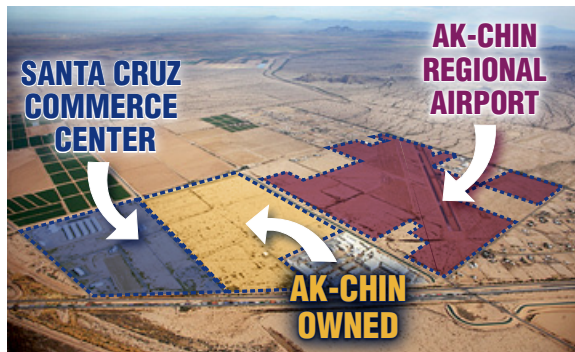


SCCC Adjacent Property Introduction

The two off-Reservation properties that are immediately adjacent to the Santa Cruz Commerce Center are illustrated in the graphic below. This property includes the parcels designated as “Ak-Chin-owned” and the “Ak-Chin Regional Airport.” The total of these two parcels is approximately 655 acres and is currently held fee-simple by the Ak-Chin Indian Community.

These properties are located on the Maricopa/Casa Grande Highway (SR 238) between the cities of Maricopa and Casa Grande in Pinal County, Arizona.



Ownership and Land Status: The Santa Cruz Commerce Center lies within the current boundaries of the Ak-Chin Indian Reservation (Reservation) in Pinal County, Arizona. An application for Fee-to-Trust has been filed with the federal government to expand the existing Reservation boundaries to include both the “Ak-Chin Owned” parcel and the “Ak-Chin Regional Airport” property, which are currently owned fee-simple by the Community. Environmental Assessments have been completed and required public meetings are complete. The filing has been reviewed by the Department of Interior: Bureau of Indian Affairs and additional information and clarifications that the Department has requested are currently being satisfied.

It is expected that the property will become a part of the Ak-Chin Indian Reservation within the next 12-months, subject to any delays in final federal approval processes. The combined Santa Cruz Commerce Center, Ak-Chin Owned property and Ak-Chin Regional Airport property are collectively being referred to as the “Ak-Chin Economic Development Zone.” Various studies are underway regarding the integral transportation, water, wastewater and dry utility systems that will serve the combined properties.

Since the land will ultimately be owned by the federal government and held in trust for the benefit of the Ak-Chin Indian Community, the property cannot be sold and would be negotiated as a long-term land lease. Any negotiated Ak-Chin-supplied capital improvements wrapped into that lease.

The following Property factors that are influenced by the Fee-to-Trust process:

Water & Wastewater: Following the Fee-to-Trust process, services will be provided by the Ak-Chin Indian Community. A water modeling study is currently nearing completion, as is an area-wide infrastructure study. The water modeling study currently shows that the Ak-Chin Indian Community has sufficient capacity to serve the potable water and wastewater needs of the properties. The Community also has settled their water rights claim for Colorado River water. A surface water treatment plant was installed by the Community to utilize a portion of this allocation for potable water in the principal residential/commercial area of the Reservation. An additional surface water treatment plant for the Economic Development Zone is under consideration and could be sized to meet the industrial water demand of any proposed project.

Electric: Electric service would be provided by Ak-Chin Electric Services (ACES), which is the Community’s wholly-owned electric utility. Following the Fee-to-Trust transfer, the property will be part of the Ak-Chin Indian Reservation, giving ACES the authority to serve the property and negotiate appropriate improvements with adjacent service providers.

Natural Gas: Southwest Gas is the supplier both on- and off-Reservation. They will continue to be the Natural Gas provider for the property.

Solid Waste: While the Ak-Chin Indian Community’s Sanitation Department provides service throughout the Reservation, the volume of waste for any industrial lessee will need to be calculated to determine whether the volume falls within the department’s capabilities at this time. The alternative sourcing would be Waste Management, specifically the Butterfield Station in Mobile, AZ (23-miles from the site), which could provide service until Ak-Chin’s Sanitation Department expands to meet the expanded capacity demands, if needed.

Rail Access: Two mainline Union Pacific railroad tracks parallel the Maricopa/Casa Grande Highway immediately south of the Highway right-of-way. The Highway right-of-way has recently been expanded to include left turn lanes into the Santa Cruz Commerce Center and adjacent properties. Additionally, transportation studies have indicated that the highway may be expanded to four lanes, with a continuous center-turn-lane in the future. Due to this, it is doubtful that a spur into the property could be implemented, since it would need to cross the entire Highway right-of-way to access the property. The Community has been considering several alternatives to provide rail service to the Economic Development Zone, including establishing a siding near the intersection of the Highway and Russell Road (1-mile south of the site) or negotiating use and expansion of existing sidings at Pinal Energy, which lies approximately 3-miles north of the site. Rail service therefore would involve short-distance trucking operations to access rail. The investigations into the alternatives are an on-going process and an ultimate solution has not been determined.

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We can provide supplemental information as it is received. Please let us know any additional clarifications or questions you may have regarding the property and its suitability for your potential development.