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6
7 IN THE UNITED STATES BANKRUPTCY COURT
8 FOR THE DISTRICT OF ARIZONA

9 In re
10 MORTGAGES LTD.,
11 Debtor.

Chapter 11

Case No. 2:08-bk-07465-RJH

**MOTION TO SELL REAL PROPERTY FREE
AND CLEAR OF LIENS, CLAIMS,
ENCUMBRANCES, AND INTERESTS**

**Real Property located in Pinal County, AZ
known as All States Associates of Pinal IX**

**Hearing Date: TBD
Hearing Time: TBD**

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15 ML Manager LLC (“ML Manager”), requests that the Court enter an order
16 authorizing ML Manager as the manager for ASA IX Loan LLC and the agent for certain
17 Pass-Through Investors to sell the approximate 1,676.57 acres of real property located in
18 Pinal County, Arizona, known as All State Associates of Pinal IX, to Resource Land
19 Holdings, LLC for the price and on the terms set forth in the proposed Agreement of Sale
20 and Purchase and Escrow Instructions (“Sale Agreement”) which is attached as Exhibit A.

21 Borrower All State Associates of Pinal IX, LLC defaulted on its loan with
22 Mortgages Ltd. The unpaid principal balance alone is around \$17,750,786.00. Interest and
23 fees also are due. ML Manager scheduled a deed of trust sale and foreclosed on the real
24 property. The guarantors C. Thomas and Pamela Cummings have filed their own chapter
25 7 bankruptcy proceeding. Pursuant to the Official Investors’ Committee’s First Amended
26

1 Plan confirmed by the Court, ASA IX Loan, LLC (“ASA IX”) was formed on the
2 effective date and the fractional interests in the note and deed of trust which were held by
3 the MP Funds and Mortgages Ltd. were transferred into the ASA IX. Subsequently some
4 of the pass-through investors transferred their interests into ASA IX. At the time of the
5 deed of trust sale, only 7 Pass-Through Investors had not transferred their fractional
6 interests (“7 Pass-Through Investors”). As a result, 97.377% of the interest in the real
7 property is owned by ASA IX and a smaller part is owned by the 7 Pass-Through
8 Investors who did not transfer into ASA IX.

9 ML Manager proposes to enter into a Sale Agreement with Resource Land
10 Holdings, LLC (“Purchaser”) for the purchase of approximately 1,675.57 acres for
11 \$6,700,000.00. Purchaser will post \$150,000 earnest money and open escrow at The
12 Talon Group. The sale will be free and clear of all liens, claims, encumbrances and
13 interests. This is not proposed to be an auction and no higher and better bids are being
14 solicited. The contingencies include the waiver of the right to compete by the exit
15 financier (which is in process), approval by the investors in ASA IX and the 9 MP Funds
16 (which is in process), and Bankruptcy Court approval. Purchaser will commence its due
17 diligence once the Seller’s contingencies are satisfied, including approval by the
18 Bankruptcy Court, and Purchaser will close 10 days thereafter. The parties anticipate that
19 such closing will occur in July 2010. The purchase price is to be paid in cash at closing.
20 This is an arms-length, negotiated sale between unrelated parties.

21 Even though the debt will not be paid in full, ML Manager believes that this price
22 is a fair price for the property and that it is unlikely in the foreseeable future to get a
23 higher amount for the property. ML Manager believes that this sale is in the best interest
24 of the investors in the loan and is a valid exercise of its business judgment.

25 Due to the pending actions pending in the Bankruptcy Court and District Court by
26 certain investors, ML Manager believes that it is prudent and necessary to seek

1 Bankruptcy Court approval of the sale. An order approving the sale and authorizing the
2 sale by ML Manager of 100% of the interest in the real property will insure a smooth
3 closing and will aid in the implementation of the Plan.

4 Under the Operating Agreement of ASA IX, since this event is a Major Decision,
5 ML Manager must seek approval of the sale from the investors in the ASA IX entity and
6 the MP Funds investors. Approval must be obtained by a majority of the investors' dollars
7 voting. The voting process is the works and by the time the parties get to a sale hearing
8 the results will be known to ML Manager. If approved ML Manager asserts it has the
9 authority and ability to go forward with the sale of ASA IX's interests.

10 Under Section 3(b) of the Agency Agreement, ML Manager as the agent for the 7
11 Pass-Through Investors has the authority and ability to engage a broker, enter into a sale
12 agreement and to sell the foreclosed real estate on behalf of the principals. ML Manager
13 asserts that the 7 Pass-Through Investors are subject to the Agency Agreement. None of
14 the 7 Pass-Through Investors are part of the Rev Op Group and none of them has asserted
15 or attempted to terminate their Agency Agreement. It is not clear if they will object to this
16 Motion and sale. They may not have any objection to this sale once they have a chance to
17 study the Sale Agreement terms. ML Manager will notice the 7 Pass-Through Investors of
18 this Motion and the sale hearing so they can have an opportunity to be heard. Should ML
19 Manager have to prove the authority it has under the Subscription Agreements and
20 Agency Agreements as to any objecting Pass-Through Investors in this loan then ML
21 Manager will do so at the sale hearing. Normally ML Manager as the agent would execute
22 the documents on behalf of the Pass-Through Investors since it holds the irrevocable
23 power of attorney to do so. Due to certain allegations made by other Pass-Through
24 Investors about the Agency Agreement, the title company may request that the 7 Pass-
25 Through Investors be required to execute documents effectuating the Court's order and
26 the sale. In that event then ML Manager will request that the sale order include such

1 direction to the 7 Pass-Through Investors or that the sale order include other language
2 required by the title company authorizing ML Manager to execute any and all such
3 documents on behalf of the 7 Pass-Through Investors.

4 ML Manager asserts that the Court has retained jurisdiction in the Plan for such a
5 matter as this and has the authority to approve the sale under Section 363(b) and (f) of the
6 Bankruptcy Code and under Section 105 of the Bankruptcy Code, among other sections,
7 as an order in aid of implementation of the Plan.

8 ML Manager does not seek an order as a part of this Motion to disburse the sale
9 proceeds or determine what amount should be paid by investors as their fair share of the
10 expenses, including exit financing. This requested order will authorize the sale and allow
11 ML Manager to close, with all interests to attach to the proceeds. ML Manager anticipates
12 that any decisions with regard to the distribution of proceeds will be made at a later date if
13 and when the sale closes and the money becomes available for distribution. As is
14 customary ML Manager does propose to pay the closing costs and any commission as set
15 forth in the Sale Agreement at the closing out of the gross sale proceeds.

16 WHEREFORE, ML Manager LLC requests that the Court enter an order
17 authorizing and approving the sale as set forth above, and for such other and further relief
18 as is just and proper under the circumstances.

19 DATED: April 23, 2010

20
21 FENNEMORE CRAIG, P.C.

