

WHEN RECORDED, RETURN TO:
City of Goodyear, Arizona
Office of the City Clerk
190 North Litchfield Rd.
Goodyear, Arizona 85338

DEVELOPMENT AGREEMENT FOR ESTRELLA PARCEL 7.5

This Development Agreement for Estrella Parcel 7.5 is entered into by and between NNP III – Estrella Mountain Ranch, LLC, a Delaware limited liability company and the City of Goodyear, an Arizona municipal corporation.

RECITALS

A. WHEREAS NNP III – Estrella Mountain Ranch, LLC, a Delaware limited liability company is the master developer of that certain master planned community consisting of approximately 20,000 acres located south of the Gila River currently known as Estrella and formerly known as Estrella Mountain Ranch; and

B. WHEREAS NNP III – Estrella Mountain Ranch, LLC, a Delaware limited liability company owns approximately 17.93 acres of land as more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the “Property”). The Property, which is commonly known as Parcel 7.5 within the Montecito Phase 3 PAD (“Parcel 7.5”) is generally located on the southwest side of the intersection of Estrella Parkway and W Calistoga Drive; and

C. WHEREAS, pursuant to applicable Development Regulations, property owners developing property within the City are responsible for the construction of certain public infrastructure improvements within the boundaries of their respective properties; along, on or adjacent to the external boundaries of their respective properties; and, in some instances, outside their respective properties; and

D. WHEREAS, pursuant to applicable Development Regulations, Owner is required to provide a subdivision bond equal to 100% of the estimated cost to construct the public infrastructure improvements for which Owner is required to construct; and

E. WHEREAS, pursuant to applicable Development Regulations, the amount of the bond is not to be determined by separate phasing limits on construction plans; and

F. WHEREAS, Owner will be building and selling the homes that are to be constructed within the Property; and

G. WHEREAS, Owner is seeking a waiver of the bonding requirements for the construction of the Internal Public Infrastructure improvements; and

H. WHEREAS, to insure the completion of the Internal Public Infrastructure, Owner has proposed to enter an agreement under which the City can withhold Building Permits until such time as the necessary Internal Public Infrastructure has been completed, as more fully described below; and

I. WHEREAS, Owner's proposal provides adequate assurance that the Internal Public Infrastructure will be completed as the failure to do so will impair the ability of Owner to sell homes within the Property; and

J. WHEREAS, in an effort to avoid deterrents to the development of the Property, the City is willing to enter into an agreement pursuant to the terms set forth below to modify Owner's obligation to provide the City a subdivision bond; and

K. Owner and City desire to enter into this Agreement for the purpose of outlining and setting forth certain obligations and commitments of the Parties relative to the contemplated development of the Property, intending this document to be a Development Agreement within the meaning of A.R.S. § 9-500.05.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual obligations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. INCORPORATION OF RECITALS. The Parties hereby adopt and incorporate, as if fully set forth herein, the Recitals stated above.

2. DEFINITIONS. Capitalized Terms not defined in the foregoing Recitals are defined as follows:

2.1. "Agreement" means this Development Agreement for Estrella Parcel 7.5 entered into by and between NNP III – Estrella Mountain Ranch, LLC, a Delaware limited liability company and the City of Goodyear, an Arizona municipal corporation as it may be amended and restated and/or supplemented in writing from time to time, and all exhibits and schedules attached thereto.

2.2. "City" means the City of Goodyear, an Arizona municipal corporation.

2.3. "Development Regulations" means all applicable laws, codes, ordinances, rules, regulations, standards, guidelines, conditions of approval, and the like governing the development of property within the City as they may be amended from time to time. This includes, by way of example but not limitation: the Building Codes and Regulations (currently Chapter 9 of the Goodyear City Code), the Subdivision Regulations adopted by the City of

Goodyear (currently Chapter 15 of the Goodyear City Code), the City's Zoning Ordinance, the City of Goodyear's Design Guidelines Standards, the City of Goodyear Engineering Design Standards and Policies as they all may be adopted and amended from time to time; ordinances rezoning the Property, including stipulations and conditions of approval thereto; and stipulations; and conditions of approvals of approved preliminary and final plats for the Property.

