2015-0002553

Recorded Official Records County of Plumas KATHY WILLIAMS Clerk-Recorder | REC FEE 27.00

JR
09:19AM 11-May-2015 | Page 1 of 5

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Nakoma Associates, L.P.
c/o The Schomac Group, Inc.
6418 East Tanque Verde Road, Suite 105
Tucson, Arizona, 85715

FIRST AMENDMENT TO IRREVOCABLE LICENSE
(The Dragon at Nakoma Golf Resort and Spa)

THIS FIRST AMENDMENT TO THE IRREVOCABLE LICENSE (the "***First Amendment***") is made this 8th day of May, 2015 by and between Nakoma Associates, L.P., an Arizona limited partnership (the "***Licensor***") and The Residence Club at Nakoma, a California non-profit mutual benefit corporation (the "***Residence Club***"), with respect to the following facts:

RECITALS

A. On August 18, 2014 Licensor and the Residence Club executed an Irrevocable License (The Dragon at Nakoma Golf Resort and Spa) which was recorded in the Official Records of Plumas County, California, on September 11, 2014 as Document No. 2014-0005530 (the "***License***").

B. The Residence Club Association is the owner of accommodations located adjacent to the Licensor's Resort and which are occupied, maintained and operated pursuant to that certain Declaration of Covenants, Conditions and Restrictions (The Residence Club at Nakoma) which was recorded in the Official Records of Plumas County, California on September 11, 2014 as Instrument No. 20140005531 (the "***Residence Club Declaration***").

C. Paragraph 12 of the License provides that it can be amended, in writing, with the mutual agreement of Licensor and the Residence Club. Acting pursuant to that authority, Licensor and the Residence Club desire to amend the License as set forth below:

AMENDMENT

1. Recitals Incorporated by Reference. The Recitals set forth in Paragraphs "A", "B", and "C", above, are incorporated herein by reference.

2. Licensor's Right to Provide Other Resort Facilities Privileges. Paragraph 2 of the License (which is entitled "***Basic Golf Right; Designated Use of Specific Facilities of Country Club; Annual Fees***") is amended to add the following new paragraph at the end of Paragraph 2:

> The benefits and privileges that Members of the Residence Club Association currently enjoy pursuant to this License are set forth in Exhibit "A", attached hereto. Licensor reserves the right, in its discretion, to offer to the Members of the Residence Club Association additional use rights and privileges, in addition to those specifically described in this Paragraph 2 and Exhibit "A", subject to the limitations determined by Licensor for all users of the same Country Club amenities and facilities ("***Expanded Facilities and Use Privileges***"). Licensor may also impose additional Annual Fees to those Residence Club Members who desire to participate in any Expanded Facilities and Use Privileges program offered by the Licensor.

3. Paragraph 9 of the License is amended in full to read as follows:

> 9. Assignment of License and Membership Interests.
>
> (a) "Assignment of License. No assignment of this License shall be made by the Association without the prior written consent of Licensor, whose consent shall not be unreasonably withheld.
>
> (b) Assignment of Membership Interests. When Membership in the Residence Club Association is transferred in accordance with Section 9.4 of the Residence Club Declaration, the new holder of the Membership shall obtain all of the rights, preferences, privileges, and obligations under the License Agreement that were enjoyed by the prior holder of the Membership; provided, however, that if the transferee Member is an individual other than the Declarant, then, in order to reimburse the Licensor for a portion of the costs incurred to change the Licensor's records pertaining to a transfer of the Membership privileges pursuant to this License, among other administrative costs, the Licensor shall be entitled to charge a one-time transfer fee (a "***Transfer Fee***") of Five Hundred Dollars ($500.00) each time that a Membership in the Residence Club is conveyed to a new Member, with the Transfer Fee being paid from the escrow established for

the transaction to transfer the Membership in the Residence Club. Responsibility for payment of the Transfer Fee as between the transferor-Member and the transferee-Member shall be as agreed between the parties and in the event that, for any reason, the Transfer Fee is not collected and remitted to the Licensor from the escrow, its payment shall be the responsibility of the new transferee-Member. In all other respects, transfers of Residence Club Memberships may only be implemented in accordance with Section 9.4 of the Residence Club Declaration.

4. Full Force and Effect. Except as amended herein, the License is confirmed and remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed on the day and year first above written. This First Amendment shall be effective as of the date of its recordation in the Official Records of Plumas County, California.

LICENSOR:

NAKOMA ASSOCIATES, L.P.,
an Arizona limited partnership

By: **The Schomac Group, Inc.,**
its general partner

By: _____

RESIDENCE CLUB ASSOCIATION:

THE RESIDENCE CLUB AT NAKOMA, a
California non-profit mutual benefit corporation

By: _____
Ryan M. Schoff, President

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not to the truthfulness, accuracy, or validity of that document.

