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NO. 99-183

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ASSIGNMENT OF LEASE

This assignment of lease is made this 21st day of October, 1999, between Douglas County, by the Douglas County Board of Commissioners (Landlord), whose address is Box 218, Minden, Nevada 89423, and Wild Goose Limited, a Nevada limited partnership, (Assignor) whose address is 397 Foothill Road, Gardnerville, Nevada, 89410, and Paul S. Shoen, (Assignee), whose address is Post Office Box 524, Glenbrook, Nevada 89413.

BARBARA REED
DEPUTY CLERK
BY *[Signature]* DEPUTY

RECITALS

This assignment is made with reference to the following facts and objectives:

1. Douglas County, as Landlord, and Wild Goose (previously Brown Sand, Inc.), as Tenant, entered into a lease on March 8, 1990 in which Tenant leased premises on the airport. On June 15, 1995 the lease was amended to change the name of Tenant to Wild Goose, Limited. On September 3, 1998 the lease was amended a second time to change the term to fifty years. The lease and amendments are attached as Exhibit A.
2. Assignor desires to assign and Assignee desires to assume a portion of the right, title and interest to the lease as amended. The portion is described in Exhibit B.
3. Douglas County will consent to the proposed assignment on the conditions listed in this assignment. This assignment is made pursuant to the letter agreement executed by Assignor and Assignee attached as Exhibit C.

The parties agree as follows:

4. Effective date of assignment. The assignment in this agreement will take effect on October 21, 1999, and Assignor shall give possession of the premises to Assignee on that date.

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5. Premises. The assignment is for the property described in Exhibit B and the hanger existing on that portion of the property.

6. Assignment and assumption. Assignor assigns and transfers to Assignee all its right, title, and interest in the lease for the portion in Exhibit B, and Assignee accepts the assignment and assumes and agrees to perform from the date the assignment becomes effective, as a direct obligation to landlord, all provisions of the lease.

7. Release. Landlord agrees to release Assignor from any obligation under this lease for the portion in Exhibit B on assignment to Assignee.

8. Landlord's consent. Landlord consents to this assignment without waiver of the restriction concerning further assignment.

Dated this 21st day of October, 1999.

COUNTY

ASSIGNOR

DOUGLAS COUNTY,
a political subdivision of the
State of Nevada

By: Jacques Etchegoyhen
Jacques Etchegoyhen, Chair
Douglas County Commissioners

By: W.P.F. Co. P.
Robert H. Brown Pres
Wild Goose, L.P.

ASSIGNEE

By: Paul Sho
Paul X. Shoen
F.

Attest:

By: Barbara Reed
Barbara Reed, Clerk
Sandra Condon,
Chief Deputy Clerk

Date: November 2, 1999

0480173

Approved as to Form:

By: Robert J. Morris
Robert Morris
Chief Deputy District Attorney

Recommended for Approval
and Approved as to Content:

By: Jim Braswell
Jim Braswell
Operational Services Director

COPY

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**DESCRIPTION
DOUGLAS COUNTY AIRPORT
Lease Parcel A
(Brown Jet Building)**

All that real property situate in the County of Douglas, State of Nevada, described as follows:

All that portion of Section 8, Township 13 North, Range 20 East, M.D.M., more particularly described as follows:

Commencing at Airport Control Monument #2, as shown on that certain Record of Survey #14, Amended, filed for record on April 4, 1988, Document No. 175533;
thence South $45^{\circ}31'02''$ West, 570.46 feet to the true POINT OF BEGINNING;
thence South $45^{\circ}31'02''$ West, 235.00 feet;
thence North $44^{\circ}28'58''$ West, 226.41 feet;
thence North $46^{\circ}24'17''$ East, 235.03 feet;
thence South $44^{\circ}28'58''$ East, 222.77 feet to the true POINT OF BEGINNING,
containing 52,779 square feet, more or less.

Also reserving therefrom a 20 feet wide waterline easement, the centerline of which is described as follows: Beginning at a point which bears North $44^{\circ}28'58''$ West, 222.77 feet from the most Easterly corner of the above described parcel;
thence along the centerline South $46^{\circ}24'17''$ West, 235.03 feet to a point on the Southwesterly line of said parcel.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared By: R.O. ANDERSON ENGINEERING, INC.
P.O. Box 2294
Minden, Nevada 89423



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EXHIBIT "A"

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**DESCRIPTION
DOUGLAS COUNTY AIRPORT
Lease Parcel B
(Peregrin Building)**

All that real property situate in the County of Douglas, State of Nevada, described as follows:

All that portion of Section 8, Township 13 North, Range 20 East, M.D.M., more particularly described as follows:

Commencing at Airport Control Monument #2, as shown on that certain Record of Survey #14, Amended, filed for record on April 4, 1988, Document No. 175533;

- thence South 45°31'02" West, 570.46 feet;
- thence North 44°28'58" West, 222.77 feet to the true POINT OF BEGINNING;
- thence South 46°24'17" West, 235.03 feet;
- thence North 44°28'58" West, 298.59 feet;
- thence North 45°31'02" East, 395.00 feet;
- thence South 44°28'58" East, 172.00 feet;
- thence South 45°31'02" West, 160.00 feet;
- thence South 44°28'58" East, 130.23 feet to the true POINT OF BEGINNING, containing 98,116 square feet, more or less.

Reserving therefrom a taxiway easement described as follows:

Beginning at the most Westerly corner of the above described parcel;

- thence North 45°31'02" East, 170.00 feet;
- thence South 44°28'58" East, 60.00 feet;
- thence South 45°31'02" West, 170.00 feet;
- thence North 44°28'58" West, 60.00 feet to the POINT OF BEGINNING.

Also reserving therefrom a road access easement described as follows:

Beginning at the most Northerly corner of the above described parcel;

- thence South 44°28'58" East, 30.00 feet;
- thence South 45°31'02" West, 225.00 feet;
- thence North 44°28'58" West, 30.00 feet;
- thence North 45°31'02" East, 225.00 feet to the POINT OF BEGINNING.