2.4. "External Infrastructure" means public infrastructure improvements that are to be constructed along, on or adjacent to the external boundaries of the Property and public infrastructure improvements that are to be constructed off the Property.

2.5. "Internal Infrastructure" means public infrastructure improvements that are to be constructed within the boundaries of the Property.

2.6. "Master Developer" means NNP III – Estrella Mountain Ranch, LLC, a Delaware limited liability company in its capacity as the Master Developer of Estrella and any successor or assign that becomes the Master Developer of Estrella.

2.7. "Owner" means NNP III – Estrella Mountain Ranch, LLC, a Delaware limited liability company in its capacity as the owner of the Property and its Successors and Assigns.

2.8. "Party" means City or Owner individually depending upon the context.

2.9. "Parties" means City and Owner collectively.

2.10. "Phased Property" means the portion of Platted Property that is the subject of a written Phasing Plan approved by the City Engineer that identifies the Internal Infrastructure and External Infrastructure that must be constructed to serve such property.

2.11. "Platted Property" means the portion of the Property that is included within a recorded final plat.

2.12. "Successors and Assigns" means any person and/or entity that succeeds to or is assigned any interest in all or part of the Property except as provided in Paragraph 14 below.

3. EFFECTIVE DATE. The execution of this Agreement by the Parties and the approval of this Agreement by Resolution of the Goodyear City Council are conditions precedent to this Agreement becoming effective. This Agreement shall take effect upon the later of (i) the full execution of this Agreement by the Parties, and (ii) the date the Resolution approving this Agreement becomes effective.

4. EXPIRATION DATE: This Agreement shall expire at the later of the following: (i) after all of the External Infrastructure and Internal Infrastructure needed to serve the Property has been completed and the warranty period has expired and (ii) after the obligations set forth in Paragraph 6.4 concerning retention basins, have been fully satisfied. Notwithstanding the

foregoing, this Agreement may be terminated earlier upon the mutual agreement, in writing, executed by the Parties.

5. COMMENCEMENT OF CONSTRUCTION. Except as otherwise provided in a written Phasing Plan approved by the City Engineer, construction of all infrastructure improvements for which Owner is responsible for constructing pursuant to the Development Regulations that are not otherwise expressly addressed in this Agreement, shall commence within 180 days of the recordation of the final plat and shall then proceed in the customary and orderly sequence until completed.

6. FINANCIAL ASSURANCES. Except as expressly provided otherwise in this Agreement, the City agrees that compliance with the following terms and conditions shall satisfy the obligations under the applicable Development Regulations to provide financial assurances to ensure the construction of the External Infrastructure and Internal Infrastructure.

6.1. Internal Infrastructure. For Internal Infrastructure, Owner's financial assurance obligation shall, subject to the terms and conditions set forth in this Agreement, be satisfied by a Building Permit Hold as described herein. Except as otherwise provided herein, the City shall not issue any building permits for any residential or commercial structure within the portion of the Property that is subject to a recorded final plat until all of the Internal Infrastructure that is to be constructed within the Platted Property has been completed and accepted by the City or the City has been provided a subdivision bond that meets the requirements set forth in the City of Goodyear Engineering Design Standards and Policies as they may be amended from time to time. Except as otherwise provided in this Agreement, if the construction of the Internal Infrastructure is being phased pursuant to an approved Phasing Plan, the City shall issue building permits for residential and commercial structures within the Phased Property only after all of the Internal Infrastructure identified in the Phasing Plan as being needed to serve the Phased Property has been completed and accepted by the City or, the City has been provided a subdivision bond that meets the requirements set forth in the City of Goodyear Engineering Design Standards and Policies as they may be amended from time to time. Except as otherwise expressly provided in this Agreement, the City, without liability to the City, shall be entitled to withhold building permits for residential and commercial structures within the Property as provided in this Paragraph 6.1.

