHIBIT "D"**  
**TO**  
**AMENDED AND RESTATED DEVELOPMENT AGREEMENT**  
**PUNCH LIST ITEMS**

Talking Rock:

1. Replace generator to 50KW at main lift stations.

Whispering Canyon:

1. Transfer license for force main gravity main in Power Easement.
2. Manholes – agree to raise 3 manholes on main gravity line to prevent water infiltration.
3. Lots 145-156, 163 & 164 individual onsite pumps undersized. *Prove letter of notice to these lots having a need for more storage, give to Title Company for future escrows and send certified letters to lot owners for lots that have been sold.*
4. Commence efforts to obtain WAPA license transfer or acceptable access authorization.

February 28, 2013

Mr. Bob Busch  
Inscription Canyon Ranch Sanitary District  
P.O. Box 4947  
Chino Valley, Arizona 86323

**Re: Whispering Canyon Development Agreement Exhibit 'D' Punch List Item**

Mr. Busch,

At your request, Granite Basin Engineering, Inc. has prepared this letter in reference to the Punch List item recently addressed by Whispering Canyon. The Amended and restated Development Agreement between Whispering Canyon and the District identified four Punch List items that needed to be completed prior to acceptance of their sewer collection system infrastructure. Item three of the Punch List stated:

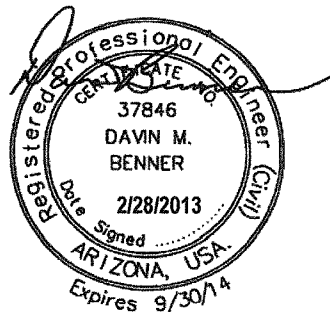
*Lots 145-156, 163 & 164 individual onsite pumps undersized. Prove letter of notice to these lots having a need for more storage, give to Title Company for future escrows and send certified letters to lot owners for lots that have been sold.*

The Project Engineer for Whispering Canyon, Lyon Engineering, provided a written response to this Punch List item on December 6, 2012. In brief, their response was as follows:

*Based on the updated sewer analysis for WC and the manufacture's pump curve, the low pressure sewer system will operate within the manufactures recommendations, and notices for the lots identified in Item three of Exhibit "D" will not be required.*

Based on our review of the correspondence provided by Lyon Engineering, we believe Whispering Canyon has adequately addressed this punch list item.

Sincerely,



Davin Benner, P.E.

Enclosures: Response to Development Agreement Exhibit "D" Punch List Items  
From Lyon Engineering



December 6, 2012

Davin Benner, P.E.  
Granite Basin Engineering, Inc.  
1981 Commerce Center Circle, Suite B  
Prescott, AZ 86301

Re: Response to Development Agreement Exhibit "D" Punch List Items

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Lyon Engineering has evaluated the Whispering Canyons P.A.D. Phases 1-11 Sewer Analysis to determine if the lots stated within item three of Exhibit "D" will require a higher capacity pump and storage reservoir to service the lots. Each individual Barnes EcoTRAN System is equipped with the standard OGP2022CE pump; this pump is rated for a maximum pressure head of 200 feet. Pipe segment 62, which services lots 151-153 will have the highest total dynamic head pressure (TDH) to overcome at 167.7 feet. The attached pump curve from the manufacture of the OGP2022CE pump was plotted with each pipe segment that was flagged by the report. These items were flagged because the maximum flow could not be achieved due to the TDH. By plotting the design point for pipe segment 62, the pumps within this segment will operate at 19 gallons a minute at 167.7 TDH. Based on the manufacture's pump capacity of the OGP2022CE pump and the attached sewer analysis, the onsite pumps for the lots indicated within Item three of Exhibit "D" are not undersized. These onsite pumps will perform within the manufacture's recommendations.

The second area of the report that was identified in the analysis is the hours to discharge for pipe segments 130 and 96. These areas are flagged due to there only being two homes within each pipe segment. These pipe segments are at the end of the system and will only move the wastewater within the force main when each onsite pump system is active. Each pipe segment does flow into other reaches of the system which will pump out the

wastewater as other onsite pumps continue to operate as normal. The worst case for this analysis is 11.4 hours, which means the wastewater within the force main will reach the wastewater treatment plant within one day. This will prevent the wastewater from turning septic and creating odor within the system. The manufacture recommends a discharge time of 10 hours. We feel that the extra 1.4 hours is not an issue with onsite pump systems or the sewer system. Other areas of the system have up to 9.75 hours to discharge, which is typical for a system of this size. This will not affect the performance of the low pressure sewer and will not provide an operation and maintenance issue for the District.

Based on the updated sewer analysis for WC and the manufacture's pump curve, the low pressure sewer system will operate within the manufactures recommendations, and notices for the lots identified in Item three of Exhibit "D" will not be required.

Respectfully Submitted,

Scott A. Lyon, P.E.  
Vice President