22 By /s/ Cathy L. Reece
23 Cathy L. Reece
24 Attorneys for ML Manager LLC
25
26

EXHIBIT

A

**AGREEMENT OF SALE AND PURCHASE
AND ESCROW INSTRUCTIONS**

THIS AGREEMENT OF SALE AND PURCHASE AND ESCROW INSTRUCTIONS (this "Agreement") is made effective as of April ____, 2010 (the "Effective Date"), between ASA IX LOAN LLC, an Arizona limited liability company ("ASA"), and ML MANAGER LLC, an Arizona limited liability company as agent ("Agent") for those individual owners ("Owners") listed on Exhibit "A" attached (collectively, "Seller"); and RESOURCE LAND HOLDINGS, LLC, a Colorado limited liability company ("Buyer"). Seller and Buyer may herein be referred to collectively as "the parties" or individually as "a party."

RECITALS

A. Through foreclosure proceedings involving a certain loan (the "Loan") made by Mortgagees Ltd, and other proceedings described below, Seller obtained title to certain real property located in Pinal County Arizona, and described on Exhibit "B" attached hereto (the "Land").

B. ASA was formed pursuant to the Official Committee of Investors First Amended Plan of Reorganization dated March 12, 2009 in the Chapter 11 Proceedings in In re: Mortgagees Ltd., Case No. 2:08-bk-07465-RJH which was confirmed by the Bankruptcy Court ("Court") on May 20, 2009 ("Approved Plan"), to which persons holding fractional interests ("Fractional Interests") in the Loan made by Mortgagees Ltd., an Arizona corporation (now known as ML Servicing Company, Inc.) ("ML") could elect to assign and transfer such Fractional Interests to consolidate such Fractional Interests to the extent possible in a single entity.

C. Pursuant to the Approved Plan certain Fractional Interests were transferred to ASA. As a result of the foreclosure proceedings involving the Loan, the Fractional Interests in the Loan have become undivided interests ("Undivided Interests") in the Land. ASA holds a 97.377% Undivided Interest, and the Owners listed on Exhibit A as owners of the Land hold a 2.623% Undivided Interest for a collective one hundred percent (100%) interest in the Land. Prior to the Close of Escrow (defined below), some of the Owners of Undivided Interests in the Land may elect under the Approved Plan to transfer their Undivided Interests to ASA, in which event such Owners shall no longer be Sellers hereunder and the Undivided Interest percentage of ASA hereunder will be increased accordingly without any amendment to this Agreement. The collective Undivided Interests of Seller shall always be one hundred percent (100%).

D. Pursuant to the Approved Plan, the Agent was designated as successor agent to ML under certain agency agreements ("Agency Agreement") wherein the Agent was given a power of attorney to act for the Owners of Undivided Interests in the Land, and the Agent is acting under this Agreement pursuant to the power of attorney, as the Agent of the Owners who have not transferred their Undivided Interests in the Land to ASA.

E. Buyer desires to enter into an agreement to acquire the Land from Seller, and Seller is willing to enter into an agreement with Buyer regarding the purchase of the Land, on the terms and conditions set forth herein.

AGREEMENT

In consideration of the covenants and provisions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Agreement to Sell and Purchase.

1.1 Property. Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, subject to the terms and conditions of this Agreement, all of Seller's right, title and interest in the Land, consisting of approximately 1,675.57 acres, located in Pinal County, Arizona, and is commonly known as the "All States Properties IX", together with all of Seller's right, title and interest in and to any land lying in the bed of any highway, street, road or avenue, opened or proposed, in front of or abutting or adjoining such tract or piece of land and any easements, licenses, water rights and other rights and benefits appurtenant to or used in connection with the beneficial use and enjoyment of such Land, and all irrigation equipment located on the Land (collectively, the "Property").

1.2 Contingencies.

1.2.1 Notwithstanding any provision to the contrary contained herein, the obligation of Seller to sell the Property to Buyer, and the obligation of Buyer to purchase the Property from Seller, are contingent upon the satisfaction of each of the following contingencies (collectively, the "Contingencies"):

(a) Seller's lender under the Exit Financing Loan dated June 11, 2009 has the right to compete to acquire the REO Property from the Seller under Section 6.11(a) of the Exit Financing Loan Agreement. Seller's lender must have failed to exercise or must have waived the right to compete (the "Lender Approval");

(b) the members of ASA ("Members") must have approved the sale of the Property for the Purchase Price specified herein as required by Section 5.4(h) of the Operating Agreement of ASA (the "Member Approval"); and

(c) if Seller deems it necessary, Seller must have obtained the approval of the Court by final order with respect to the sale to Buyer for which no stay order pending appeal has been ordered, which order is sufficient for the Title Insurer (described below) to issue the Title Policy (described below).

1.2.2 If for any reason, all of the Contingencies have not been satisfied during the period commencing on the Effective Date and ending 30 days after the Effective Date (the "Contingency Period"), then this Agreement shall automatically terminate without the requirement of notice from one party to the other, and Seller and Buyer shall have no further obligation hereunder.

1.2.3 Seller will attempt to satisfy the Contingencies by taking such action as it deems appropriate; provided, however, Seller shall not be in default hereunder if any of the Contingencies is not satisfied. Seller shall not be obligated to satisfy the Contingencies.

1.2.4 If all of the Contingencies have been satisfied prior to the end of the Contingency Period, then Seller shall notify Buyer of such satisfaction (the "Contingency Satisfaction Notice"), and this Agreement shall continue in full force and effect. If the Contingencies have not been satisfied prior to the end of the Contingency Period, then this Agreement shall automatically terminate without the requirement of notice from one party to the other, and Seller and Buyer shall have no further obligations hereunder.

2. Opening of Escrow. Within three (3) business days after both parties have executed this Agreement, the parties will establish an escrow with Thomas Title & Escrow (Diane F. Carpenter), Promenade Corporate Center, 16435 N. Scottsdale Rd., Ste. 405, Scottsdale, Arizona 85254; 480.222.1116 ext. 203. Upon delivery to the Escrow Agent of this executed Agreement, Escrow Agent is instructed to open an escrow and deliver copies of the executed Agreement to Buyer and Seller. "Opening of Escrow" shall occur when Escrow Agent accepts this Agreement as provided at the end of this Agreement. This Agreement, and the exhibit attached hereto, shall constitute escrow instructions to Escrow Agent in connection with this transaction, but the parties agree to execute such supplemental instructions, not inconsistent with this Agreement, as Escrow Agent may reasonably require.

3. Purchase Price; Deposits.

3.1 Purchase Price. The purchase price for the Property shall be Six Million Seven Hundred Thousand Dollars (\$6,700,000) (the "Purchase Price"). The Purchase Price shall be payable as follows:

(i) Buyer shall deposit with Escrow Agent the amount of One Hundred Fifty Thousand Dollars (\$150,000) (the "Deposit") by wire transfer, cashier's check, or other readily available funds, upon execution of this Agreement by Seller and Buyer and Opening of Escrow.

(ii) Buyer shall pay the balance of the Purchase Price to Seller at Close of Escrow (as defined below) in cash by wire transfer, cashier's check, or other readily available funds.