6.2. External Infrastructure. For External Infrastructure Owner is required to construct in conjunction with the recordation of a final plat and/or approval of a site plan within the Property, Owner shall provide financial assurances in the form of: (i) a subdivision bond that meets the requirements set forth in the City of Goodyear Engineering Design Standards and Policies as they may be amended from time to time; (ii) the establishment of an escrow account with funds in an amount sufficient to cover the estimated costs of the External Infrastructure; or (iii) an irrevocable letter of credit, in a form acceptable to the City Attorney or his designee, in an amount sufficient to cover the estimated costs of the External Infrastructure as specified above. If the construction of the External Infrastructure for Platted Property is to be phased or deferred, pursuant to an approved Phasing Plan, the financial assurances shall be limited to the External Infrastructure that Owner is required to construct in connection with each phase pursuant to the Phasing Plan. Except as otherwise expressly provided in this Agreement, the City shall be

entitled, without liability to the City, to withhold permits for any and all construction within the Platted Property, including permits for horizontal construction activities such as grading, construction of infrastructure improvements and building permits until financial assurances for the External Infrastructure as provided herein have been provided.

6.3. Model Homes. Notwithstanding anything to the contrary in this Agreement, the City shall issue building permits for model homes within Platted Property and Phased Property prior to the completion of the Internal Infrastructure and External Infrastructure needed to serve such Platted Property or Phased Property upon the determination of the City Engineer or his/her designee that all of the External Infrastructure and Internal Infrastructure needed to serve the model homes has been constructed and the City shall issue certificates of occupancy for such model homes upon the determination of the Building Official or his/her designee that all the infrastructure needed to serve the model homes has been constructed and approved and the model homes comply with all other applicable Development Regulations. Notwithstanding anything to the contrary herein or anywhere else in this Agreement, no certificate of occupancy shall be issued for any residential or commercial structure within the Property unless the City Engineer or his designee determines that all of the External Infrastructure and Internal Infrastructure needed to serve the structure has been constructed and the structure otherwise complies with all other applicable Development Regulations.

6.4. Retention Basin Security. Owner or Master Developer shall provide financial assurance in a form and an amount as set forth herein to cover the costs to correct any stormwater erosion and/or disposal problems with the retention basins constructed within the Property that may arise during the first five (5) years following the completion of the retention basins. This includes modifications to ensure that the retention basins completely drain within a 36-hour time frame following a storm event. Plans and a cost estimate for an alternative method to dispose of retained stormwater runoff within the entire Property, such as a gravity bleed off system or a dry well bleed off system shall be submitted to the City for review prior to the recordation of the first final plat subdividing all or part of the Property. Upon approval of an alternative method for disposing of retained stormwater runoff, the City will use the cost estimate in determining the appropriate financial assurance amount. Upon completion of the retention basins within the Property and prior to the written Notice of Approval from the City, Owner or Master Developer shall supply a bond, in a form acceptable to the City Attorney or his designee, to cover the costs of constructing the approved alternative stormwater disposal system. The bond shall be provided prior to the issuance of a Notice of Approval by the City and the release of the subdivision bond provided to ensure the construction of the External Infrastructure. The City shall be entitled to withhold building permits, without liability to the City, if the bond required herein is not provided. Unless notification has been provided that any of the retention basins constructed within the Property are not completely draining with a 36-hour time frame following a storm event, the City shall release and return the bond provided pursuant to the requirements herein no later than ten (10) business days after the date that is five (5) years after the effective date of such bond. If notification has been provided that any of the retention basins constructed within the Property are not completely draining with a 36-hour time frame following a storm event within the date that is five (5) years of the effective date of the bond provided for herein, the bond shall be released after the completion of approved stormwater disposal system.

The terms of this Paragraph 6.4 shall survive the expiration or earlier termination of this Agreement.

7. AMENDMENTS. In order for an amendment of this Agreement to become effective, the Party seeking the amendment shall submit its proposed amendment in writing to the other Parties for review. To be effective, amendments shall be approved by the City Council, signed by the Parties and attached to this Agreement as an addendum. Amendments shall also be recorded in the Official Records of Maricopa County within ten (10) days after execution.