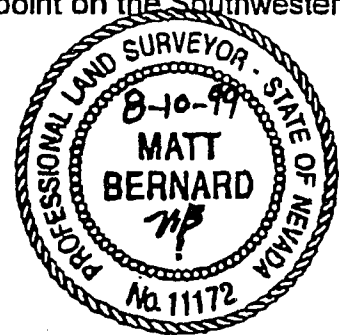
Also reserving therefrom a 20 feet wide waterline easement, the centerline of which is described as follows:

Beginning at a point which bears North 44°28'58" West, 222.77 feet from the most Easterly corner of the above described parcel;

thence along the centerline South 46°24'17" West, 235.03 feet to a point on the Southwesterly line of said parcel.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared By: R.O. ANDERSON ENGINEERING, INC.
P.O. Box 2294
Minden, Nevada 89423



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AIRPORT LEASE AGREEMENT

This lease is made on March 8, 1990, between the County of Douglas, by the Douglas County Board of Commissioners (Landlord), whose address is Post Office Box 218, Minden, Nevada 89423, and Brown Sand, Inc. (Tenant), whose address is 874 East Woodward, Manteca, California 95336, who agree as follows:

1. PREMISES. Landlord leases to Tenant and Tenant leases from Landlord the real property located at the Douglas County Airport in exhibit A, (premises), and the appurtenant rights included in paragraph 9.

2. TERM. The term shall commence on March 8, 1990, and shall expire on March 7, 2015 a period of Twenty Five (25) years. The term may be extended by Tenant through the exercise of option set forth in paragraph 8.

3. RENT. Tenant shall pay to Landlord as minimum monthly rent without deduction, setoff, prior notice or demand, the greater of,

a) Eight Hundred Thirty Seven Dollars and Sixteen Cents, (\$837.16), or the amount as adjusted below,
or,

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EXHIBIT "B"

b) One percent (1%) of the gross receipts from all Fixed Base Operations on the premise, (except corporate aircraft management fees, aircraft sales and aviation fuel and oil sales).

The minimum monthly rent in 3(a) shall be subject to adjustment at the commencement of the second year of the term and each year thereafter (the adjustment date) and for any extended term as follows:

The base for computing the adjustment is the Consumer Price Index, published by the United States Department of Labor, Bureau of Labor Statistics (index), San Francisco - Oakland - San Jose, which is in effect on the date of the commencement of the term (beginning index). The index published immediately preceding the adjustment date in question (extension index) is to be used in determining the amount of adjustment. If the extension index has increased over the beginning index the minimum monthly rent for the following year until the next rent readjustment shall be set by multiplying the minimum monthly rent set forth in paragraph 3 above by a fraction, the numerator of which is the extension index and the denominator of which is the beginning index. In no case shall the minimum monthly rent be less than the rent in effect immediately prior to the adjustment date then occurring.

Payment - Within 15 days after the end of each month, the Tenant shall submit all rental payment(s) due to the Airport Manager.

4. FULL SERVICE FIXED BASE OPERATION. A Full Service Fixed Base Operator at the Airport will be required to provide all of the following minimum services:

1. Aviation fuel and petroleum products sales.
2. Aircraft repairs and maintenance.
3. Air taxi and charter services.
4. Flight instruction and aircraft rental.
5. General services and facilities.
6. A minimum of 10,000 square feet of hangar space.
7. A minimum of 2,500 square feet of office space.

Hours of operation, personnel, inventory, equipment and other to be met as specified within the Lease Policy and Standards for Services and Operations as prepared for Douglas County Airport by Hodges & Shutt, November 11, 1983, pages 21-27. All future and revised Lease Policy Standards/Policies, Federal Law/Rules/Regulations, State Laws/Regulations and County Rules/Regulations will be in effect and applicable upon Tenant commencing a Full Service F.B.C..

Reporting - Inclusive in establishing a Full Service Fixed Based Operator Tenant will be required to submit the following to the Airport Manager for all operators on Tenant's parcel which comprise the Full Service Fixed Base Operations requirements.

Monthly Report - The Tenant shall provide a monthly revenue report to the Airport Manager. The Monthly Report shall also contain the amount of fuel pumped and the retail price per gallon of each product pumped.

Annual Financial Statement - The annual reporting period ends on December 31. Within sixty (60) days after the end of each annual reporting period, Tenant shall provide Airport Manager with a annual financial statement containing a compilation of all of the information required on the monthly revenue and fuel flowage reports. This financial statement shall have been compiled by a Certified Public Accountant. There shall be an annual adjustment by way of credit or supplemental payment to balance the books for the year based upon the annual financial statement. Payment or credit for adjustment for the year shall accompany the annual financial statement.

5. AUDIT. Landlord has, in addition to, the right of confidential review of records, the right to audit the accounts and records of the Tenant. Should a discrepancy of five percent (5%) or more be found in the gross receipts reported to the County, the cost of such an audit will be borne by the Tenant.

6. DEFAULT. The occurrence of any of the following shall constitute a default by Tenant:

- a) Failure to pay rent when due, if the failure continues for 10 days after notice has been given to Tenant.
- b) Abandonment and vacation of the premises (failure to occupy and operate the premises for 30 consecutive days, after written notice, shall be deemed an abandonment and vacation).
- c) Failure to perform any other provision of this lease if the failure to perform is not cured within 30 days after notice has been given to Tenant. If the default cannot reasonably be cured within 30 days, Tenant shall not be in default of this lease if Tenant commences to cure the default within the 30 day period and diligently and in good faith continues to cure the default.
- d) Filing a petition of voluntary or involuntary bankruptcy.
- e) The making by Tenant of any general assignment for the benefit of creditors.

Notices given under this paragraph shall specify the alleged default and the applicable lease provisions, and shall demand that Tenant perform the provisions of this lease or pay the rent that is in arrears, within the applicable period of time, or quit the premises. No such notice shall be deemed a forfeiture or a termination of this lease unless Landlord so elects in the notice.

