

NEARHOOD LAW OFFICES

A PROFESSIONAL LIMITED LIABILITY COMPANY

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February 19, 2013

File No. 2844.005

VIA E-MAIL & FIRST CLASS MAIL – bchambers@gilacountyaz.gov

Bryan B. Chambers
Chief Deputy County Attorney
GILA COUNTY ATTORNEY'S OFFICE
1400 E. Ash Street
Globe, Arizona 85501

Re: Land Holdings Investment Co., LLC v. Gila County, TX2012-000130

Dear Bryan:

This letter confirms the proposed terms of settlement between the parties in the above-referenced matter. The terms of settlement set forth herein are conditioned upon approval by the Gila County Board of Supervisors pursuant to A.R.S. §11-251(14). This settlement is void in the event the Board does not give its approval.

The parties agree that for the 2013 tax year the aggregate full cash value of the property that is the subject of this appeal shall be reduced to \$13,278 (\$100/acre); and the classification of the property shall be changed to agricultural real property, with a property use code of 4710 (Ranch Property). If this properly confirms your understanding, please sign below and return a copy of this letter to me.

In addition, enclosed for your review are a Notice of Proposed Settlement and a form of Judgment. Please sign the Notice of Settlement and return it to me with this letter. Upon receipt, I will file the Notice of Settlement with the Tax Court.

Please also review the enclosed Judgment. Once the assessor recalculates the full cash values of the subject parcels, and subject to my view and approval, we will fill-in the numbers on Exhibit A to the Judgment. Please give me the numbers when they are available.

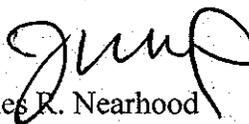
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If the Judgment meets with your approval, and upon approval of the settlement by the Board of Supervisors, please sign the Judgment and return it to me for filing with the Court.

If you have any questions, please feel free to contact me.

Very truly yours,

NEARHOOD LAW OFFICES, PLC


James R. Nearhood

JRN/jg
Enclosure

APPROVED and ACCEPTED this ____ day of _____, 2013.

OFFICE OF THE GILA COUNTY ATTORNEY

Bryan B. Chambers