3.2 Deposits. The Deposit includes all interest earned thereon. The Deposit shall be held in an interest bearing, federally insured account by Escrow Agent pending consummation of this transaction.

4. Property Documents. Within ten (10) days after the Effective Date, Seller will provide Buyer with copies of the following documents to the extent they are in Seller's possession or control: all permits, approvals, plans, specifications, certificates, surveys, engineering reports (including, without limitation, any environmental or geotechnical reports), crop records, well and pump records, energy bills, environmental audits, appraisals, leases, permits and contracts, improvement plans, utility plans, architectural plans and elevations, and development and marketing studies relating to the condition or development of the Property (collectively, the "Property

Documents”). The Property Documents are delivered without representation or warranty, subject to independent investigation by Buyer. Seller discloses that the Property is currently subject to the following three leases (the “Leases”): (a) Farm Lease Agreement, dated as of January 2010 between Seller as Lessor and El Fuerte Farms General Partnership as Lessee; (b) Agricultural Lease, dated May 12, 2005, between All State Associates of Pinal VI, LLC as Lessor and Hamilton Farms as Lessee; and (c) Agricultural Lease, dated May 2005, between All State Associates of Pinal VI, LLC as Lessor and Marvin and Kathleen Wuertz as Lessee. Copies of the Leases will be provided to Buyer with the Property Documents. At the Close of Escrow, Seller shall assign all of its rights and obligations under the Leases to Buyer, and Buyer shall assume all of Seller’s obligations under the Leases as of the date of Close of Escrow, by assignment of leases in a form reasonably acceptable to Seller and Buyer (the “Assignment of Leases”).

5. Feasibility Period. During the period commencing on the date the Contingency Satisfaction Notice under Section 1.2.4 is given to Buyer and ending on the date that is forty-five (45) days thereafter (the “Feasibility Period”), Buyer will determine whether the Property is suitable for Buyer’s acquisition. If Buyer determines, in its sole discretion, that the Property is not suitable for Buyer’s acquisition, then Buyer may terminate this Agreement by giving written notice of termination to Seller on or before the expiration of the Feasibility Period. If no such written notice is given to Seller within the Feasibility Period, then Buyer will be deemed to have elected to waive its right to terminate this Agreement pursuant to this Section. If this Agreement is terminated pursuant to this Section, Escrow Agent shall return the Deposit to Buyer not later than the second business day after such termination, and the parties will be released from further liability hereunder.

6. Title and Survey Review.

6.1 Title Documents. Within ten (10) days after the Effective Date, Escrow Agent will provide Buyer with a title commitment (the “Title Commitment”) issued by the title insurer (“Title Insurer”) for Escrow Agent leading to the issuance of an ALTA Extended Coverage Owner’s Policy of Title Insurance (ALTA 2006 or another form acceptable to Buyer) insuring fee simple title in Buyer in the amount of the Purchase Price (the “Title Policy”), together with legible copies of all documents listed therein (the “Exception Documents”). The Title Commitment, the Exception Documents and the Survey (described below) are herein referred to collectively as the “Title Documents.” If the Title Documents reflect encumbrances or other conditions not acceptable to Buyer (“Defects”) and Buyer notifies Seller of same in writing within thirty (30) days after the commencement of the Feasibility Period, then within five (5) days after Seller’s receipt of Buyer’s notification of the Defects, Seller may notify Buyer which Defects Seller will cure prior to the Close of Escrow and which Defects Seller will not cure prior to the Close of Escrow (herein called a “Seller’s Notice”). Seller shall not be obligated to cure any Defects. If Seller’s Notice specifies Defects that will not be cured by Seller prior to the Close of Escrow or if Seller fails to provide a Seller’s Notice, then Buyer may, within five (5) days after the expiration of the period for Seller to provide a Seller’s Notice, accept the Defects (in which event such Defects will constitute Permitted Encumbrances (as defined below) hereunder) or Buyer may terminate this Agreement, in which event Escrow Agent will return the Deposit to Buyer not later than the second business day after such termination and the parties will be released from further liability hereunder.

6.2 Survey. As part of the Property Documents, Seller will provide Buyer with copies of any existing surveys of the Property that Seller has in its files. Buyer may, at its own expense, update the existing surveys or obtain a new survey of the Property (the "Survey") sufficient for the issuance of the Title Policy.

6.3 Supplemental Title Reports. If any supplemental title commitment or report or other notice from Escrow Agent after the Title Commitment ("Supplemental Report") shall reflect encumbrances or other conditions not reflected in the original Title Documents and not acceptable to Buyer ("Supplemental Defects") and Buyer notifies Seller of same in writing on or before the latter of (i) thirty (30) days after the commencement of the Feasibility Period, and (ii) five (5) days after its receipt of the Supplemental Report, then within five (5) days after Seller's receipt of Buyer's notification of the Supplemental Defects (but not later than the Close of Escrow), Seller may provide to Buyer a Seller's Notice. Seller shall not be obligated to cure any Supplemental Defects. If any Seller's Notice relating to Supplemental Defects specifies Supplemental Defects that will not be cured by Seller prior to the Close of Escrow, or if Seller does not deliver a Seller's Notice, then Buyer may, within five (5) days after the expiration of the five (5)-day period for Seller to provide a Seller's Notice, accept the Supplemental Defects (in which event such Supplemental Defects will constitute Permitted Encumbrances hereunder) or Buyer may terminate this Agreement, in which event Escrow Agent will return the Deposit to Buyer not later than the second business day after such termination and the parties will be released from further liability hereunder. If Buyer does not elect to terminate this Agreement by written notice during the foregoing five (5)-day period, then Buyer shall be deemed to have accepted the Supplemental Defects. If Seller does not timely deliver a Seller's Notice for any Supplemental Defects, Seller shall be deemed to have elected to not cure the Supplemental Defects.

6.4 Other Title Matters. All matters referenced in Schedule B (or similar schedule) of the Title Commitment or in any Supplemental Report which are not Defects or Supplemental Defects, and any Defects and Supplemental Defects that have been approved by Buyer, shall be "Permitted Encumbrances" hereunder. Neither Seller nor its agents, employees or affiliates will record any additional liens, encumbrances or other matters against title to the Property after the effective date of the Title Commitment. Notwithstanding anything to the contrary contained in this Agreement, Seller shall pay off or obtain releases on all existing private financing mortgages or encumbrances at Closing, and such matters shall not be considered "Permitted Exceptions."

7. Conditions to Closing.

7.1 Buyer's Conditions. Notwithstanding anything to the contrary contained in this Agreement, Buyer's obligation to purchase the Property is expressly conditioned on the following:

(i) Seller's representations and warranties contained herein shall be materially true and accurate.

(ii) Seller will not be in default of this Agreement.

(iii) Escrow Agent will be irrevocably and unconditionally committed to issue the Title Policy to Buyer.

If any of the conditions set forth in subsections (i) or (ii) above are not satisfied on the Closing Date, Buyer shall be entitled to the remedies prescribed under either Section 13 or Section 17.2 below, as applicable. If the condition set forth in subsections (iii) above is not satisfied on the Closing Date (unless as a result of a default by Seller), then Buyer may terminate this Agreement by giving written notice of termination to Seller, in which event Escrow Agent will return the Deposit to Buyer not later than the second business day after such termination and the parties will be released from further liability hereunder, except as expressly provided herein.