State of California
County of Plumas)

On 5/9/15 before me, Kimber Leigh Conner, a Notary Public
(insert name and title of the officer)

personallyappeared Ryan M. Schoff,
who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

KIMBER LEIGH CONNER
Commission # 1981169
Notary Public - California
Plumas County
My Comm. Expires Jun 7, 2016

Signature Kimber Leigh Conner (Seal)

EXHIBIT "A"

SUMMARY OF THE RIGHTS AND PRIVILEGES OF THE RESIDENCE CLUB MEMBERSHIP IN THE RESORT (As in effect in 2015/2016)

Membership Type		Residence Club
Monthly License Dues		$0
Annual Enrollment Upgrade Fee		$0
Use of the Clubhouse Swimming Pool		x
Use of the Clubhouse Fitness Center		x
Use of the Clubhouse Steam Room and Sauna		x
Use of all Clubhouse Food & Beverage Facilities		x
Use of Clubhouse Private Function Rooms		x
Daily use of the Locker Rooms		x
Membership Services (Coordinator)		x
Concierge Service		x
Charging Privileges for use of facilities and services at Nakoma		x
Discount on menu prices on Beverage Cart and Snack Shack	15%	x
Discount on menu prices at Wigwam Room and FLoW Bar & Lounge	15%	x
Discount for all Spa services	20%	x
Discount on Golf Shop merchandise	20%	x
Discount on daily rate for accommodations at The Lodge at Nakoma for Members and their Guests	20%	x
Discount on Activity Rates for Member's Guests	15%	x
Discount on Golf Rates for Golf Member's Guests	15%	x
Use of the planned Recreational Center (Altitude)		x
Use of the planned Tennis and Sport Courts		x
Lifetime Membership to the Dragon Golf Course		x
Golf Cart while in Residence		x
Use of Golf Practice Facilities		x
Club Storage while in Residence		x
2-Year Enrollment in Elite Alliance Exchange Program		x

Some of the recreational amenities described are proposed but not yet built. All features, dimensions, drawings, renderings, plans, and specifications are conceptual and subject to change without notice, and the Club owner expressly reserves the right to modify, revise or withdraw any or all of these at its sole discretion.

2014-0005530

Recorded
Official Records
County of
Plumas
KATHY WILLIAMS
Clerk-Recorder

REC FEE 36.00

SC
09:11AM 11-Sep-2014 Page 1 of 8

Recording Requested By:

When Recorded Mail To:
SGI-RESORT PROPERTIES, LLC
c/o Cox, Castle & Nicholson
19800 MacArthur Blvd.
Suite 500
Irvine, CA 92715

Attn: D. Scott Turner, Esq.

IRREVOCABLE LICENSE
(The Dragon at Nakoma Golf Resort and Spa)

This Irrevocable License (the "License") is made this 18TH day of AUGUST, 2014, by and between Nakoma Associates, L.P, an Arizona limited partnership ("Licensor") and The Residence Club at Nakoma, a California non-profit mutual benefit corporation (the "Residence Club"), with respect to the following facts:

RECITALS

A. Licensor is the owner of that certain golf course country club project commonly known as The Dragon at Nakoma Golf Resort and Spa located in Plumas County, California and more particularly described in Exhibit A attached hereto and made a part hereof (the "Country Club").

B. The Residence Club Association is the owner of accommodations located adjacent to the Country Club, and which are occupied, maintained and operated pursuant to that certain Declaration of Covenants, Conditions and Restrictions (The Residence Club at Nakoma) recorded on 9-11, 2014 as Instrument 2014-5531 in the Office of the County Recorder of Plumas County (the "Residence Club Declaration"). Except as otherwise indicated herein, all defined terms used in this License shall have the definitions set forth in the Residence Club Declaration.

C. Licensor and the Residence Club Association desire that the rights of the Residence Club Association and its Members hereunder remain senior to any debt secured of record against the Country Club.

D. The Residence Club Association, for the benefit of its Members, desires to procure rights to use the Country Club for golf and related purposes, and Licensor desires to grant to each Association an irrevocable license to use the Country Club, all pursuant to the following terms and conditions.

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

1. Grant of License; No Interest or Estate Granted. Licensor hereby grants to the Residence Club Association, for the benefit of itself and each of its members, a license to use the Country Club, subject to all of the terms and conditions herein. Neither the Residence Club Association, nor any person claiming rights through it or under it, shall have or claim, at any time, any interest or estate of any kind or extent in the Country Club by virtue of this License or any permitted use hereunder. This License is a non-proprietary, non-voting, non-transferable and terminable use right. Neither the Residence Club Association nor its Members shall have any interest in the income or liabilities of Licensor, nor any right to the ongoing existence of the Country Club facilities (except as expressly provided herein), nor any right to a specified level of service, availability or configuration of any of the Country Club facilities, nor any right to influence any decision by Licensor concerning the foregoing.