7. REMEDIES. Landlord shall have the following remedies if Tenant commits a default. These remedies are not exclusive, they are cumulative to any remedies now or later allowed by law.

A. Tenant's Right To Possession Not Terminated.

Landlord can continue this lease in full force and effect, and the lease will continue in effect as long as Landlord does not terminate tenant's right to possession, and Landlord shall have the right to collect rent when due. During the period Tenant is in default, Landlord can enter the premises and relet them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all costs Landlord incurs in reletting the premises so long as Landlord relets the premises in a reasonable manner. Reletting can be for a period shorter or longer than the remaining term of this lease. Tenant shall pay to Landlord the rent due under this lease on the dates the rent is due, less the rent Landlord receives from any reletting. No act by Landlord allowed by this paragraph shall

terminate this lease unless Landlord notifies Tenant that Landlord elects to terminate this lease after Tenant's default and for as long as Landlord does not terminate Tenant's right to possession of the premises, if Tenant obtains Landlord's consent Tenant shall have the right to assign or sublet its interest in this lease, but Tenant shall not be released from liability. Landlord's consent to a proposed assignment or subletting shall not be unreasonably withheld.

If Landlord elects to relet the premises as provided in this paragraph, rent that Landlord receives from reletting shall be applied to the payment of:

First, any indebtedness from Tenant to Landlord other than rent due from Tenant;

Second, all costs, including for maintenance, incurred by Landlord in reletting;

Third, rent due and unpaid under this lease, after deducting the payments referred to in this paragraph, any sum remaining from the rent Landlord received from reletting shall be held by Landlord and applied in payment of future rent as rent becomes due under this lease. In no event shall Tenant be entitled to any excess rent received by Landlord. If, on the date rent is due under this lease, the rent received from reletting is less than the rent due on the date, Tenant shall pay to Landlord,

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in addition to the remaining rent due, all costs including maintenance Landlord incurred in reletting that remain after applying the rent received from the reletting as provided in this paragraph.

B. Termination of Tenant's Right to Possession.

Landlord can terminate Tenant's right to possession of the premises at any time after Tenant's default providing the time in which Tenant may cure the default has expired. No act by Landlord other than giving notice to Tenant shall terminate this lease. Acts of maintenance, efforts to relet the premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant the unpaid rent that had been earned at the time of termination of this lease, and any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default.

8. OPTION TO EXTEND TERM. Tenant will have the option to exercise the following extension to the lease if Tenant has fully developed the parcel within an eight (8) year period from the beginning date of this Airport lease agreement.

The option to extend the term on all the provisions contained in this lease, except for minimum monthly rent, for a ten, (10)

year period following expiration of the initial term, by giving written notice of exercise of the option to the Airport Manager after completion of phase 1 and 2 but no later than three months before expiration of the term. If Tenant is in default on the date of giving option notice or is in default on the date the extended term is to commence, the option notice is ineffective and the lease shall expire at the end of the initial term.

Minimum monthly rent for the extended terms shall be adjusted annually by the method detailed in paragraph 3 with the beginning index being the date of the commencement of the lease.

9. APPURTENANT RIGHTS AND RESTRICTIONS.

A. Uses. Tenant, his sublessees and assigns, may use the premises for any lawful aeronautical commercial or non-commercial activity or activities. A "commercial activity" is defined as "Any transfer of goods, operation, manufacturing, assembly, fabrication, maintenance, repair, service, food service or other activity related to aviation performed for compensation excepting noncommercial activity." Such activities shall include but are not limited to a fixed base operation, storage of aircraft engaged and not engaged in Tenants and Subtenants' businesses, storage of transportation vehicles used by Tenant and his subtenants, and any other compatible aeronautical use. "Noncommercial activity" is defined as "Any Airport activity which is not a commercial activity and shall include the use,

repair and maintenance of an aircraft by its registered owner or his authorized agent(s)", excluding any private individual hangar operations including but not limited to nested hangars or similar operation(s).

B. Ingress and Egress. Tenant shall have full and unimpaired access to the premises at all times and a nonexclusive right to use all common areas, the apron and other areas between premises, taxiways and runway.

C. Right of Entry. The Airport Manager reserves the right to enter upon the leased premises at any reasonable time for the purpose of making any inspection he may reasonably deem expedient or desirable for the proper enforcement of any terms, conditions, provisions, and covenants of this agreement. In no event, within reason, shall Airport Manager interfere with Tenant's operations during such inspections.

D. Air Space And Subsurface Rights. This lease confers no rights either with regard to the subsurface of the land more than 5 feet below the ground level of the premises or with regard to airspace more than 10 feet above the top of the roof of the building or buildings, that is a part of the premises. All other exemptions or applications must have the prior approval of the Airport Manager, which will not be unreasonably withheld.

E. Federal Requirements. The Tenant assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated by and required by Federal authorities to assure that no person shall, on the grounds of race, creed, or color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This Provision obligates the Tenant or its transferees for the period during which Federal assistance is extended to the Airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the Provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the Airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this Provision binds the contractors from the bid solicitation period through the completion of the contract.

F. Sponsors assurances. All agreements shall be subordinated to any present or future sponsor's assurance agreement with the Federal Aviation Administration.

G. Airport Rules and Regulations. Tenant to comply with the Douglas County Airport Rules and Regulations upon Douglas County Airport and leased premises.

10. ASSIGNMENT AND SUBLEASING. Through Landlord's consent Tenant shall have the right to assign its interest in this lease. Any such assignment will be binding to assignees all terms and conditions in this lease.

No Tenant shall sublease any premises without the prior written approval of the Airport Manager. Any such subletting shall be subject to all of the minimum standards set forth in this lease. In the event the Tenant sublets any portion of his lease, the sublessee must fully cooperate with the County in seeing that these standards are complied with.

Landlord's consent to a proposed assignment, or sublease, shall not be unreasonably withheld.