7.2 Seller's Conditions. Notwithstanding anything to the contrary contained herein, Seller's obligation to sell the Property is expressly conditioned on the following:

(i) Buyer's representations and warranties contained herein shall be materially true and accurate.

(ii) Buyer will not be in default of the Agreement.

If any of such conditions are not satisfied on the Closing Date, Seller may terminate this Agreement by giving written notice of termination to Buyer. If Seller terminates this Agreement for the reasons stated in subsections (i) or (ii) above, Seller shall be entitled to the remedies prescribed under Section 17.1 below.

8. Transfer of Title. At the Close of Escrow, Seller will convey title to the Property to Buyer by a special warranty in the form attached hereto as Exhibit "D" (the "Deed").

9. Closing Date. The closing of the transaction contemplated by this Agreement (the "Close of Escrow") will occur on or before the date that is ten (10) days after expiration of the Feasibility Period (the "Closing Date"). Buyer may elect for the Closing Date to occur prior to such scheduled date by giving at least ten (10) days prior notice of such election to Seller.

10. Closing Documents.

10.1 Seller's Obligations. On or before the Close of Escrow, Seller will execute and deposit the following documents with Escrow Agent for delivery to Buyer at the Close of Escrow: (a) the Deed; (b) an Affidavit of Property Value in form required by Arizona law; (c) a Non-Foreign Person Affidavit in form reasonably acceptable to Buyer; (d) an "ALTA Statement" or similar instrument which will enable Escrow Agent to issue the Title Policy free of any mechanics' or materialmen's liens or claims for mechanics' or materialmen's liens; (e) the Assignment of Leases; (f) originals (if in Seller's possession) of the Property Documents; (g) such documents as may be required by Buyer or Escrow Agent evidencing the status and capacity of Seller and the authority of the person or persons who are executing the various documents on behalf of Seller in connection with the sale of the Property; and (h) any other assignments or instruments that are necessary for Seller to convey title to the Property and the Property Documents to Buyer.

10.2 Buyer's Obligations. On or before the Close of Escrow, Buyer will execute and deposit the following with Escrow Agent for delivery to Seller at the Close of Escrow: (a) the balance of the Purchase Price in cash or immediately available funds; (b) the Affidavit of Property Value; (c) the Assignment of Leases; and (d) such documents as may be required by Seller or Escrow Agent evidencing the status and capacity of Buyer and the authority of the person or persons who are executing the various documents on behalf of Seller in connection with the purchase of the Property.

10.3 Mutual Obligations. All documents must be deposited by the applicable parties with Escrow Agent in sufficient time to permit Escrow Agent to close the escrow on the Closing Date.

11. Closing Costs and Prorations. The following are to be apportioned as of the Closing Date and charged or paid to Seller or Buyer, as applicable, with Buyer being deemed to be the owner of the Property on the Closing Date:

11.1 Apportionments. Seller will pay the fee for the Title Policy to the extent of the cost of a "Standard Owner's" policy; one-half of Escrow Agent's escrow fee; documentary stamps or transfer taxes; and recording fees with respect to release of any liens or encumbrances. Buyer will pay one-half of Escrow Agent's escrow fee; recording fees with respect to the Deed and the Affidavit of Real Property Value; and the cost in excess of the cost of a Standard Owner's policy necessary to obtain the "ALTA Extended Owner's" coverage, plus the cost of any title endorsements Buyer may request. Real property taxes and general and special assessments will be prorated as of the Closing Date. If the Closing Date shall occur before the tax rate is fixed for the then-current year, the apportionment of taxes shall be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation. Rent for the Leases shall be prorated as of the Closing Date.

11.2 Post-Closing Reconciliation. If any of the apportionments or prorations required above cannot be calculated accurately on the Closing Date or are miscalculated, then they shall be calculated or recalculated as soon as possible after the Closing Date. Either party owing the other party a sum of money based on such subsequent apportionments or prorations shall promptly pay said sum to the other party within ten (10) days after receipt of an invoice therefor. There shall be no further adjustments of such apportionments or prorations after the first anniversary of the Closing Date.

12. Damage or Condemnation. If, prior to the Close of Escrow, all or any portion of the Property is damaged or destroyed by casualty or becomes the subject of any pending or threatened eminent domain proceeding (or any transfer in lieu thereof has occurred), then Buyer may terminate this Agreement by giving written notice of termination to Seller within 20 days after notice of such damage, destruction or eminent domain, in which event Escrow Agent will return the Deposit to Buyer not later than the second business day after such termination and the parties will be released from further liability hereunder. If Buyer elects to waive its right to terminate, then the parties shall proceed with the purchase and sale transaction described herein, and all rights, claims, benefits, insurance proceeds, or other consideration relating to the damage, destruction or eminent domain proceeding shall be assigned and transferred to Buyer at Close of Escrow.

13. Seller Representations and Warranties. Seller hereby represents and warrants to Buyer the following:

13.1 Agreements. Except for the Leases described in Section 4 above, which Buyer shall assume at the Closing, Seller has not and will not enter into any contract, operating arrangement, lease, or other agreement relating to the Property that will remain in effect after the Close of Escrow.

13.2 No Government Actions or Litigation. Seller is not aware of, and Seller has not received any written notices of any planned public improvements that will result in special assessments against the Property, nor any pending or threatened condemnation proceedings or zoning or other land use regulation proceedings relating to the Property. Seller is not aware of, and Seller has not received any written notices from governmental agencies requiring alterations or corrections of any existing conditions at the Property.

13.3 Hazardous Materials. Seller will provide Buyer with copies of the Phase I Environmental Reports that are described in Exhibit "D" attached are part of the Property Documents. Except for any matters that are disclosed in the Property Documents or any environmental assessment obtained by Buyer, Seller has not released or caused the release of any Hazardous Materials (defined below); Seller has no knowledge of any release of Hazardous Materials upon the Property; and Seller has not received written notice of any release of Hazardous Materials upon the Property. The term "Hazardous Materials" shall mean any hazardous, toxic or contaminated substance, material or waste that is regulated by any local governmental authority, the State in which the Property is located or the United States Government, including, without limitation, (i) substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC Section 9601, et seq.) and/or the Hazardous Materials Transportation Act (49 USC Section 1801, et seq.), (ii) those substances defined as any of the foregoing in the regulations adopted and publications promulgated pursuant to the aforesaid laws; and (iii) petroleum products. Except for any matters that are disclosed in the Property Documents or any environmental assessment obtained by Buyer, to Seller's knowledge there are no underground storage tanks located at the Property.

