

AMENDMENT TO DEFERRED EQUITY MEMBERSHIP PLAN FOR THE DESERT MOUNTAIN CLUB

This "**Amendment**" to the Deferred Equity Membership Plan for the Desert Mountain Club (as revised effective March 31, 2006) (the "**Existing Plan**") is effective on the date following the date on which an Affirmative Vote (as defined herein below) is obtained and is further subject to rescission and revocation provisions set forth herein.

WHEREAS, Desert Mountain Club (the "**Club**") is owned by Desert Mountain Properties Limited Partnership ("**DMP**") and DMP has entered into an Agreement for Purchase and Sale with Desert Mountain Club, Inc., an Arizona non-profit corporation whose members are the Deferred Equity Members of the Club (the "**Buyer**" and "**Equity Membership Entity**") dated November 16, 2010, (the "**Purchase Agreement**") attached as Exhibit A hereto. Pursuant to the Purchase Agreement, the Existing Plan is to be amended by this Amendment subject to the conditions and obligations set forth in the Purchase Agreement and this Amendment (the Existing Membership Plan as amended by the Amendment shall be referred to herein as the "**Amended Membership Plan**"). As set forth in Article VI.G and Article IX of the Existing Plan, DMP and the Advisory Board have the authority to amend the Existing Plan, subject to approval of this Amendment by a majority of the votes eligible to be cast by the Deferred Equity Members of the Club (the "**Affirmative Vote**").

WHEREAS, DMP and the Advisory Board have approved this Amendment and submit this Amendment to the members for the Affirmative Vote and have solicited the votes of the Deferred Equity Members for approval of the following:

- “1. To amend the existing Deferred Equity Membership Plan for the Desert Mountain Club, effective as of March 31, 2006 (the "*Existing Plan*"), by this Amendment in conformance with the terms of the Purchase Agreement which Amended Membership Plan will become effective upon obtaining the Affirmative Vote of the purchase and sale of the Property under the Agreement for Purchase and Sale between Desert Mountain Properties Limited Partnership, a Delaware limited partnership ("*DMP*") as "*Seller*" and Desert Mountain Club, Inc., an Arizona non-profit corporation whose members are the Deferred Equity Members of the Club (the "*Equity Member Entity*") as "*Buyer*." The term "*Property*" shall have the meaning as defined in the Purchase Agreement.
2. To authorize the Equity Member Entity organized under the Existing Plan, to enter into the Purchase Agreement with DMP and all agreements or instruments associated with the Purchase Agreement.
3. To authorize the Equity Member Entity to establish such assessment or assessments to the Deferred Equity Members of the Club as determined by the Equity Member Entity as appropriate and needed for the completion of the transactions contemplated by the Purchase Agreement; successful operation of the Club following the closing of the Purchase Agreement and such other purposes as the Equity Member Entity determines appropriate.

4. To authorize the Board of the Equity Member Entity, or one or more individual members of the Board appointed by the Board, to negotiate the terms and conditions of the loan and other financing and/or collateral documents (the “*Club Loan*”) required under the Purchase Agreement and to negotiate with DMP any modifications to the Purchase Agreement, Exhibits to the Purchase Agreement or Closing documents, all on terms substantially consistent with the terms of the Purchase Agreement; and
5. To authorize the Equity Member Entity’s President and any officer of the Equity Member Entity to execute any and all documents necessary to complete the foregoing actions, including but not limited to the acquisition of the “*Property*” as defined in the Purchase Agreement, and the closing of the Club Loan and to take any other action required to close the transactions contemplated by the Purchase Agreement.”

WHEREAS, subject to and only upon timely receipt of the Affirmative Vote, the following amendments are hereby made to the Existing Plan subject to the rescission, revocation and reinstatement provisions set forth below. All references to Article or Section numbers herein refer to the Articles and/or Sections in the Existing Plan. All capitalized terms used herein shall have the meanings assigned to them in this Amendment unless otherwise noted as having the meaning assigned to them in the Existing Plan.

NOW, THEREFORE, the Existing Membership Plan is hereby amended as follows:

1. Article V. TRANSFER OF CLUB FACILITIES is hereby deleted in its entirety and replaced with the following language as follows:

“Turnover and the acquisition of title to the Club Facilities and other assets owned by DMP shall proceed pursuant to the terms of the Agreement for Purchase and Sale (“*Purchase Agreement*”) dated November __, 2010 between DMP and Desert Mountain Club, Inc. (the “*Equity Member Entity*”). DMP and the Board of the Equity Member Entity shall have the authority to amend this Section V. to further provide: (i) for any one or more assessments of the Deferred Equity Members of the Club, (ii) to arrange for alternative or additional funding, including, but not limited to, financing for the payment of any of the cash portion of the Purchase Price or to fund financial requirements of the Equity Member Entity incurred prior to or following closing of the purchase of the Property under the terms of the Purchase Agreement. ”

2. ARTICLE VI. TRANSFER OF PARCEL 19 AND ASSOCIATED WATER RIGHTS is hereby deleted in its entirety and replaced with the following language as follows:

“Turnover and the acquisition of title to Parcel 19 and associated Water Rights shall proceed pursuant to the terms of the Agreement for Purchase and Sale (“*Purchase Agreement*”) dated November 16, 2010 between DMP and the Equity Member Entity. DMP and the Board of the Equity Member Entity shall have the authority to amend this Section VI. to further provide: (i) for any one or more assessments of the Deferred Equity Members of the Club, (ii) to arrange for alternative or additional funding, including, but not limited to, financing for the

payment of any of the cash portion of the Purchase Price or to fund financial requirements of the Equity Member Entity incurred prior to or following closing of the purchase of the Property under the terms of the Purchase Agreement related to Parcel 19 or the associated Water Rights. ”

3. ARTICLE XII. TERMINATION OF MEMBERSHIP PLAN is hereby deleted in its entirety and replaced with the following language as follows:

“The Existing Plan shall terminate upon the completion of the Closing of the transaction pursuant to the Purchase Agreement.”

4. This Amendment to the Existing Plan, although having received an Affirmative Vote by the Deferred Equity Members in accordance with the Purchase Agreement, shall be rescinded and revoked without any further action and the Existing Plan shall be fully reinstated to its terms which existed prior to the application of amendments set forth herein and such Existing Plan without such amendments shall continue in full force and effect until amended or terminated thereafter in accordance with its provisions as effective March 31, 2006 upon the earlier to occur of: (i) the failure of the Closing of the transaction pursuant to the Purchase Agreement to occur by 11:59 pm Mountain Standard Time on December 31, 2010, or such later date as may be agreed in writing by DMP and the Equity Member Entity; or (ii) the earlier termination of the Purchase Agreement in accordance with its terms.

5. In the event of any conflict between this Amendment and the Existing Membership Plan, this Amendment shall control.

This Amendment is effective only upon receipt of the Affirmative Vote.

Date of receipt of Affirmative Vote: _____, 2010.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

AGREED AND ACKNOWLEDGED

Seller:

DESERT MOUNTAIN PROPERTIES LIMITED PARTNERSHIP,
a Delaware limited partnership

By: Desert Mountain Development Corporation,
a Delaware corporation,
Its General Partner

By: _____
Name: _____
Title: _____
Date of Execution: _____

Buyer:

DESERT MOUNTAIN CLUB, INC.,
an Arizona non-profit corporation

By: _____
Name: _____
Title: _____
Date of Execution: _____

The Advisory Board:

DM MEMBERS ADVISORY BOARD
an Arizona non-profit corporation

By: _____
Name: _____
Title: _____
Date of Execution: _____