8. EXISTING AGREEMENTS. This Agreement and the exhibits referred to herein and attached hereto, constitute the sole and entire agreement between the Parties solely with respect to the matters covered herein and supersede any prior or contemporaneous agreements, understandings or undertakings, written or oral, by or between the Parties and/or by or between any of the Parties and any third parties regarding the matter covered herein. Except as expressly provided in this Agreement, this Agreement is not intended to, nor does it affect the Parties rights or obligations under any other existing agreements between the Parties or any existing agreements.

9. DEVELOPMENT REGULATIONS. Except as otherwise expressly provided in this Agreement and subject to the terms and conditions of this Agreement, the Parties agree that the development of the Property shall be governed by the Development Regulations in effect as of the date of this Agreement or in effect when the specific development application is approved, whichever is later. For example, future applications for rezoning, future site plans, future plats, construction permits, and/or building permits shall be subject to the Development Regulations in effect when the application is approved.

10. REQUIREMENTS NOT ADDRESSED. The Parties acknowledge and agree that this Agreement addresses only certain issues with respect to the development of the Property and provides only those rights expressly set forth in this Agreement. Except as expressly provided otherwise in this Agreement, this Agreement does not relieve Owner from constructing additional public or private infrastructure that may be required by Federal, State, County or City laws, ordinances, codes, rules, regulations, standards, guidelines, conditions of approval and the like, including by way of example but not limitation, infrastructure needed for drainage, internal roads, and emergency access roads. Except as expressly provided otherwise in this Agreement, this Agreement does not relieve Owner from complying with the City's requirements concerning the development process, including by way of example but not limitation, complying with procedures and processes governing submission requirements for zoning, preliminary subdivision plats, final subdivision plats and/or site plans, and paying all applicable costs, permit fees, development fees, application fees, and taxes.

11. FUTURE CONDITIONS and APPROVALS. The Parties acknowledge and agree that this Agreement addresses only limited issues relative to the development of the Property and that the Agreement does not limit or preclude the City from imposing additional restrictions, requirements, contributions, conditions or the like for the development of the Property that may be allowed by law, unless expressly addressed herein. The Parties agree that nothing in this Agreement shall be deemed to require the City to grant any future administrative or legislative

approvals related to the development of the Property that would be in addition to those approvals the City has already provided to the Property as of the Effective Date of this Agreement provided, however, such approvals have not already expired or been terminated, do not expire or terminate pursuant to the terms of this Agreement, or are not revoked or terminated because of a breach of this Agreement. Regardless of whether the action or payment is provided for in this Agreement, the Parties acknowledge and agree that the City is not required to undertake any action or make any payments if any federal, state, or local law requires formal action and approval by the City Council before undertaking such action or payment until the City Council has taken the required formal action and has approved the action or payment. The Parties agree that nothing in this Agreement shall affect the City's legislative authority to approve or deny zoning or other development related applications, including applications for preliminary and/or final plats and/or site plans, or the City's legislative authority to impose conditions on the development of the Property. Finally, the Parties agree that except as otherwise expressly provided herein, nothing in this Agreement shall restrict the Owner's rights to object to and pursue all legal remedies to obtain relief from any future conditions, stipulations, policies, procedures, resolutions or ordinances imposed by the City that Owner deems are illegal and/or beyond the scope of the City's statutory authority as applied to the Property.