13.4 Power and Authority. Subject to the satisfaction of the Contingencies: (a) Seller has full power and authority to enter into this Agreement and all documents executed pursuant to this Agreement, and to perform its obligation in accordance with the terms and conditions hereof and thereof; (b) All consents required to be obtained and taken on behalf of Seller to authorize it to execute, deliver, and carry out the terms of this Agreement have been duly and properly obtained and taken, and this Agreement is a valid and binding obligation of Seller enforceable in accordance with its terms; and (c) Agent has valid and existing powers of attorney on behalf of all parties listed in Exhibit "A" and has the authority under such powers of attorney to execute this Agreement and all documents executed pursuant to this Agreement, and to perform its obligation in accordance with the terms and conditions hereof and thereof.

13.5 No Violation. Subject to the satisfaction of the Contingencies, to Seller's knowledge, execution of this Agreement and all documents executed pursuant to this Agreement by

Seller, and performance by Seller of each and all of its obligations hereunder, will not breach or violate any other agreement, court order or other arrangement by which Seller is bound.

13.6 Compliance. Subject to the satisfaction of the Contingencies, to Seller's knowledge, all necessary and appropriate action on the part of Seller which is required for the execution, delivery and performance of this Agreement has been fully and effectively taken.

13.7 Non-Foreign Person. Seller is not a "foreign person" as that term is defined in the Internal Revenue Code of 1986, as amended, and the regulations promulgated pursuant thereto.

13.8 Litigation. To Seller's knowledge, no litigation is pending, proposed or threatened with respect to the Property.

For purposes of this Section 13, the phrases "Seller's knowledge", "Seller is not aware of" and similar terms mean the actual knowledge of Mark Winkleman without the duty of inquiry or investigation. The matters set forth in this Section constitute representations and warranties by Seller that will be materially true and correct as of the date hereof and on the Closing Date and subject to Section 16, below, will survive the Closing Date for a period of one (1) year. Seller shall defend, indemnify and hold Buyer harmless for, from and against any and all liabilities, costs and expenses (including, but not limited to, reasonable attorney fees) incurred by Buyer arising from any breach of the representations and warranties contained in this Section 13.

If Seller becomes aware of any facts or circumstances that cause any of such representations and warranties to become materially false or incorrect, Seller will promptly notify Buyer of same. Notwithstanding any contrary provision of this paragraph, the representations, warranties and covenants of Seller set forth in this Section shall not apply to the extent that any matter or condition is caused by the act or acquiescence of Buyer, its affiliates, employees, agents, contractors, subcontractors or representatives, or to the extent Buyer has actual knowledge of any inaccuracy in any such representation, warranty or covenant at the time of the Closing. If Seller becomes aware of any change in the representations, warranties or covenants of Seller set forth in this Section 13 after the date hereof (whether arising before or after the date hereof), Seller shall give prompt written notice (a "Change Notice") to Buyer, which shall specifically reference this Section and the representation and warranty being modified. Buyer (as Buyer's sole remedy) shall have ten (10) days following its receipt of a Change Notice within which to terminate this Agreement by written notice to Seller. In the event of such termination, Escrow Agent shall return the Deposit to Buyer and neither party shall have any further obligations hereunder, except as expressly provided herein. Buyer's failure to terminate this Agreement within the foregoing ten (10)-day period shall be deemed acceptance of the matters disclosed in the Change Notice and an election by Buyer to proceed with the purchase of the Property notwithstanding the Change Notice. If Buyer elects (or is deemed to have elected) to proceed with the purchase of the Property after receipt of a Change Notice, then Buyer shall be deemed to have assumed all risk of and released Seller from all liability for the matter(s) specified in such Change Notice, and Seller's representations, warranties and covenants under this Section 13 shall thereafter be deemed to have been modified as provided in the Change Notice.

14. Buyer Representations and Warranties. Buyer covenants, represents and warrants to Seller as follows:

14.1 Power and Authority. Buyer has full power and authority to enter into this Agreement and all documents executed pursuant to this Agreement, and to perform its obligation in accordance with the terms and conditions hereof and thereof.

14.2 No Violation. Execution of this Agreement and all documents executed pursuant to this Agreement by Buyer, and performance by Buyer of each and all of its obligations hereunder, will not breach or violate any other agreement, court order or other arrangement by which Buyer is bound.

14.3 Compliance. All necessary and appropriate action on the part of Buyer which is required for the execution, delivery and performance of this Agreement has been fully and effectively taken.

14.4 Financial Ability. Buyer has, or will have prior to closing, the financial ability to perform Buyer's obligations under this Agreement.

15. "As-Is," "Where-Is," and "With All Faults".

15.1 Seller Inducements. To induce Seller to accept this Agreement, Buyer acknowledges that, except as expressly set forth in this Agreement: (i) no understandings, representations or promises of any kind have been made to induce the execution of this Agreement; (ii) Buyer has not relied on any oral agreement, statement, representation or other promise; (iii) Seller has made no express or implied warranties concerning the condition of the Property or the fitness or suitability of the Property for Buyer's intended use; and (iv) Buyer acknowledges and agrees that the Property is being sold and transferred by Seller to Buyer in its present "AS-IS," "WHERE-IS," and "WITH ALL FAULTS" condition without warranty of any kind. No salesman, broker, agent or employee of Seller has any authority to modify the terms of this Section or any authority to make any representation or agreement not contained in this Agreement and no person on behalf of Seller is authorized to make any future oral agreement upon which Buyer may rely to cancel, change or modify any portion of this Agreement.

15.2 Additional Buyer Warranties. Buyer represents and warrants that, except as expressly set forth in this Agreement: (i) Buyer is a knowledgeable, experienced and sophisticated purchaser of real estate and that it is relying solely on its own expertise and that of Buyer's consultants in purchasing the Property; (ii) Buyer is, or as of the end of the Feasibility Period will be, familiar with the Property; (iii) Buyer is relying solely upon, and as of the end of the Feasibility Period, will have conducted, its own independent inspection, investigation and analysis of the Property as it deems necessary or appropriate in so acquiring the Property from Seller, including without limitation, physical inspections, environmental assessments, analysis of any and all matters concerning the condition of the Property and its suitability for Buyer's intended purposes, and review of all applicable laws, ordinances, rules and governmental regulations (including, but not limited to, those relative to building, zoning and land use) affecting the use, occupancy or enjoyment of the Property; (iv) Seller is not liable or bound in any manner by any oral or written statements,

representations, warranties, or information pertaining to the Property furnished by any real estate broker, agent, employee, servant or other person, unless the same are specifically set forth or referred to herein; and (v) Buyer acknowledges that the Purchase Price reflects the "as is" nature of this sale and any faults, liabilities, defects or other adverse matters that may be associated with the Property. Buyer has fully reviewed the representations, warranties, disclaimers and waivers set forth in this Agreement with its counsel and understands the significance and effect thereof. Buyer acknowledges and agrees that the representations, warranties, disclaimers and other agreements set forth in this Agreement are an integral part of this Agreement and that Seller would not have agreed to sell the Property to Buyer for the Purchase Price without such representations, warranties, disclaimers and other agreements set forth in this Agreement. Buyer further acknowledges and agrees that regardless of the outcome or contents of any inspection or assessment of the Property Buyer may undertake, Seller has no obligation whatsoever to cure any faults, defects or other adverse conditions affecting the Property, whether or not disclosed in any such inspection or assessment or in any disclosures by Seller. The covenants, representations and warranties contained in this Section 16 shall expressly survive the Closing without limitation.