The Landlord shall reserve the right to assign, pledge, or hypothecate this Lease without the consent of Tenant, but any assignment, pledge or hypothecation shall be subject to this Lease.

11. INSURANCE AND BONDING.

A. Coverage. Tenant and all subtenants shall provide, at his own cost, insurance coverage in the amount of ONE MILLION DOLLARS(\$1,000,000) the category to be underwritten by a responsible insurance carrier, authorized by the State of Nevada to provide such coverage. The following coverage shall be included:

1. Third-party comprehensive general liability coverage for bodily injury and property damage including owned and non-owned vehicles and/or aircraft, for any claim or liability for any injury or damage to any person or property occurring on the leased premises or arising out of or resulting from Tenant's operations or omissions at the Douglas County Airport...
2. Products liability coverage in addition to the foregoing comprehensive general liability insurance where the licensee operates a food service.
3. Statutory workers' compensation and employer's liability coverage.
4. Fire and extended coverage and vandalism and malicious mischief insurance, as provided by the

lease agreements, for damage or destruction of real property or leasehold improvements, where the Landlord has, or will have, an interest in such property by virtue of an existing lease.

5. Hangarkeeper's liability coverage where the licensee operates a fixed base operation.

B. Insured Includes. Landlord shall be named as an additional insured and requires that the insurance carrier underwriting such coverage give the Landlord thirty (30) days written notice prior to cancellation of or material alteration to the policy.

Landlord requires that Tenant provide Landlord with a certificate of insurance evidencing the coverage in effect, including limits and expiration date. Such policy or policies shall be maintained in full force and effect during the term of the lease, and renewals or extensions of same. A copy of the policy shall be delivered to the Airport Manager.

12. HOLD HARMLESS. The Tenant in consideration of the Landlord agreement to lease certain real property to Tenant pursuant to this Agreement, agrees that at all times during the term of this Agreement, Tenant shall indemnify and defend, saving harmless Landlord, its officers, boards, commissions, agents and employees, from any and all claims by any person whatsoever on

:
account of property damage, injury or death occurring on the Airport caused by a person or persons acting on behalf of or upon the request of the Tenant during the term of this Agreement providing such person or persons are acting within the authority or apparent authority given them by Tenant, and such property damage, injury or death does not result from any acts or omissions of Landlord or its authorized representatives.

Landlord, its officers', boards, commissions, agents and employees shall be held harmless in all respect for any cost, expense or liability of any nature which may be incurred by the Tenant during the term of this agreement.

13. MAINTENANCE. Landlord shall not be required to provide any maintenance of gross area leased or of buildings or facilities erected by tenant.

Tenant shall provide and pay for all light, gas, electric, water, janitorial, and sewer charges used or incurred in or about the lease premises.

Tenant shall maintain all leased areas, landscaping, pavement, facilities, and structures in a state of repair and good appearance acceptable to the Landlord.

Landlord shall be the judge of the quality of maintenance. within reason and, upon written notice, Landlord may require Tenant to perform all necessary maintenance. In the event

such maintenance is not undertaken as required, Landlord may perform such maintenance on behalf of Tenant and at Tenant's expense, plus ten percent (10%) for administration.

14. TAX OBLIGATION. Tenant shall pay all taxes and assessment against any buildings or other structures and improvements used by Tenant in its operations.

15. BUILDINGS AND IMPROVEMENTS. Tenant shall remove at his cost all buildings and improvements upon termination of the agreement and restore the premises to its original condition. Title shall at all times remain in the Tenant, but the County shall have the option on termination, or expiration, to take title of the building(s) and improvements, as is, in lieu of removal at no cost to Landlord

16. REPORTING. Anything that affects the safe and efficient operation of the airport should be immediately reported to the Airport Manager.

APPROVED AS TO FORM:

LANDLORD
BOARD OF COUNTY COMMISSIONERS
DOUGLAS COUNTY, NEVADA

Robert J. Morris
DISTRICT ATTORNEY

Michael E. Fischer
MICHAEL E. FISCHER, CHAIRMAN

APPROVED AND RECOMMENDED
AS TO CONTENTS

TENANT

David Briggs
AIRPORT MANAGER

Budge Brown
BUDGE BROWN
BROWN ~~GROUP~~ INC.
SAND ~~INC.~~

ATTEST:

Barbara J. Reed
BARBARA J. REED, Clerk

DATED: April 4, 1990

EXHIBIT B

CONSTRUCTION EXHIBITS

1. If required by any Federal, State or local agency, the lessee shall prepare and submit an environmental impact statement to measure the effect of the proposed project on the ecology of the area. All structures erected and paved areas on the Airport shall comply with all applicable County and State building, health, and safety regulations, including, if applicable, any other building, fire, sign, electrical, heating, zoning, and plumbing codes. Architectural design of all structures and paving shall be reviewed and approved by the County.

Tenant shall be required to furnish to the County a copy of a contract between Tenant and a licensed Contractor. The contract shall be protected by a performance bond to guarantee that the improvements will be completed according to the existing codes and said improvements will be free from any liens. A cash deposit or the pledging of a savings account to the County in the amount of ten percent (10%) of the estimated improvement value may be used by the Tenant in lieu of a performance bond. Such deposit or pledging of a savings account to be returned to the Tenant upon acceptance by the County of the completed improvements.

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2. Tenant is obligated to construct facilities, paving and improvements in the following three (3) phases:

A. Phase One - Tenant to construct minimum hangar space totaling 15,000 square feet, (no single hangar to be less than 5,000 square feet), and office space of sufficient size for commercial and/or corporate use. Construction to begin as soon as possible after securing all necessary permits and shall be completed within a two (2) year period from originating date of the Airport lease agreement.

B. Phase Two - Tenant to construct minimum hangar space totaling 13,600 square feet, (no single hangar to be less than 3,600 square feet), and office space of sufficient size for commercial and/or corporate use. Construction to begin as soon as possible after securing all necessary permits and shall be completed within an 18 month period after construction begins. This phase to be completed within a six (6) year period from originating date of the Airport lease agreement.