12. Notices and Filings. Any and all notices, filings, approvals, consents or other communications required or permitted by this Agreement shall be given in writing and personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

The City: City of Goodyear Attn: City Manager 190 North Litchfield Road Goodyear, Arizona 85338	Owner and Master Developer: NNP III – Estrella Mountain Ranch, LLC Attn: Pete Teiche 5090 N. 40th Street, Suite 210 Phoenix, Arizona 85016
copy to: City of Goodyear Attn: Director of Engineering 190 North Litchfield Road Goodyear, Arizona 85338	copy to: Newland Real Estate Group, LLC ATTN: Legal Department 4790 Eastgate Mall, Suite 150 San Diego, CA 92121 Phone: 858-455-7503 Facsimile: 858-455-6142
copy to: City of Goodyear Attn: City Attorney 190 North Litchfield Road Goodyear, Arizona 85338	

or to any other addresses as any of the Parties hereto may from time to time designate in writing and deliver in a like manner. Notices, filings, consents, approvals and communications shall be deemed to have been given as of the date of delivery if hand delivered, or as of twenty-four (24) hours following deposit in the U.S. Mail, postage prepaid and addressed as set forth above.

13. COVENANTS RUNNING WITH THE LAND. Except as otherwise provided in Paragraph 14, the rights and duties under this Agreement shall be for the benefit of, and a burden upon, the Property, and they shall be covenants running with the land.

14. SUCCESSORS AND ASSIGNS. Except as otherwise provided in Paragraph 14, the provisions of this Agreement are binding upon and shall inure to the benefit of the Parties, and all of their Successors and Assigns; provided, however, that Owner's rights and obligations hereunder may be assigned only upon prior written consent by the City, which shall not be unreasonably withheld, in whole or in part, by written instrument, however any assignment to any subsequent owner of all or any portion of the Property may be made without further consent from the City.

15. TERMINATION OF AGREEMENT AS TO RESIDENTIAL LOTS. The Parties hereby acknowledge and agree that this Agreement is not intended to and shall not create conditions or exceptions to title or covenants running with the Property for any lot within the Property that has been fully subdivided pursuant to a recorded final plat and for which a Certificate of Occupancy for a single family residence has been issued. The Parties agree that this Agreement shall terminate without the execution or recordation of any further document or instrument as to any lot within the Property that has been fully subdivided pursuant to a recorded final plat and for which a Certificate of Occupancy for a single family residence has been issued, and such lot shall automatically be released from and no longer be subject to or burdened by the provision of this Agreement without the requirement of any further action by any Party.

16. NO AGENCY OR PARTNERSHIP. Neither City nor Owner is acting as the agent of the other with respect to this Agreement, and this Agreement shall not be deemed to create a partnership, joint venture, or other business relationship between the City and Owner.

17. CONFLICTS OF INTEREST. This Agreement is subject to the provisions of A.R.S. § 38-511, and may be terminated by the City in accordance with such provisions.

18. BUSINESS DAYS. If the last day of any time period stated in this Agreement or the date on which any obligation to be performed under this Agreement shall fall on Saturday, Sunday or legal holiday, then the duration of such time period or the date of performance, as applicable, shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday or legal holiday.

19. DEFAULTS AND REMEDIES. Any Party shall be in default under this Agreement ("Default") if it fails to satisfy any term or condition as required under this Agreement within thirty (30) business days following written notice from the other Party

("Notice"); provided, however, that the Notice shall set forth the specific reasons for the determination that the Party has failed to satisfy any term of condition hereof. A Party shall not be in Default if the Party commences to cure any deficiencies within thirty (30) business days of receipt of Notice and cures such deficiencies within a reasonable time thereafter.

20. NO WAIVER. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the City or Owner of the breach of any covenant or condition of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

21. MEDIATION. If a dispute arises out of or related to this Agreement, or breach thereof, the Parties agree first to try to settle the dispute through mediation before resorting to arbitration, litigation, or some other dispute resolution. In the event that the Parties cannot agree upon the selection of a mediator within seven (7) days, either Party may request a presiding judge of the Superior Court to assign a mediator from a list of mediators maintained by the Arizona Municipal Risk Retention Pool. If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the Parties agree first to try to settle the dispute through mediation before resorting to arbitration, litigation or some other dispute resolution procedure. The terms of this Paragraph 21 shall survive the expiration or earlier termination of this Agreement.