2. Basic Golf Right; Designated Use of Specific Facilities of Country Club; Annual Fees. For each Membership owned which has been conveyed by Original Membership Assignment, a Member and his or her spouse shall have a right to play an unlimited number of rounds of golf at the Country Club, subject to the limitations determined by Licensor for all users of the County Club golf facilities. The annual fees for each Membership shall be equal to the highest daily fee charged to public for golf privileges for a round by Licensor, multiplied by 25% multiplied by 42 rounds (the "Annual Fee"); however, the reference to 42 rounds herein is for purposes of calculating the Annual Fee only and shall not be a cap on the annual number of rounds available per Membership. The Annual Fee shall be payable as set forth in Paragraph 3, below. The use of the golf facilities of the Country Club shall be further subject to the following limitations:

(a) Not more frequently than annually, the owners of each Membership shall designate one natural person who shall have the exclusive and sole right to make tee time and golf cart reservation requests of Licensor, and to communicate with Licensor regarding rights and privileges for each Membership hereunder (the "Designated Member");

(b) The Designated Member and his or her spouse, while occupying a Residence, shall have the right to play without the payment of additional fees other than the Annual Fee, and shall have the right to use a golf cart provided for the Residence without payment of a cart fee;

(c) The Designated Member and his or her spouse, while not occupying a Residence, shall have the right to play without the payment of additional fees other than the Annual Fee, but shall pay a golf cart fee;

(d) One golf cart will be provided for each Residence in The Residence Club at Nakoma, which shall be maintained by Licensor;

(e) Accompanied guests of the Designated d Member shall pay an accompanied guest fee determined by the Licensor;

(f) The Designated Member shall have the right to transfer Designated Member's rights to play golf to two (2) unaccompanied guests who occupy a Residence; provided, however, that under such circumstances neither the Designated Member nor his or her spouse may play while the unaccompanied guests occupy a Residence.

A Designated Member and his or her spouse shall also have a right to use those facilities of the Country Club which Licensor makes available to members of the general public. All such use shall be subject to the same rules and regulations as shall be promulgated by Licensor from time to time for use of the Country Club by members of the general public, provided, however, that in the event Licensor makes the Country Club facilities available for use by any other class of user under more favorable rules and regulations, each Member shall have a right to use the Country Club facilities subject to such more favorable terms and conditions.

3. Payment of Annual Fee.

(a) Payable by Residence Club Association. For each Membership which has been conveyed by Original Membership Assignment, the Residence Club Association shall pay an Annual Fee to Licensor. The Annual Fee shall be determined as follows: For the first full calendar month in which a Membership has been conveyed by Original Membership Assignment, the Residence Club Association shall pay to Licensor, monthly, the Annual Fee multiplied by the number of Memberships which have been conveyed by Original Membership Assignment as of the end of such calendar month. The Residence Club shall pay the applicable Fee within ten (10) days after receiving written notice from Licensor of the amount due.

(b) Failure to Pay Fee. The Residence Club Association shall each include the total Annual Fee(s) payable hereunder as a Common Expense in its Budget. In the event that any Annual Fee is not paid when due, Licensor shall give sixty (60) days written notice to the Residence Club Association. If the Residence Club Association fails to cure its default in paying the fees payable hereunder within such 60 day period, or any extended period granted by Licensor in its sole discretion, Licensor may terminate the golf rights of certain Members, or those of all of the Members (in which case this License shall be terminated by Licensor) and/or pursue any other remedy it may have in law or equity.

4. No Abatement of Annual Fee or Accumulation of Rounds of Golf. In any calendar year, in the event a Designated Member and his or her spouse, or such Designated Member's unaccompanied guests who are occupying a Residence, collectively fail to play at least 42 rounds of golf as provided hereunder, no part of the Annual Fee shall be refunded or credited to the Annual Fee payable for any other calendar year, nor shall any number of golf rounds may be carried forward and used in subsequent calendar years, nor assigned to any person.

5. Term. The initial term of this License shall be thirty (30) years, commencing on the date hereof. The term of this License shall be automatically renewed for successive 10 year terms unless a majority of the Members vote for the non-renewal of this License within ninety (90) days prior to the expiration of a term.

6. Responsibility for Operation, Repair and Maintenance of Country Club. Licensor shall solely be responsible for the operation, repair and maintenance of the Country Club, and shall maintain the Country Club in good condition and repair. Licensor shall be permitted to close any or all of the facilities of the Country Club for reasonable maintenance and repairs, including, but not limited to, times during usual and customary reseeding requirements of golf courses in the Lake Tahoe area, provided that some reasonable use of the Country Club golf course is available during such reseeding operations.