15.3 Release. Except as expressly provided in this Agreement and in the Deed, Buyer or anyone claiming by, through or under Buyer, hereby fully and irrevocably releases Seller, its members, agents, representatives, any of its respective beneficiaries, shareholders, officers, affiliates, parent entities, subsidiary entities, employees, heirs, successors and assigns (collectively, the "Seller Parties"), from any and all claims that it may now have or hereafter acquire against the Seller Parties, regardless of the sole or concurrent negligence or liability of any kind of the Seller Parties with respect to such claims, for any cost, loss, liability, damage, expense, action or cause of action, whether foreseen or unforeseen, arising from or related to any errors or omissions on or in the Property, the presence of Hazardous Materials, or any other conditions (whether patent, latent or otherwise) affecting the Property, except for claims against Seller based upon any obligations and liabilities of Seller expressly provided in this Agreement, and except for claims against Seller based on willful or intentional misrepresentation or non-disclosure related to such matters. Buyer further acknowledges and agrees that this release will be given full force and effect according to each of its expressed terms and provisions, including, but not limited to, those relating to known and suspected claims, damages, and causes of action. The provisions of this Section 15.3 will survive the Closing and delivery of the Deed. Buyer realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to losses, damages, liabilities, costs and expenses which are presently unknown, unanticipated and unsuspected, and Buyer further agrees that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Buyer nevertheless hereby intends to release, discharge and acquit all of the Seller Parties from any such unknown losses, damages, liabilities, costs and expenses.

16. Survival. The covenants, representations or warranties made by Seller and Buyer, respectfully, in Sections 13, 14, and 15 are made as of the Opening of Escrow and as of the Close of Escrow and shall survive the Closing, except that any claim for breach of warranty by either party must be asserted within one (1) year after the Closing or be forever barred.

17. Remedies.

17.1 Seller's Remedies. If Buyer fails to deposit the Purchase Price in accordance with the terms of this Agreement, or to timely close escrow as required hereunder, or fails to perform any of its other obligations under this Agreement, which failure is not cured within three (3) business days after written notice from Seller, Seller shall be entitled, as Seller's sole and exclusive right and remedy hereunder, to terminate this Agreement by giving written notice of termination to Buyer, in which event Seller shall retain the Deposit as liquidated damages and as consideration for acceptance of this Agreement. Notwithstanding anything mentioned herein to the contrary, Seller hereby waives any claim for consequential, special, punitive, exemplary or similar damages against Buyer.

Buyer and Seller agree that based upon the circumstances now existing, known and unknown, it would be impractical or extremely difficult to establish Seller's damages by reason of default by Buyer. Accordingly, Buyer and Seller agree that it would be reasonable at such time to award to Seller "liquidated damages" equal to the amount of the Deposit in the event of a default by Buyer. Seller and Buyer acknowledge that they have read and understand the provisions of this Section 17.1 and by their initials immediately below agree to be bound by its terms.

Seller's Initials: _____

Buyer's Initials: _____

17.2 Buyer's Remedies. Upon a breach or default by Seller hereunder, which default is not cured within three (3) business days after written notice from Buyer, Buyer shall be entitled, as its sole remedies for Seller's default hereunder, to exercise either of the following remedies: (i) terminate this Agreement, in which event Escrow Agent will return the Deposit to Buyer not later than the second business day after such termination; or (ii) seek specific performance of Seller's obligations hereunder, and file a lis pendens in connection therewith. Notwithstanding anything mentioned herein to the contrary, Buyer hereby waives any claim for consequential, special, punitive, exemplary or similar damages against Seller. **The limited remedies set forth in this Section 17.2, however, shall not apply to any breach of any representation or warranty set forth in section 13 that is discovered by Buyer after the Closing.**

17.3 Cancellation Fees. Upon the effective cancellation of this Agreement, the defaulting party shall be responsible for any escrow cancellation charges charged by Escrow Agent.

18. Brokerage Commission. Each party represents and warrants to the other that such party has not dealt with any broker or finder in connection with the transaction contemplated in this Agreement, except the following: Seller agrees to pay a commission to Nathan & Associates, Inc. in an amount and on terms set forth in a separate agreement. Buyer agrees to pay a commission to Three Rivers Ag Investments (Jack Doughty) in an amount and on terms set forth in a separate agreement. Except for the foregoing, each party shall indemnify, defend and hold harmless the other party against and from any and all claims, commissions, or other compensation, damages, liabilities and expenses, (including, without limitation, reasonable attorney fees and disbursements) arising out of any and all claims made by any other broker or finder with whom the indemnifying party has dealt, or has allegedly employed, in violation of the warranty contained in this Section.

19. Notices. All notices, demands and requests under this Agreement must be in writing, and will not be effective unless given by prepaid registered or certified mail, return receipt requested, by nationally recognized commercial overnight courier service, by hand-delivery with a signed acknowledgement of receipt by the receiving party, or by confirmed facsimile transmittal (if a facsimile number is given below), addressed as follows:

19.1 If addressed to Seller:

ML Manager LLC
14050 N. 83rd Avenue, #180
Peoria, Arizona 85381
Attn: Mark Winkleman
Facsimile: (623) 234-9575

with a copy to:

Fennemore Craig, P.C.
3003 North Central Avenue
Suite 2600
Phoenix, Arizona 85012
Attention: Mark A. Nesvig
Facsimile: (602) 916-5672

19.2 If addressed to Buyer:

Resource Land Holdings, LLC
619 N. Cascade Avenue, Suite 200
Colorado Springs, Colorado 80903
Attention: Byron Levkulich
Facsimile: (719) 633-1568

19.3 Copies of all notices, demands and requests shall also be delivered to Escrow

Agent:

Thomas Title & Escrow
Promenade Corporate Center
16435 N. Scottsdale Rd., Ste. 405
Scottsdale, Arizona 85254
Attention: Diane F. Carpenter
480.222.1116 ext. 203
480.383.6792 direct facsimile
Email: dcarpenter@thomastitle.com

or at such other address or facsimile number as any party may hereafter designate by written notice to all other parties. The effective date of all notices shall be three (3) days following transmittal by prepaid registered or certified mail, return receipt requested, one (1) day after transmittal by

nationally recognized commercial overnight courier service, upon receipt by hand-delivery with a signed acknowledgement of receipt by the receiving party, and upon transmission by facsimile (transmittal confirmed); if receipt of such notice is not accepted or is not possible due to a change in address or facsimile number for which the sending party did not receive notice, the effective date of such a notice shall be the date of attempted delivery.

20. Miscellaneous.

20.1 Additional Documents. Each party agrees in good faith to execute such further or additional documents as may be necessary or appropriate to fully carry out the intent and purpose of this Agreement.