C. Phase Three - Tenant to complete construction of any additional hangar(s) building(s) and office space, (no single hangar to be less than 3,600 square feet), facilities, paving, landscaping and other improvements to the entire lease parcel within a eight (8) year

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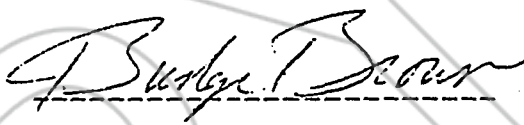
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period from originating date of the Airport lease agreement.

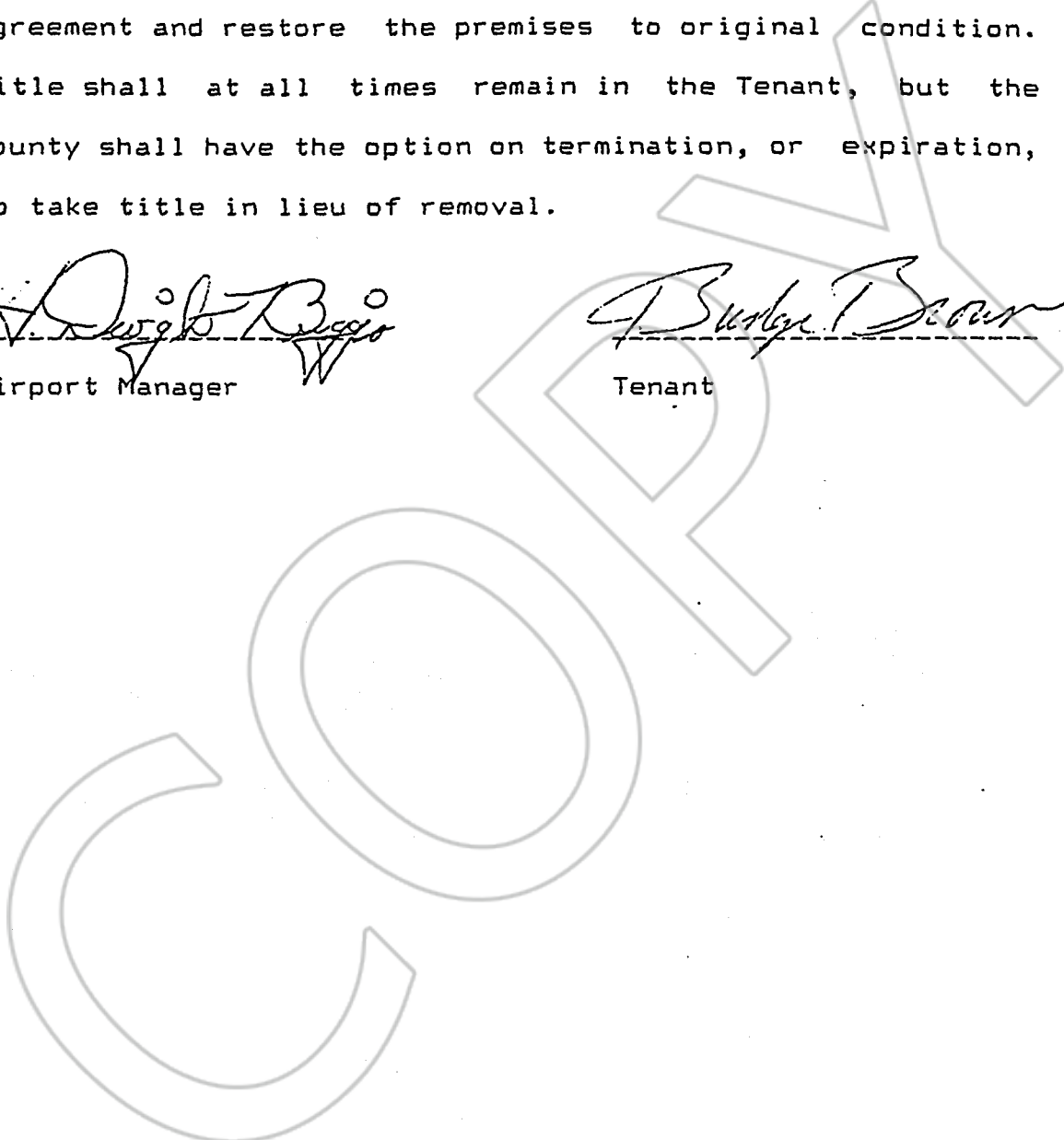
Tenant shall remove at his cost all tenant-constructed improvements upon termination of the agreement and restore the premises to original condition. Title shall at all times remain in the Tenant, but the County shall have the option on termination, or expiration, to take title in lieu of removal.



Airport Manager



Tenant



95.096

'95 JUN 21 P12:51

FIRST AMENDMENT TO THE AIRPORT REAL PROPERTY LEASE AGREEMENT

BY *[Signature]* CLERK DEPUTY

This first amendment to the airport real property lease agreement dated March 8, 1990, is made on June 15, 1995, between Douglas County, by the Douglas County Board of Commissioners, (Landlord), whose address is Post Office Box 218, Minden, Nevada 89423 and Brown Sand, Inc., (Tenant), whose address is 824 East Woodward, Manteca, California 95336, who agrees as follows:

1. **RECITALS.** This amendment of lease is made with reference to the following fact and objective:

- a. Landlord entered into a written lease agreement on March 8, 1990, with Brown Sand, Inc. (Tenant), whose address was 874 East Woodward, Manteca, California 95336.
- b. Brown Sand, Inc. is changing its name to Wild Goose, Limited, but is not changing any of its ownership interests.
- c. Brown Sand, Inc., (Tenant), desires to amend its lease to change its name and address as follows: Wild Goose, Limited, (Tenant), 397 Foothill Road, Gardnerville, Nevada 89410.
- d. Landlord and Tenant further agree that Wild Goose, Ltd., (Tenant), is bound by all of the terms and conditions, including the rights, duties, and liabilities imposed on lessee, by the airport real property lease agreement dated March 8, 1990.