22. WAIVER OF JURY TRIAL. **UNLESS EXPRESSLY PROHIBITED BY LAW, EACH OF THE CITY AND OWNER KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY AND ALL ACTIONS OR OTHER LEGAL PROCEEDINGS AGAINST THE OTHER PARTY, ARISING OUT OF OR RELATING TO THIS AGREEMENT AND/OR THE TRANSACTIONS IT CONTEMPLATES, AND AGREES THAT ANY AND ALL ACTIONS OR OTHER LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE TRANSACTIONS IT CONTEMPLATES, AND/OR THE WORK PERFORMED PURSUANT TO THIS AGREEMENT SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. THIS WAIVER APPLIES TO ANY ACTION OR OTHER LEGAL PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. EACH PARTY ACKNOWLEDGES THAT IT HAS RECEIVED THE ADVICE OF COMPETENT COUNSEL.** The terms of this Paragraph 22 waiving the right to a jury trial shall survive the expiration or earlier termination of this Agreement

23. LIMITATION ON CLAIMS. **IN NO EVENT SHALL CONSEQUENTIAL DAMAGES, EXPECTATION DAMAGES, AND/OR INCIDENTAL DAMAGES, WHICH INCLUDES, BUT IS NOT LIMITED, CLAIMS FOR LOST PROFITS, BE AWARDED AS DAMAGES FOR A BREACH OF THIS AGREEMENT, AND THE PARTIES EXPRESSLY WAIVE ANY RIGHT TO CONSEQUENTIAL DAMAGES, EXPECTATION DAMAGES, AND/OR INCIDENTAL DAMAGES IN THE EVENT OF A BREACH OF THIS AGREEMENT.** The terms of this Paragraph 23 limiting the remedies available to the Parties in the event of a breach of the Agreement shall survive the expiration or earlier termination of this Agreement.

24. PARAGRAPH HEADINGS. The paragraph headings contained in this Agreement are for convenience in reference only and are not intended to define or limit the scope of any provision of this Agreement.

25. FAIR INTERPRETATION. The terms and provisions of this Agreement represent the result of negotiations between the Parties, each of which has had the opportunity to consult with counsel of their own choosing and/or has been represented by counsel of their own choosing, and none of whom has acted under any duress or compulsion, whether economic or otherwise. Consequently, the Parties agree the terms and provisions of this Agreement shall be construed according to their usual and customary meanings, and the Parties each hereby waive the application of any rule of law (common law or otherwise) that ambiguous or conflicting terms be resolved against the Party who prepared, or whose attorney prepared, the executed Agreement or any earlier draft of same. The terms of this Paragraph 25 shall survive the expiration or earlier termination of this Agreement.

26. CHOICE OF LAW, VENUE, AND ATTORNEY'S FEES. In any dispute under this Agreement, the successful Party shall be entitled to collect from the other Party its reasonable attorneys' fees, and other costs as determined by a Court of competent jurisdiction. The Parties agree that any dispute, controversy, claim or cause of action arising out of or related to this Agreement shall be governed by the laws of the State of Arizona. The Parties further agree that the venue for any dispute, controversy, claim or cause of action arising out of or related to this Agreement shall be Maricopa County and that any action filed shall be heard in a court of competent jurisdiction located in Maricopa County. The Parties expressly waive the right to object, for any reason, to the venue of Maricopa County. The terms of this Paragraph 26 shall survive the expiration or earlier termination of this Agreement.

27. SURVIVAL CLAUSE: All provisions in this Agreement that logically ought to survive the expiration or earlier termination of this Agreement shall survive the expiration or earlier termination of this Agreement. This includes by way of example: all provisions imposing obligations that will not be triggered until the Agreement is terminated, all indemnification provisions; all limitation of remedies and damages provisions; all provisions waiving claims; and all provisions relieving any Party of liability for actions taken. The fact that certain provisions in this Agreement expressly state that such provisions shall survive the expiration or earlier termination of this Agreement shall not be construed as limiting the application of the Survival Clause set forth in this Paragraph 27 to other provisions in the Agreement.