20.2 Time for Performance. If the time for the performance of any obligation under this Agreement expires on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding day that is not a Saturday, Sunday or legal holiday.

20.3 Entry. At any time after the Effective Date and prior to the Close of Escrow, Buyer and its designated agents and contractors will have the right to enter upon the Property to conduct surveys, soils tests, investigations and studies; provided Buyer shall return the Property to substantially the same condition existing prior to the time of any entry. Buyer shall defend, indemnify and hold Seller harmless for, from and against any and all liabilities, costs and expenses (including, but not limited to, mechanics' and materialmen's liens and reasonable attorney fees) incurred by Seller arising from any exercise of the rights granted under this Section 20.3, which obligations of Buyer shall survive the termination of this Agreement.

20.4 Risk of Loss. The risk of loss or damage to the Property until the Close of Escrow shall be borne by Seller.

20.5 Time of Essence. Time is of the essence of each and every provision and each obligation of this Agreement.

20.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one instrument.

20.7 Assignment. Buyer may assign its rights and obligations under this Agreement, upon written notice to Seller and subject to Seller's approval, which shall not be unreasonably withheld.

20.8 Entire Agreement. This Agreement constitutes the entire agreement between the parties. All terms and conditions contained in any other instruments previously executed by the parties in connection with the Property are superseded hereby and merged herein. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, personal representatives, successors and assigns.

20.9 Attorney Fees. If suit is brought by any party to this Agreement to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney fees, expenses and court costs.

20.10 Confidentiality. Each party at all times shall keep, and shall cause such party's agents and representatives to keep, this Agreement and the terms contained herein confidential, except to the extent necessary to (i) comply with applicable laws and regulations, (ii) discuss the same with such party's principals, employees, consultants, attorneys, financial sources and advisors, and (iii) carry out the obligations and accomplish the purposes set forth herein. Any disclosure pursuant to clause (ii) of the preceding sentence shall indicate that the information is confidential and should be so treated by the recipient.

20.11 Non-Solicitation. Neither Seller nor any of its representatives will directly or indirectly negotiate or execute any agreement with, solicit inquiries or proposals from, or disclose information to, others in connection with any transaction that is inconsistent with the transaction described in this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

SELLER:

ASA IX LOAN LLC, an Arizona limited liability company

By ML MANAGER LLC,
an Arizona limited liability company, its Managers and
as Agent for the Owners listed on Exhibit A attached

By: _____
Printed Name: _____
Its: Manager

BUYER:

RESOURCE LAND HOLDINGS, LLC,
a Colorado limited liability company

By: _____
Its: _____

AGREEMENT AND CONSENT BY ESCROW AGENT

The undersigned hereby agrees to (i) accept the foregoing Agreement of Sale and Purchase and Escrow instructions as instructions to the undersigned, (ii) act as Escrow Agent under said Agreement in consideration of its fees normally charged in such transactions, and (iii) be bound by said Agreement in the performance of its obligations as the Escrow Agent.

Dated this ____ day of _____, 2010.

Thomas Title & Escrow

By: _____
Name/Title: _____

EXHIBIT "A"
NAMES OF OWNERS OF LAND

ASA IX Loan LLC, an Arizona Limited Liability Company, as to an undivided 97.377% interest

First Trust Company of Onaga, Custodian FBO Deborah L. Hooker IRA #41021XXXXXX, as to an undivided 0.286% interest;

First Trust Company of Onaga, Custodian FBO Brett W. Howell Roth IRA #46021XXXXXX, as to an undivided 0.168% interest;

First Trust Company of Onaga, Custodian FBO Justin E. Howell Roth IRA #46021XXXXXX, as to an undivided 0.071% interest;

First Trust Company of Onaga, Custodian FBO Justin E. Howell IRA #41021XXXXXX, as to an undivided 0.131% interest;

Morris A. Kaplan and Carolyn N. Kaplan, Trustees under the Second Amendment and Restatement of the Morris and Carolyn Kaplan Revocable Trust dated October 15, 1999, as to an undivided 0.281% interest;

First Trust Company of Onaga, Custodian FBO Jan M. Sterling IRA #41021XXXXXX, as to an undivided 0.843% interest; and

First Trust Company of Onaga, Custodian FBO Kathleen K. Tomasulo IRA #41021XXXXXX, as to an undivided 0.843% interest.

EXHIBIT "B"
LEGAL DESCRIPTION

Parcel 1:

The Northeast quarter; AND the North half of the Southeast quarter of Section 17, Township 6 South, Range 8 East of the Gila and Salt River Meridian, Pinal County, Arizona

Parcel 2:

The South one-third of Section 36, Township 9 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona

Except all gas, oil, metals and mineral rights as reserved by the State of Arizona in Patent to said land.

Parcel 3:

The East half of the East half of the Northeast quarter of the Southeast quarter of Section 36, Township 9 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona.

Except any portion lying within the South One-third of said Section 36, and

ALSO Except all gas, oil, metals, and mineral rights as reserved by the State of Arizona in the Patent to said land.

Parcel 4:

The South half of Section 35, Township 9 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona.

Except the North half of the Northeast quarter of the Southeast quarter of said Section 35; and

ALSO Except that portion described as follows:

Commencing at the West quarter corner of said Section 35;

Thence North 89 degrees 07 minutes 30 seconds East along the South line of the North half of said Section 35, 1637.44 feet to the TRUE POINT OF BEGINNING;

Thence South 79 degrees 41 minutes 40 seconds East, 2390.16 feet to a point on the West line of the North half of the Northeast quarter of the Southeast quarter of said Section 35;

Thence North 00 degrees 02 minutes 10 seconds East, 463.51 feet to the Northwest corner of the North half of the Northeast quarter of the Southeast quarter of Said Section 35;

Thence South 89 degrees 07 minutes 30 seconds West along the South line of the North half of said Section 35, 2352.17 feet to the POINT OF BEGINNING; and

ALSO Except all gas, oil, metals and mineral rights as reserved by the State of Arizona in the Patent to said land.

Parcel 5:

That portion of the Northwest quarter of Section 35, Township 9 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the West quarter corner of said Section 35;

Thence North 00 degrees 02 minutes 00 seconds West along the West line of the Northwest quarter of said Section 35, 322.74 feet;

Thence South 79 degrees 41 minutes 40 seconds East, 1664.29 feet to a point on the South line of the Northwest quarter of said Section 35;

Thence South 89 degrees 07 minutes 30 seconds West along the South line of the Northwest quarter of said Section 35, 1637.44 feet to the POINT OF BEGINNING.

Parcel 6:

That portion of the North half of the Northeast quarter of the Southeast quarter of Section 35, Township 9 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

Commencing at the East quarter corner so said Section 35;

Thence South 89 degrees 07 minutes 30 seconds West 1332.37 feet to the Northwest corner of the North half of the Northeast quarter of the Southeast quarter of said Section 35;

Thence South 00 degrees 02 minutes 10 seconds West along the West line of said North half of the Northeast quarter of the Southeast quarter of Section 35, 463.51 feet to the TRUE POINT OF BEGINNING;

Thence South 79 degrees 41 minutes 40 seconds East, 1045.80 feet to a point on the South line of said North half of the Northeast quarter of the Southeast quarter of Section 35;

Thence South 88 degrees 54 minutes 30 seconds West, 1029.24 feet to the Southwest corner of said North half of the Northeast quarter of the Southeast quarter of said Section 35;

Thence North 00 degrees 02 minutes 10 Seconds East, 206.70 fet to the POINT OF BEGINNING.

