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**ASSURANCE AGREEMENT
FOR COMPLETION OF SUBDIVISION IMPROVEMENTS**

THIS AGREEMENT ("Agreement") is made and entered as of this 7th day of MARCH, 2007, between FIDELITY NATIONAL TITLE AGENCY, INC., an Arizona Corporation, as Trustee under Trust no. 60,255, hereinafter referred to as "Trustee", BACHMANN SPRINGS HOLDINGS, LLC., an Arizona limited liability company, as Beneficiary(ies) of Trust no. 60,255, hereinafter referred to as "Beneficiary", and COCHISE COUNTY, Arizona, hereafter referred to as "County."

RECITALS :

- A. Trustee is owner of a certain parcel of property located in Cochise County, Arizona, and described in paragraph 1 below.
- B. Beneficiary has established Trust no. 60,255 for the purpose of developing a subdivision of Cochise County and has conveyed legal title to the Trustee.
- C. The parties hereto wish to establish specific terms, conditions and guidelines for compliance with the provision of A.R.S. Section 11-806.01 and the Cochise County Subdivision Regulations.

AGREEMENT :

In consideration of the County approving a final plat for the property which is the subject matter of this Agreement, the parties mutually agree that:

- 1. Definition. The following words and phrases used in this Agreement:
 - 1.1 Property. The term "Property" means that certain real property located in Cochise County, Arizona which is legally described on Exhibit "A".
 - 1.2 Plat. The term "Plat" means the Final Plat for Phase I of Bachmann Springs, Lots 1-120 and Block A (Open Space/Recreational Area), as recorded in the Office of the Recorder of Cochise County, Arizona in Book 15 of Maps and Plats at Page 80-80J.

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- 1.3 New Access Road. The term “New Access Road” means the roadway linking the Property to Arizona Highway 80 near the town of Tombstone, Arizona, as generally depicted upon the Plat.
- 1.4 Phase 1A. The term “Phase 1A” means Lots 23 through 42 and 45 through 62 and adjacent roadway connecting to the New Access Road at the boundary line of the Property as depicted on the Plat.
- 1.5 Phase 1B. The term “Phase 1B” means Lots 43 and 44 and 63 through 109 and adjacent roadway connecting Phase 1B to Phase 1A at the boundary line of Phase 1B as depicted on the Plat.
- 1.6 Phase 1C. The term “Phase 1C” means Lots 110 through 120 and 1 through 22 and adjacent roadway connecting Phase 1C to Phase 1B at the boundary line of Phase 1C as depicted on the Plat.
- 1.7 Aquifer Protection Permit. The term “Aquifer Protection Permit” means the permit to be issued in connection with the sewerage treatment system to serve the Property presently under review by applicable governmental entities.
- 1.8 Water Certification. The term “Water Certification” means a Certificate of Adequate Potable Water Supply for the Property, or water service providers to serve the Property, issued by the Arizona Department of Water Resources.
- 1.9 Onsite Utilities. The term “Onsite Utilities” means conveyance facilities for potable water, sanitary sewer, telephone, cable and electric service.
- 1.10 Water System Improvements. The term “Water System Improvements” means wells, pumps, treatment systems, storage tanks and pressure tanks to serve the Property consistent with the Water Certification constructed in accordance with applicable governmental approvals.
- 1.11 Major Drainage Structures. The term “Major Drainage Structures” means all drainage improvements required in connection with the

construction of the Access Road necessary to convey storm and surface water across or under the Access Road in order to prevent surface flow upon the Access Road at levels greater than one (1) foot in depth.

2. Assurances. This Agreement is submitted as a means of assuring the completion of the subdivision improvements required by A.R.S. Section 11-806.01, the Cochise County Subdivision Regulations, all Plans and Specifications approved and on file with the County, and any special conditions, if applicable, on Exhibit "B" attached hereto and made a part hereof. These subdivision improvements include but are not limited to, streets, alleys, sidewalks, curbs and gutters, sanitary sewer systems, water supply, lot staking and monuments, traffic and street signs, and drainage and flood control improvements, as applicable.
3. Conveyances and Transfers of Title. The Trustee shall not transfer title to, enter into contracts for sale of any portion of the Property, lease, or in any way convey, in whole or in part, any of the Property without obtaining prior written approval from the County, except as authorized in this Agreement. A Release of Assurances shall only be given by the County upon satisfactory completion as verified by County inspections of the required improvements, in accordance with the provisions hereof.
4. Bulk Sales. Notwithstanding paragraph 3, the Trustee may sell or convey all of the Property in one transaction to a single successor to the beneficiary's interests, provided that such successor, prior to the conveyance, shall have entered into an appropriate agreement with the County to assure completion of the improvements, and the County has approved, in writing, the transfer.
5. Conveyance Out of Trust for the Purpose of Encumbrance; Condition on Other Interests. Notwithstanding paragraph 3, the Trustee may convey the Property to the Beneficiary of the Trust for the limited purposes of allowing any obligations of the Trust, other than those which are the subject of this

Agreement with Cochise County, to be subordinated to subsequent loans or modifications of existing loans for the purpose of constructing improvements on the subject land or to create security for additional loans for the purchase, refinancing or improvement of the Property. In such event, the Property shall immediately thereafter be reconveyed to the Trustee. This Agreement shall be deemed to be a condition on and restriction on the rights and interests of any third party whose interest in the Property arises after the date of this Agreement, however such interest is created.