2. **PARTIES.** The tenant's name is changed from Brown Sand, Inc. to Wild Goose, Limited, whose address is 397 Foothill Road, Gardnerville, Nevada 89410.

364513

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APPROVED AS TO FORM
AND CONTENT:

LANDLORD
BOARD OF COUNTY COMMISSIONERS
DOUGLAS COUNTY, NEVADA

Robert J. Morris
DISTRICT ATTORNEY

Robert L. Allgeier
ROBERT L. ALLGEIER, CHAIRMAN

APPROVED AND RECOMMENDED

TENANT:

Leah R. Fink
ACTING AIRPORT MANAGER

Budge Brown
BUDGE BROWN,
WILD GOOSE, LIMITED

ATTEST:

Barbara J. Reed
BARBARA J. REED, CLERK
by: L. Lynch, deputy

DATED: June 21, 1995

REQUESTED BY
DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

95 JUN 21 P2:40

LINDA SLATER
RECORDER

PAID ko DEPUTY

364513

CERTIFIED COPY

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office.

DATE: June 21, 1995
S. Reed, Clerk of the Judicial District Court
of the State of Nevada, in and for the County of Douglas.

By Cholly M. Mullock Deputy

SEAL

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Approved 9-3-98

SECOND AMENDMENT TO THE MINDEN-TAHOE AIRPORT

AIRPORT LEASE AGREEMENT
BY  DEPUTY

This second amendment to the airport real property lease agreement dated March 8, 1990, is made on September 3, 1998, between Douglas County, by the Douglas County Board of Commissioners, ("Landlord"), whose address is Post Office Box 218, Minden, Nevada 89423 and Wild Goose, Limited, ("Tenant"), whose address is 397 Foothill Road, Gardnerville, Nevada 89410, who agrees as follows:

RECITALS. This amendment of lease is made with reference to the following facts and objectives:

- a. Landlord entered into a written lease agreement on March 8, 1990, with Brown Sand, Inc. (Tenant), whose address was 874 Woodward, Manteca, California 95336.
- b. Brown Sand, Inc. changed its name to Wild Goose, Limited, but did not change its ownership interests on June 15, 1995.
- c. Wild Goose, Limited, (Tenant) desires to amend its lease for a term of fifty (50) years. The term commenced on March 8, 1990 and will expire on March 7, 2025, a twenty-five (25) year term plus a 10 year option. The new term will add fifteen (15) years to the current term and would extend the lease until March 7, 2040.
- d. Landlord and Tenant further agree that Wild Goose, Ltd., (Tenant), is bound by all of the terms and conditions, including the rights, duties, and liabilities imposed on lessee, by the airport real property lease agreement dated March 8, 1990.

1. Paragraph 2. TERM is amended to state:

2. TERM. The term shall commence on March 8, 1990 and shall expire on March 7, 2040, a period of fifty (50) years.

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2. Paragraph 8 option to extend term is deleted.

TENANT
WILD GOOSE, LIMITED

BY: Budge Brown G.P.
BUDGE BROWN
WILD GOOSE, LIMITED

LANDLORD
BOARD OF COUNTY COMMISSIONERS
DOUGLAS COUNTY, NEVADA

BY: Jacques Etchegoyhen
JACQUES ETCHEGOYHEN, CHAIRMAN

c:\operve\airport\leases\wildamen.doc

REQUESTED BY
DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'98 SEP 10 P3:16

0449127

LINDA SLATER
RECORDER

PAID KR DEPUTY

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CERTIFIED COPY

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office.

DATE: September 9, 1998
B. Reed Clerk of the 9th Judicial District Court
of the State of Nevada, in and for the County of Douglas.

By: Carl Mullock Deputy
0480173

SEAL

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JAMES J. HALLIDAY
RICHARD O. KWAPIL
CASEY W. VLADIMIR
GORDON H. DI PAOLI
SHELLEN RUSTONE
JOHN F. MURTHA
STEPHEN S. KENT
W. CHRIS WICKER
SHAWN S. MEADOR
KIRK S. SCHUMACHER
LYNNE K. JONES

WOODBURN AND WEDGE
ATTORNEYS AND COUNSELORS AT LAW
ONE EAST FIRST STREET
SUITE 1600
RENO, NEVADA 89501
P.O. BOX 2811, RENO, NV 89503
(775) 688-3000
FACSIMILE (775) 688-3068

R. BLAIN ANDRILLIS
DON L. ROSS
CREGG P. BARNARD
DALE E. PERKINSON
RANDY A. DRAKE
LOUIS F. HOLLAND
KIMBERLY L. MOORE
of counsel
VIRGIL H. WEDGE

July 23, 1999

VIA FACSIMILE
(775) 265-7220

Wild Goose Limited Partnership
Attn: Budge Brown
597 Foothill Road
Gardnerville, NV 89410

Re: Purchase of Peregrine Hangar and Ground Lease

Dear Mr. Brown:

This letter constitutes the offer of Pantechon Aviation, Ltd., a Washington corporation, or its assignee ("Pantechon") to acquire all of Wild Goose Limited Partnership's right, title and interest in and to a leasehold interest in the following two (2) parcels of leasehold property and improvements under that certain lease of real property located in Douglas County, Nevada, by and between Douglas County, Nevada (Lessor) and Wild Goose Limited Partnership, a Nevada limited partnership, as successor in interest to Brown Sand, Inc. (Tenant), dated March 8, 1990, together with certain access agreements described in this Offer, (the "Leasehold Interest" and the "Lease Agreement", respectively), upon the terms and conditions set forth in this Offer:

Parcel 1: All that real property commonly called "Brown Jet Center Building B," otherwise known as the "Peregrine Hangar," together with all improvements thereto (consisting of one (1) acre, plus or minus); and

Parcel 2: An adjacent one (1) acre parcel, plus or minus, of real property lying to the east of the Peregrine Hangar, together with the improvements thereto.