28. REPRESENTATIONS AND WARRANTIES OF OWNER. As of the date of the execution of this Agreement, Owner represents and warrants the following:

28.1. Ownership. Owner is the owner of the Property and has the full right and authority to submit its interest in the Property to the obligations hereunder. Owner holds title free and clear of all liens other than liens for taxes not yet due and payable.

28.2. Authorization. Owner is a Delaware limited liability company, qualified to do business in Arizona and in good standing; Owner (including the person signing for Owner)

has the authority and the right to enter into this Agreement as authorized by the manager of Owner, and Owner is not prohibited from executing this Agreement by any law, rule, regulation, instrument, agreement, order or judgment.

28.3. Due Diligence. Owner reviewed this Agreement and reached its own conclusions as to the binding and enforceable nature thereof and all of the provisions contained therein, and has not relied on any representations or warranties of City other than those expressly provided in this Agreement.

29. REPRESENTATIONS AND WARRANTIES OF MASTER DEVELOPER. As of the date of the execution of this Agreement, Master Developer represents and warrants the following:

29.1. Master Developer Status. As the Master Developer of Estrella, Master Developer has the full right and authority to submit to the obligations hereunder.

29.2. Authorization. Master Developer is an Delaware limited liability company, qualified to do business in Arizona and in good standing; Owner (including the person signing for Master Developer) has the authority and the right to enter into this Agreement as authorized by the manager of Master Developer, and Master Developer is not prohibited from executing this Agreement by any law, rule, regulation, instrument, agreement, order or judgment.

29.3. Due Diligence. Master Developer reviewed this Agreement and reached its own conclusions as to the binding and enforceable nature thereof and all of the provisions contained therein, and has not relied on any representations or warranties of City other than those expressly provided in this Agreement.

30. REPRESENTATIONS AND WARRANTIES OF CITY. As of the Effective Date of this Agreement, the City represents and warrants the following:

30.1. Approval. City has approved this Agreement at a duly held and noticed public meeting by its Mayor and City Council, at which a quorum was duly present, and has authorized the execution hereof.

30.2. Authorization. City agrees that the persons executing this Agreement on behalf of City have been duly authorized to do so.

31. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one agreement, binding on the Parties. Further this Agreement may be executed and delivered by electronic transmission. A manually signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, and agreeing to be bound by the terms of this Agreement the Parties have caused this Agreement to be executed by their duly appointed representatives.

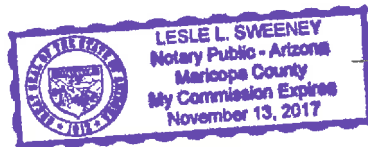
OWNER and MASTER DEVELOPER:

NNP III – ESTRELLA MOUNTAIN RANCH, LLC,
a Delaware limited liability company

By: [Signature]
Its: Senior Vice President

State of Arizona)
)ss
County of Maricopa)

The Development Agreement for Estrella Parcel 7.5 by and between NNP III – Estrella Mountain Ranch, LLC, a Delaware limited liability company and the City of Goodyear, an Arizona municipal corporation was acknowledged before me this 1st day of February, 2017 by William M. Olson, the Senior Vice President of NNP III-Estrella Mountain Ranch, LLC, a Delaware limited liability company and that he/she being authorized to do so, executed the foregoing instrument for the purposes therein contained on behalf of NNP III – Estrella Mountain Ranch, LLC, a Delaware limited liability company.



[Signature]
NOTARY PUBLIC

CITY:

CITY OF GOODYEAR, an Arizona municipal corporation

By: _____
Brian Dalke
Its: City Manager

Acknowledgments & Exhibits on Following Pages

STATE OF ARIZONA)
) ss.
County of Maricopa)

The Development Agreement for Estrella Parcel 7.5 by and between NNP III – Estrella Mountain Ranch, LLC, a Delaware limited liability company and the City of Goodyear, an Arizona municipal corporation was acknowledged before me this ____ day of _____, 2017, by _____, the City Manager of the CITY OF GOODYEAR, an Arizona municipal corporation, for and on behalf thereof.