6. Substitution of Assurances. Subdivider or Beneficiary may offer substitute assurances at any time during the term of this Agreement in accordance with the provisions of the Cochise County Subdivision Regulations. The Assurance shall be in a form and amount acceptable to the County, and shall to the extent applicable, partially or wholly replace the Assurances in this Agreement.
7. Completion of Improvements. The required improvements shall be completed by the Subdivider within three (3) years from the date of this Agreement. This date for completion of improvements may be extended by separate agreement of the parties where Subdivider or Beneficiary is prevented from completing the improvements by act of God, strike or similar event or circumstances beyond its control, or at the discretion of the County.
8. Inspection and Approval of Improvements. The Subdivider shall arrange for the inspection of all improvements required for this project, to ensure satisfactory completion. Satisfactory completion of all such improvements, in conformance with the required standards and specifications, shall be confirmed by a written statement, signed and sealed by the project engineer. Until these improvements have been satisfactorily completed, the County will not release the Property, except as otherwise provided herein.

9. Payment of Applicable Property Taxes. The County shall not release, in whole or in part, any of the Property until all taxes and assessments due and owing on the portion of the Property to be released have been paid in full.
10. Partial Release of Assurances by Approved Phases. The County, in its discretion, and upon receipt of a written request from Trustee, may give the Trustee a Release of Assurances for a portion of the Lots by approved phases only created by the subdivision plat described in paragraph 1, provided that all of the improvements required in connection with such lots have been satisfactorily completed and accepted, and provided further that the lots released and improvements associated with such lots can function independently on a permanent basis in the event the remaining portion of the subdivision is never developed.
11. Release of Assurances. Upon completion of all improvements required under this Agreement or upon receipt of acceptable substitute assurances replacing this Agreement, the County shall release the Assurances provided for in this Agreement.
12. Failure to Complete Improvements. Trustee and Beneficiary hereby agree that in the event that the required improvements are not completed within the time period provided by paragraph 7, the County may replat that portion of the Property for which a release of assurances has not been given. The purpose of the new plat will be to abandon the subdivision and return the Property to approximately the same boundary configurations of record as existed before the subdivision plat was recorded. Prior to initiating any action to replat, the County shall provide Trustee and Beneficiary with thirty (30) days written notice of the intent to replat. The County, by this Agreement, is expressly authorized to replat such portions of the Property after the required notice has been provided. All expenses of the County, including legal costs if applicable, in executing a replat shall be paid for by Beneficiary, and shall, if unpaid, become a lien on the Property.

13. Effect on Trust Agreement. Trustee and Beneficiary agree that any provision of Trust no. 60,255 that is incompatible or inconsistent with this Agreement shall be null and void and not enforceable. The Trust shall not be revoked prior to a full Release of Assurances without prior written consent of County. No amendment which would alter this Assurance Agreement shall be effective until the County has approved such amendment.
14. Incorporation or Annexation. In the event the Property is incorporated into or annexed by a city or town, the city or town shall automatically become the successor in interest to all of the County's rights and obligations under this Agreement.
15. Purpose of Agreement. The purpose and intent of this Agreement is to prohibit the sale of individual subdivision lots to the public prior to the completion of adequate subdivision improvements that are associated with such lots with appropriate assurance for the completion of all such improvements being provided to the County. The sale or conveyance of such lots without adequate improvements is harmful to the public and places excessive burdens on the County. The terms and conditions of this Agreement shall be construed and interpreted as broadly as necessary to accomplish this purpose.

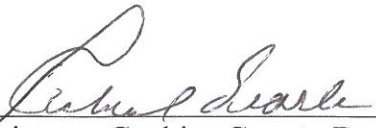


ASSURANCE AGREEMENT

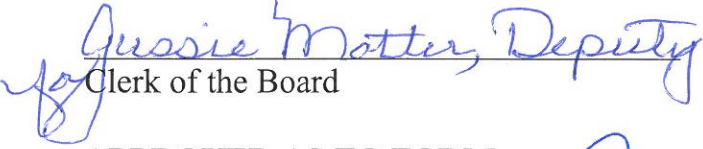
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IN WITNESS WHEREOF, the parties have executed this Assurance Agreement
this 24th day of July, 2007.