The Terms Of This Offer Are As Follows:

1. Purchase of the Leasehold Interest. Subject to Pantechon's rights under Section 6 regarding the Contingency Period, Pantechon agrees to purchase on an "as-is basis", and by accepting this Offer you agree to sell, all of your right, title and interest in and to the Leasehold Interest, together with any and all improvements, fixtures, personal property

0480173

LAS VEGAS OFFICE: 300 South Fourth Street, Suite 700, Las Vegas, Nevada 89101
Telephone (702) 387-1000 Facsimile (702) 387-0024

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EXHIBIT "C"

(other than aircraft, but including the aircraft tug), and appurtenances and water rights, and all easements or access agreements, contracts and other agreements encompassed by, now existing on and/or benefiting the Leasehold Interest; such easements or access agreements shall include, but shall not be limited to, a mutually acceptable agreement wherein access to the driveway area between "Brown Jet Center Building A" (adjacent to the Peregrine Hangar) and the Peregrine Hangar for all pedestrian and vehicular access and for the installation and/or maintenance of all utilities benefiting the Leasehold Interest and for access by larger planes (such as an Albatross) to the "Brown Jet Center Building A" taxi way. Pursuant to said agreement Pantechicon will grant the owners of "Brown Jet Center Building A" access to drive vehicles along the south side of the Peregrine Hangar to access certain parking and to install and maintain utilities at the sole expense of said owners of "Brown Jet Center Building A" and in a manner acceptable to Pantechicon.

2. Price. The purchase price to be paid for the Leasehold Interest at closing is One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Purchase Price").

3. Deposit. Upon your acceptance of this Offer, Pantechicon will deposit the sum of Twenty-five Thousand Dollars (\$25,000) (the "Deposit") with Stewart Title Insurance Company, Gardnerville, Nevada ("Stewart Title"). If Pantechicon elects not to proceed with the purchase, in accordance with section 6 below regarding the Contingency Period, the Deposit will be returned to Pantechicon, and this agreement shall be void and neither party shall have any rights or liabilities hereunder except for the indemnification provisions contained in Sections 6 and 8 hereof. If the Contingency Period described in Section 6 expires without Pantechicon having elected to terminate this agreement, Pantechicon shall increase the total Deposit to One Hundred Thousand Dollars (\$100,000) by depositing an additional Seventy-five Thousand Dollars (\$75,000) with Stewart Title, and the total Deposit shall be non-refundable unless you fail to perform any obligation undertaken by you pursuant to this agreement or you fail to complete the transaction contemplated by this agreement. If the transaction contemplated by this agreement is consummated, the entire Deposit will be credited to the Purchase Price.

4. Closing and Adjustments. Subject to Pantechicon's rights under Section 6 regarding the Contingency Period, the closing shall be on or before October 1, 1999 (the "Closing Date") and shall be held at Stewart Title (the "Closing"). You shall pay for a policy of title insurance acceptable to Pantechicon (including the cost of the survey therefor), if such title insurance is available, and documentary transfer fees; we shall pay for any applicable real property transfer taxes; and each of us shall bear one-half the cost of the escrow fees. All other prorations and adjustments shall be in accordance with the normal and customary practices of Stewart Title.

5. Warranties and Representations. By accepting this Offer you warrant that the following representations and warranties are now true and shall be true on the Closing Date:

A. You are the true owner of the Leasehold Interest and have full authority to enter into and perform this agreement.

B. You have the right under the Lease Agreement to assign your rights thereunder without any modification or alteration of the terms thereof and you will obtain the necessary approvals and consents for such assignment prior to the Closing Date. In the alternative, you will obtain all approvals and consents necessary to assign your rights under the Lease Agreement without any modification or alteration of the terms thereof prior to the Closing Date. If you are unable to obtain the necessary consents and approvals described in this Section 5.B, as an alternative to terminating this agreement Pantehnicon reserves the right, at its sole and absolute discretion, to negotiate a new lease between Douglas County, Nevada and Pantehnicon.

C. You are not aware of any actions, laws or governmental regulations, pending or threatened, that might affect your title to the Leasehold Interest or in any way prohibit or otherwise affect the assignment of the Leasehold Interest to Pantehnicon.

D. The Leasehold Interest is free and clear of all encumbrances, at the time of closing, and there are no contracts, leases or agreements now in force between you and any other person with respect to or affecting the Leasehold Interest, except as may be disclosed to Pantehnicon during the Contingency Period.

E. There is not and will not be prior to the Closing Date, any action taken with respect to any of the real or personal property to which the Leasehold Interest relates that would give rise to a mechanic's, materialman's or similar lien.

F. There are no proceedings pending or to your knowledge, threatened or contemplated against the Leasehold Interest or any part thereof to exercise the power of eminent domain against such Leasehold Interest.

G. To the best of your knowledge, actual and constructive, other than its use for purposes of painting aircraft, the property to which the Leasehold Interest relates has never been used for the operation of any business or industry involving the generation, storage, treatment or disposal of any hazardous waste or substance, as defined in the Comprehensive Environmental Response, Cleanup and Liability Act and regulations thereunder, as amended, or under Nevada law and such real property and groundwater thereunder is not contaminated by any such hazardous waste or substance.

H. Within three (3) days after your acceptance of this Offer you will provide us, at the address listed on page one of this Offer, copies of the following documents relating to the Leasehold Interest which may be in your actual or constructive possession: the Lease Agreement and any addenda thereto, environmental reports or studies, survey maps or reports, parcel maps, rental agreements and rental records, as well as architectural plans and renderings.