7. Notices. Notices provided for in this License shall be in writing and shall be deemed sufficiently given either when delivered personally at the appropriate address set forth below (in which event, such notice shall be deemed effective only upon such delivery) or 48 hours after deposit of same in any United States post office box in the state to which the notice is addressed, 72 hours after deposit of same in any such post office box other than in the state to which the notice is addressed, postage prepaid, addressed as set forth below. Notices to the Residence Club Association shall be addressed to The Residence Club at Nakoma, 348 Bear Run, Clio, California 96106. Notices to Licensor shall be addressed to SGI-Resort Properties, LLC., 6418 E. Tanque Verde Road, Tucson, AZ 85715. The addresses and addressees for purposes of this Paragraph 7 may be changed by giving notice of such change in the manner herein provided for giving notice. Unless and until such notice is received, the last address and addressee as stated by notice or as provided herein, if no notice of change has been sent or received, shall be deemed to continue in effect for all purposes hereunder.

8. Successors and Assigns. The provisions of this License shall be binding upon the successors and assigns of the parties hereto, including without limitation all parties having or acquiring any right, title or interest in the Country Club.

9. Assignment. No assignment of this License shall be made by either Association without the prior written consent of Licensor, whose consent shall not be unreasonably withheld.

10. No Waiver. The failure to enforce any provision of this License shall not constitute a waiver thereof or of the right to enforce such provision thereafter.

11. Governing Law. The provisions of this License shall be governed by California law.

12. Amendment. This License may be amended only by the mutual written agreement of Licensor and the Residence Club Association, provided, however, that Licensor shall have the unilateral right to amend this License to comply with the requirements of any California governmental entity provided that such amendments do not substantially derogate the rights of the Residence Club Association and its Members.

IN WITNESS WHEREOF, the parties hereto have caused this License to be executed on the day and year first above written.

"Licensor"

NAKOMA ASSOCIATES, L.P.,
an Arizona limited partnership

By: The Schomac Group, Inc.,
Its general partner

By: _____
Ryan M. Schoff, President

By: _____
Cynthia A. Moos

"Residence Club Association"

The Residence Club at Nakoma, a California non-profit mutual benefit corporation

By: _____
Its: Ryan M. Schoff, Incorporator

STATE OF ~~CALIFORNIA~~ ARIZONA)
) ss:
COUNTY OF ~~PLUMAS~~-- PIMA)

On August 14, , 2014 before me, Cynthia A. Moos (here insert name of the officer), Notary Public, personally appeared Ryan M. Schoff, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of ~~California~~ Arizona that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

OFFICIAL SEAL
CYNTHIA A. MOOS
Notary Public - Arizona
PIMA COUNTY
My Commission Expires
JUNE 24, 2018

Signature of Notary Public

[Seal]

STATE OF ~~CALIFORNIA~~ ARIZONA)
) ss:
COUNTY OF ~~PLUMAS~~ PIMA)

On August 18th, 2014 before me, Bryan Maness (here insert name of the officer), Notary Public, personally appeared Cynthia A. Moos, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of ~~California~~ Arizona that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

BRYAN MANESS
NOTARY PUBLIC - ARIZONA
Pima County
My Commission Expires
July 9, 2018

Signature of Notary Public

[Seal]

STATE OF ~~CALIFORNIA~~ ARIZONA)
) ss:
COUNTY OF ~~PLUMAS~~ PIMA)

On August 14, 2014 before me, Cynthia A. Moos (here insert name of the officer), Notary Public, personally appeared Ryan M. Schoff, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of ~~California~~ Arizona that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

[Seal]

OFFICIAL SEAL
CYNTHIA A. MOOS
Notary Public - Arizona
PIMA COUNTY
My Commission Expires
JUNE 24, 2018

EXHIBIT A

[LEGAL DESCRIPTION OF GOLF COURSE]

That certain real property located in the County of Plumas, State of California described as Parcels 1, 2 and 3, below:

Parcel 1:

Resulting Parcel 3 East as described in the Lot Line Adjustment Document recorded February 08, 2001, as Document No. 2001-1104, in the Office of the County Recorder of Plumas County.

APN: 131-020-064

Parcel 2:

Resulting Parcel 3 West as described in the Lot Line Adjustment Document recorded November 8, 2001, as Document No. 2001-9651, in the Office of the County Recorder of Plumas County.

APN: 131-020-066

Parcel 3:

Revised Lot 310 as shown on the Map for Golf Mountain, Unit 12, "Nakoma" filed in Book 8 of Maps, at Pages 112 through 117, inclusive, in the Office of the County Recorded of Plumas County, as the metes and bounds description of such Revised Lot is more particularly described in that certain instrument entitled "Lot Line Adjustment" recorded on May 14, 2001, as Instrument No. 2001-03625 in the Office of the County Recorded of Plumas County.

APN: 131-260-026; 131-270-023