Notary Public

Attest:

Maureen Scott, City Clerk

Approved as to Form:

Roric Massey, City Attorney

Exhibits Continued on Following Pages

EXHIBIT A
LEGAL DESCRIPTION
(On Following Pages)

LEGAL DESCRIPTION - ESTRELLA PARCEL 7.5

THAT PART OF THE SECTIONS 22, 23, 26 AND 27, TOWNSHIP 1 SOUTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE G.L.O. BRASS CAP MARKING THE NORTHWEST CORNER OF THE SAID SECTION 26, FROM WHICH THE NORTH ONE-QUARTER CORNER OF SECTION 26 BEARS S89°45'15"E;

THENCE ALONG THE NORTH LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 27, N89°43'58"W, A DISTANCE OF 127.41 FEET TO THE POINT BEGINNING;

THENCE N19°39'44"W, A DISTANCE OF 64.14 FEET, TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF WEST CALISTOGA DRIVE PER BOOK 846, PAGE 36 PER MARICOPA COUNTY RECORDS, ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE WHOSE RADIUS BEARS S19°02'23"E A DISTANCE OF 895.00 FEET;

THENCE EASTERLY ALONG SAID RIGHT OF WAY ON A CURVE TO THE RIGHT, A DISTANCE OF 915.18 FEET AND HAVING A CENTRAL ANGLE OF 58°35'15";

THENCE S50°27'09"E, A DISTANCE OF 183.46 FEET;

THENCE S44°44'31 "E, A DISTANCE OF 100.50 FEET;

THENCE S50°27'09"E, A DISTANCE OF 15.72 FEET;

THENCE S39°32'51 'W, A DISTANCE OF 37.83 FEET;

THENCE S50°27'09"E, A DISTANCE OF 83.43 FEET, POINT BEING THE BEGINNING OF A NON-TANGENT CURVE WHOSE RADIUS BEARS S51°07'16"E, A DISTANCE OF 114.29 FEET;

THENCE SOUTHERLY A DISTANCE OF 140.48 FEET ALONG A CURVE TO THE LEFT WITH A CENTRAL ANGLE OF 70°25'27", TO A POINT OF BEGINNING OF A REVERSE CURVE;

THENCE SOUTHERLY A DISTANCE OF 50.68 FEET TO THE RIGHT HAVING A RADIUS OF 43.67 FEET WITH A CENTRAL ANGLE OF 66°29'16";

THENCE S55°03'27"E, A DISTANCE OF 21.66 FEET, TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF ESTRELLA PARKWAY RECORDED IN BOOK 771, PAGE 9 PER MARICOPA COUNTY RECORDS, ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE WHOSE RADIUS BEARS S55°03'27"E, A DISTANCE OF 3,060.00 FEET;

THENCE SOUTHWESTERLY A DISTANCE OF 508.46 FEET ALONG A CURVE TO THE LEFT WITH A CENTRAL ANGLE OF 09°31 '13" TO THE NORTHEAST CORNER OF FINAL PLAT OF CORONADO VILLAGE AT ESTRELLA MOUNTAIN RANCH PARCEL 7.6 RECORDED IN BOOK 853, PAGE 49 PER MARICOPA COUNTY RECORDS;

THE FOLLOWING CALLS WILL BE ALONG THE EASTERLY BOUNDARY OF SAID PLAT; THENCE LEAVING SAID RIGHT OF WAY N67°28'54"W, A DISTANCE OF 335.26 FEET;

THENCE N47°22'38"W, A DISTANCE OF 354.98 FEET;
THENCE N44°27'44"W, A DISTANCE OF 61.44 FEET;
THENCE N36°39'35"W, A DISTANCE OF 60.90 FEET;
THENCE N28°48'46"W, A DISTANCE OF 60.90 FEET;
THENCE N21°21'55"W, A DISTANCE OF 62.26 FEET;
THENCE N19°39'44"W, A DISTANCE OF 460.87 FEET TO THE POINT OF BEGINNING,
CONTAINING 780,998 SQUARE FEET OR 17.93 ACRES, MORE OR LESS.