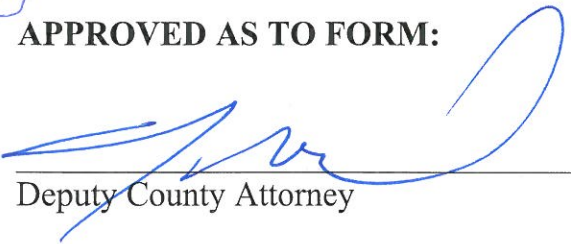
COCHISE COUNTY:


Chairman, Cochise County Board of Supervisors

ATTEST:


Clerk of the Board

APPROVED AS TO FORM:


Deputy County Attorney

TRUSTEE:

Fidelity National Title Agency, Inc.
an Arizona corporation, as Trustee under
Trust no. 60,255 only and not in its corporate
capacity

By: 
Trust Officer

STATE OF ARIZONA)
) ss.
COUNTY OF Pima)

On this the 7th day of MARCH, 2007, before me, the undersigned
officer, personally appeared MARTHA L. HILL, who
acknowledged ~~himself~~/herself to be the TRUST OFFICER of

ASSURANCE AGREEMENT

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Fidelity National Title Agency, Inc., an Arizona corporation, and that he/she as such officer being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself/herself as such officer.

In witness whereof, I have hereunto set my hand and official seal.

Laura E. Martinez
Notary Public
My Commission Expires: June 1, 2009



BENEFICIARY

Bachmann Springs Holdings, LLC, an
Arizona limited liability company

By: Gay Boland
Title: President

STATE OF ARIZONA)
)
COUNTY OF Cochise) ss.

The foregoing instrument was acknowledged before me this 6 day of
March, 2007, by Gay Boland as
President of Bachmann Springs Holdings, LLC.

Tracy L. Morelock
Notary Public
My Commission Expires: Jan 31, 10

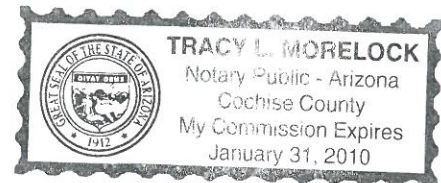


EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

BLOCKS A, B, C, E, G, H, I, J, K, L, M, N, T, U and W and Common Areas A, B, and C of BACHMANN SPRINGS FINAL PLAN, according to Book 14 of Maps, page 66 and 66A, records of Cochise County, Arizona.

EXCEPT from portions of Blocks K, M, N, and T and Common Areas A and B lying within the Southwest quarter of the Southwest quarter of Section 5, within the Southeast quarter of the Southeast quarter of Section 6, and within the East half of the Northeast quarter of Section 7 and within the Northwest quarter of Section 8, all in Township 19 South, Range 23 East, Gila and Salt River Base and Meridian, Cochise County, Arizona, all the coal and other minerals as reserved in Patent from the United States of America; and

EXCEPT from that portion of Block K lying with the Southeast quarter of the Southeast quarter of Section 4, Township 19 South, Range 23 East, Gila and Salt River Base and Meridian, Cochise County, Arizona, all the oil, gas and minerals rights as reserved in Deed recorded in Docket 1740, page 82 records of Cochise County, Arizona; and

EXCEPT from that portion of Blocks A, B, and I and Common Area A lying within Lot 33, TOMBSTONE TERRITORY RANCHES, according to Book 8 of Maps, page 15, records of Cochise County, Arizona, all oil, coal, gas and other minerals as reserved in Deed recorded in Document No. 8902-03788, records of Cochise County, Arizona; and

EXCEPT from that portion of Blocks A, B, H, and I and Common Areas A and C, lying within Lot 37, TOMBSTONE TERRITORY RANCHES, according to Book 8 of Maps, page 15, records of Cochise County, Arizona, all oil, coal, gas and other minerals and rights thereto as reserved in Deed recorded in Document No. 9711-29536, records of Cochise County, Arizona; and

EXCEPT from that portion of Blocks A and I and Common Areas A and C, lying within Lot 32, TOMBSTONE TERRITORY RANCHES, according to Book 8 of Maps, page 15, records of Cochise County, Arizona, all oil, coal, gas and minerals and rights thereto as reserved in Deed recorded in Document No. 9903-07917, records of Cochise County, Arizona.

TO BE PARTIALLY SUBDIVIDED AND KNOWN AS:

LOTS 1-120 and Block A, PHASE 1, BACHMANN SPRINGS

EXHIBIT "B"

Phase 1A, defined as Lots 23 through 42 and 45 through 62 shall be released upon the following:

1. Completion of grading and construction over the New Access Road to afford "All Weather Access" defined as the road surface being able to support vehicles, provide reasonable traction, and overtopping water has to be conveyed within the dip section with a depth of 1 foot or less; and
2. Completion of all roadways and other improvements necessary to serve the lots in Phase 1A, as depicted on the plat.

Phase 1B, defined as Lots 43, 44 and 63 through 109 shall be released upon the following:

1. Completion of the paving and all associated improvements for New Access Road; and
2. Completion of all roadways and other improvements necessary to serve the lots in Phase 1B, as depicted on the plat.

Phase 1C, defined as Lots 1 through 22 and 110 through 120 shall be released upon the completion of the remaining adjacent roadways and improvements



FEE # 070724528
OFFICIAL RECORDS
COCHISE COUNTY
DATE 07/24/07 HOUR 4

REQUEST OF
COCHISE COUNTY PLANNING DEPT
CHRISTINE RHODES-RECORDER
FEE : PAGES : 10