Rel. Drh

8. **Contingency Period.** Pantechnicon will require a ~~sixteen~~ time period of sixteen (16) days from the date of your acceptance of this Offer (the "Contingency Period") to conduct an examination of the Leasehold Interest, the Lease Agreement and all laws relating thereto. During the contingency Period, Pantechnicon shall be granted the right to obtain and approve: (1) the Lease Agreement; (2) a preliminary title report of the Leasehold Interest and commitment to issue acceptable owner's title insurance therefor, if such title insurance is available; (3) a current survey of the Leasehold Interest and the easements described in this Offer; (4) any environmental tests or studies we may determine to be necessary; (5) the effect of zoning and other land use laws and regulations, together with such governmental approvals or assurances as we may determine to be necessary in our sole discretion; (6) review of such easements, contracts and other agreements disclosed by you or learned of by Pantechnicon which may affect the Leasehold Interest; and (7) physical examination of the Leasehold Interest to determine its condition and suitability for Pantechnicon's use as well as its compliance with all applicable laws. Upon acceptance of this Agreement, you license Pantechnicon, its employees, agents and contractors, to enter upon the Leasehold Interest at all reasonable times for the purpose of conducting the investigation, including without limitation, surveys and testing, and Pantechnicon hereby indemnifies you against any and all property damage caused by the activities of Pantechnicon, its employees, agents and contractors.

Pantechnicon agrees to use reasonable efforts to conduct its investigation within the Contingency Period at its expense. You agree, at your expense, to provide such information concerning the Leasehold Interest as requested in this Agreement or as may be reasonably requested by Pantechnicon or its agents. You specifically agree that you will, at your sole expense, conduct a survey of the Leasehold Interest and the easements described in this Offer and provide Pantechnicon with an engineer's certified map evidencing such survey and easements no less than seven (7) days prior to the expiration of the Contingency Period. If you fail to deliver such survey map to Pantechnicon within the time set forth herein, the Contingency Period shall not expire until midnight, P.D.T., of the seventh (7th) day following the date upon which Pantechnicon receives the survey map.

By accepting this Offer you acknowledge that the provisions of this Paragraph 8 are made solely for Pantechnicon's benefit and to allow Pantechnicon to investigate the matters described in this Paragraph 8. If, upon conducting its investigation, Pantechnicon determines that any of the items described in this Paragraph 8 are unacceptable, Pantechnicon shall have the right to terminate this agreement at any time prior to the expiration of the Contingency Period by notifying you in writing of Pantechnicon's election to terminate this agreement. In the event Pantechnicon exercises its right to terminate this agreement, then the entire Deposit shall be returned to Pantechnicon and this agreement shall have no further force or effect. In the event Pantechnicon does not terminate this agreement on or before the end of the Contingency Period, then your obligations and those of Pantechnicon hereunder shall remain in full force and effect, the agreement shall become irrevocable and the Deposit shall be nonrefundable in your favor.

7. Remedies. Should Pantehnicon fail to complete the transaction contemplated by this agreement at the time of the Closing Date (or such other date as may be agreed in writing), your sole and complete remedy will be to retain, as fully liquidated damages, the Deposit, together with any interest thereon, less the reasonable fees of the escrow agent. Should you fail to complete the transaction contemplated by this agreement or if you fail to perform any obligation undertaken by you pursuant to this agreement, you agree to refund the Deposit to Pantehnicon and our remedies will be those permitted by the laws of the State of Nevada including, but not limited to, specific performance.

8. Tax-Deferred Exchange. Pantehnicon agrees to cooperate with you in completing an exchange qualifying for nonrecognition of gain under Internal Revenue Code Section 1031. You may convert this transaction to an exchange at any time before the Closing Date provided such conversion does not delay the Closing. By accepting this Offer, however, you agree that consummation of the transaction contemplated by this agreement is not predicated or conditioned on completion of such an exchange. If you elect to complete an exchange, Pantehnicon shall execute all escrow instructions, documents, agreements, or instruments you reasonably request to complete the exchange; provided, however, Pantehnicon shall incur no additional liabilities, expenses, or costs as a result of or connected with the exchange and you agree to indemnify, defend, and hold Pantehnicon harmless from any liabilities, damages, or costs (including but not limited to reasonable attorney fees and related costs) that may arise from Pantehnicon's participation in the exchange.

9. Real Estate Commission. It is our understanding that no person is entitled to any commission with regard to the sale of the Leasehold Interest. We each agree to fully indemnify the other from any such fees or commissions claimed by any third party on account of any oral or written agreement in connection with the sale contemplated herein.

10. Assignment. You agree that you will not sell, mortgage or transfer the Leasehold Interest and agree that your rights hereunder will not be assigned without the written consent of Pantehnicon.


11. Binding Agreement. By your timely acceptance, it is agreed that this letter shall constitute a binding agreement of purchase and sale. The laws of the State of Nevada shall govern the validity, construction, performance and effect of this agreement and the venue of any dispute arising out of this agreement shall be had in Douglas County, Nevada. Each party agrees to sign such further or other documentation as may be necessary or advisable in order to give effect to the intent of this agreement. To give further effect to the intent of this agreement, it is agreed that either party may request execution of a substitute agreement of purchase and sale in a form mutually satisfactory to us and our respective attorneys.

THIS SPACE INTENTIONALLY LEFT BLANK

This Offer will terminate unless I receive your signed acceptance of the Offer by July 26, 1999 at 3:00 p.m. (P.D.T.). If you agree with the terms and conditions set forth above, please sign this facsimile copy of this letter and return it to me.

Very truly yours,

Pantehnicon Aviation, Ltd.


Grover T. Wickersham, Treasurer
(by Don L. Ross, attorney-in-fact)

ACCEPTED AND AGREED this
____ day of July, 1999.

Wild Goose Limited Partnership

BY: Robert H. Brown Jr., Pres.
ITS: L.P.I. Inc.
Its General Partner.

REQUESTED BY
DOUGLAS COUNTY

CERTIFIED COPY

The document to which this certificate is attached is a true and correct copy of the original on file and on record in my office.

1999 NOV -5 PM 12:08

DATE: November 5, 1999

LINDA SLATER
RECORDER

By B. Reed Clerk of the 7th Judicial District Court of the State of Nevada, in and for the County of Douglas.

By Cheryl M. Plutko Deputy

\$ 0 PAID to DEPUTY

SEAL

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