Except all gas, oil, metals and mineral rights as reserved by the State of Arizona in the Patent to said land.

Parcel 7:

Lots 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 , 19, and 20 of Section 1, Township 10 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona.

Except all coal and other mineral deposits as reserved by the United States of America in the Patent to said land.

Parcel 8:

Parcels 5, 7, 8, 13, 14, and 15 and a portion of Parcel 16, of TOLTEC VALLEY WEST, according to the survey of record in the office of the County recorder of Pinal County, Arizona recorded in Book 1 of Surveys, Pages 154 and 155 and being situated in Section 33, Township 8 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

Commencing at the Southeast corner of said Section 33;

Thence South 89 degrees 17 minutes 28 seconds West, a distance of 320.00 feet to the TRUE POINT OF BEGINNING;

Thence continuing South 89 degrees 17 minutes 28 seconds West, a distance of 2349.76 feet;

Thence North 00 degrees 27 minutes 12 seconds West, a distance of 3982.17 feet;

Thence North 89 degrees 23 minutes 33 seconds East, a distance of 1325.42 feet;

Thence North 00 degrees 34 minutes 49 seconds West, a distance of 1326.64 feet;

Thence North 89 degrees 25 minutes 38 seconds East, a distance 1322.47 feet;

Thence South 00 degrees 43 minutes 14 seconds East, a distance of 5063.28 feet;

Thence South 89 degrees 17 minutes 28 seconds West, a distance of 320.00 feet;

Thence South 00 degrees 43 minutes 14 seconds East, a distance of 240.00 feet to the POINT OF BEGINNING.

Parcel 9:

The Northeast quarter of the Northeast quarter; AND the South half of the Northeast quarter of Section 15, Township 8 South, Range 8 East of the Gila and Salt River Meridian, Pinal County, Arizona.

Parcel 10:

The Southwest quarter of the Southeast quarter of Section 2, Township 7 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona.

Parcel 11:

The West half of the East half of the Northwest quarter of the Southeast quarter of Section 2, Township 7 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona.

Parcel 12:

The West half of the Northwest quarter of the Southeast quarter of Section 2, Township 7 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona.

Parcel 13:

The East half of the East half of the Northwest quarter of the Southeast quarter of Section 2, Township 7 South, Range 7 East of the Gila and Salt River Meridian, Pinal County, Arizona.

APN(s): Parcel 1- 401-21-035 and 401-21-036; Parcels 2 thru 7- 408-17-001B, 001C, 408-16-002B, 408-16-003C, 003D, 408-16-004C, and 409-07-008; Parcel 8- 408-25-005, 408-25-007, 405-25-008, 408-25-013 thru 15, and 408-25-016A; Parcel 9- 411-15-001; and Parcels 10 thru 13- 402-03-018A,018B,402-03-019A, 019C and 019D/Pinal County

EXHIBIT "C"

ENVIRONMENTAL REPORTS

**PHASE I ENVIRONMENTAL
SITE ASSESSMENT**

**281.628-ACRE AGRICULTURAL LAND
TOLTEC AND HARMON ROADS
PINAL COUNTY, ARIZONA**

JOB NO. 2189XK161

**PHASE I ENVIRONMENTAL
SITE ASSESSMENT**

**120-ACRE AGRICULTURAL LAND
MILLIGAN AND VAIL ROADS
PINAL COUNTY, ARIZONA**

WT JOB NO. 2189XK164

**PHASE I ENVIRONMENTAL
SITE ASSESSMENT**

**956.98-ACRE AGRICULTURAL PARCEL
CURRY ROAD, ELEVEN MILE CORNER
AND BAUMGARTNER ROAD
PINAL COUNTY, ARIZONA**

WT JOB NO. 2189XK160

**PHASE I ENVIRONMENTAL
SITE ASSESSMENT**

**80.56-ACRE AGRICULTURAL LAND
TWEEDY/CORNMAN
PINAL COUNTY, ARIZONA**

WT JOB NO. 2189XK163

**PHASE I ENVIRONMENTAL
SITE ASSESSMENT**

**240-ACRE AGRICULTURAL LAND PARCEL
KLECK AND LA PALMA ROADS
PINAL COUNTY, ARIZONA**

WT JOB NO. 2189XK162

Each of these environmental reports was prepared by Western Technologies for ML Manager. Each of the reports was dated September 3, 2009, except for Job No. 2189XK160 which was dated September 9, 2009.

EXHIBIT "D"

WHEN RECORDED MAIL TO:

SPECIAL WARRANTY DEED

For the consideration of Ten Dollars, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, ASA IX LOAN LLC, an Arizona limited liability company, and ML Manager LLC, an Arizona limited liability company as agent ("Agent"), as attorney-in-fact for those individual owners ("Owners") listed on Exhibit "B" attached ("Grantor"), does hereby convey to RESOURCE LAND HOLDINGS, LLC, a Colorado limited liability company ("Grantee"), the following real property together with all rights and privileges appurtenant thereto:

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

SUBJECT TO all general and special real property taxes and other assessments, reservations in patents, water rights, claims or title to water and all easements, rights of way, covenants, conditions, restrictions, reservations, declarations, encumbrances, liens, obligations, liabilities and other matters as may appear of record, any and all conditions, easements, encroachments, rights of way or restrictions which a physical inspection or accurate ALTA survey of the Property would reveal, any matters arising in connection with any action of the Grantee or its employees, contractors, agents or representatives, any other matter not caused by the act or authorization of Grantor and the applicable municipal, county, state or federal zoning and use regulations affecting the Property.

AND the Grantor hereby binds itself and its successors and assigns to warrant and defend the title in Grantee, its successors and assigns, as against all acts of the Grantor herein and no other, subject to the matters above set forth.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

DATED this _____ day of _____, 2010.

GRANTOR

ASA IX LOAN LLC, an Arizona limited liability company

By **ML MANAGER LLC**,
an Arizona limited liability company, its Manager, and
as Agent for the Owners listed on Exhibit A attached

By: _____
Printed Name: _____
Its: Manager

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this _____ day of _____, 2010, by _____, known by me to be the _____ of ML Manager LLC, an Arizona limited liability company, the Manager of ASA IX LOAN LLC, an Arizona limited liability company, on behalf of the company and as Agent for the Owners listed on Exhibit B attached.

Notary Public

My Commission Expires:

**EXHIBIT A
TO THE SPECIAL WARRANTY DEED**

Legal Description of the Property

**EXHIBIT B
TO THE SPECIAL WARRANTY DEED**

List of Owners

PHX/2300893.7/25831.001