

Packery Flats, LLC
Installment Sale Key Points

1. Sale is for the transfer of State of Texas GLO Lease No. SL20060008 and all capital improvements.
2. Total sale transaction will be for \$1,500,000 structured as follows:
 - a) \$500,000 lump sum payable at time of transfer
 - b) Balance of \$1,000,000 payable in monthly installments at prime rate as of date of final agreement plus 1½%. Interest rate to be re-set at two year intervals.
 - c) Installment note secured by the GLO lease and leaseholder improvements
 - d) Buyer is credit worthy for amount of note
3. Buyer accepts all leasehold improvements as is, where is, with no warranties.
4. Buyer assumes all obligations under GLO lease to both State and the prior lessee.
5. Packery Flats, LLC will retain lease rights for use of two boat slips after the transfer for the duration of the State GLO lease. The location will be for the slip immediately east of the building and for the fourth slip west of the building. The rate will be set at \$100 monthly per slip. This agreement will allow for operation of a commercial boat for fishing charter or sightseeing cruises on the east slip. The west slip will be for rental to commercial boats or for repair and construction of floating cabins. Packery Flats, LLC will have exclusive operation rights for the sightseeing cruise business operated on the Lease location. The lease will be transferrable and binding on any successor Leaseholder at the same terms.