



OFFICIAL RECORDS OF
PINAL COUNTY RECORDER
LAURA DEAN-LYTTLE

WHEN RECORDED, RETURN TO:

Matthew R. Berens, Esq.
BERENS, KOZUB & KLOBERDANZ, PLC
7047 Easy Greenway Parkway, Suite 140
Scottsdale, Arizona 85254

DATE/TIME: 05/15/08 1457
FEE: \$16.00
PAGES: 5
FEE NUMBER: 2008-046428

SPECIAL WARRANTY DEED

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned, U.S. DEVELOPMENT LAND, LLC, an Arizona limited liability company (the "Grantor"), hereby grants to GRANITE CAPITAL CORPORATION, a Nevada corporation (the "Grantee"), that certain real property described on Exhibit "A" attached hereto (the "Property");

SUBJECT TO: Those matters set forth on Exhibit "B" attached hereto (the "Permitted Exceptions").

AND GRANTOR hereby binds itself and its successors to warrant and defend the title against all of the acts of Grantor and no other, subject to the matters set forth above.

IN WITNESS WHEREOF, the undersigned has executed this Special Warranty Deed as of this 14th day of May, 2008.

GRANTOR:

U. S. DEVELOPMENT LAND, LLC, an Arizona
limited liability company

By: Michael Nicholas
Michael Nicholas, Manager

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 14th day of May, 2008, by Michael Nicholas, as Manager of U. S. DEVELOPMENT LAND, LLC, on behalf of the company.

Linda S. Jonas
Notary Public

My commission expires:
March 22, 2012



CONFIDENTIAL

EXHIBIT "A"

LOTS 2, 5 THROUGH 12 INCLUSIVE, 14 THROUGH 24 INCLUSIVE, 28 THROUGH 38 INCLUSIVE, 42 THROUGH 51 INCLUSIVE, 53 THROUGH 58 INCLUSIVE, 60 THROUGH 69 INCLUSIVE, 71 THROUGH 75 INCLUSIVE, 77, 78, 81, 82, 84 THROUGH 97 INCLUSIVE, OF PARCEL 15 AT CIRCLE CROSS RANCH, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF PINAL COUNTY, ARIZONA, RECORDED IN CABINET F, SLIDE 110 AND AFFIDAVIT OF CORRECTION RECORDED AS 2006-034191 OF OFFICIAL RECORDS.

Not a Public Record

EXHIBIT "B"

1. Taxes for the full year of 2008. (A lien not yet due and payable). (The first half is due October 1, 2008 and is delinquent November 1, 2008. The second half is due March 1, 2009 and is delinquent May 1, 2009).
2. Any charge upon said land by reason of its inclusion in Circle Cross Community Association. (All assessments due and payable are paid).
3. Any charge upon said land by reason of its inclusion in Central Arizona Water Conservation District. (All assessments due and payable are paid).
4. Any charge upon said land by reason of its inclusion in New Magma Irrigation and Drainage District. (All assessments due and payable are paid).
5. Restrictions, dedications, conditions, reservations, easements and other matters shown on the plat of Parcel 15 at Circle Cross Ranch, as recorded in Plat Cabinet F, Slide 110 and Affidavit of Correction recorded as 2006-034191 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
6. Covenants, Conditions and Restrictions as set forth in document recorded in 2003-036634 of Official Records; First Amendment recorded as 2003-057324 of Official Records; Second Amendment recorded as 2003-064143 of Official Records; Annexation Declaration/Tract Declaration recorded as 2005-057249 of Official Records and Notice of Designation of Designated Builder Rights recorded as 2005-068979 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
7. The terms and provisions contained in the document entitled "Development Agreement for Circle Cross Ranch" recorded November 3, 2000 as 2000-045965 of Official Records.
8. The terms and provisions contained in the document entitled "Joint Development Agreement" as disclosed by "Memorandum of Joint Development Agreement" recorded April 4, 2005 as 2005-035978 of Official Records and "First Amendment to Memorandum of Joint Development Agreement" recorded June 10, 2005 as 2005-068983 of Official Records.

Note: this exception will not be shown on any Policy of Title Insurance issued to a third party homebuyer.

9. An easement for public utilities power and incidental purposes in the document recorded as 2006-005471 of Official Records and recorded as 2006-023833 of Official Records.
10. Water rights, claims or title to water, whether or not shown by the public records.

AFFIDAVIT OF PROPERTY VALUE

1. ASSESSOR'S PARCEL NUMBER(S) (primary parcel number): ink
 Primary Parcel: 210-80-839
 BOOK MAP PARCEL SPLIT LETTER
 Does this sale include any parcels that are being split / divided?
 Check one: Yes No
 How many parcels, other than the Primary Parcel, are included in this sale? 79
 Please list the additional parcels below (no more than four):
 (1) 210-80-842 (3) 210-80-844
 (2) 210-80-843 (4) 210-80-845

2. SELLER'S NAME AND ADDRESS:
U.S. Development Land, LLC
15990 North Greenway-Hayden Loop Suite 600
Scottsdale, AZ 85260

3. (a) BUYER'S NAME AND ADDRESS:
Granite Capital Corporation
5416 East Baseline Road, Suite 120
Mesa, AZ 85206

(b) Are the Buyer and Seller related: Yes No
 If yes, state relationship:

4. ADDRESS OF PROPERTY:
NWC of Skyline Dr. and Gary Rd., 80 Lots in Circle Cross Ranch MP
AZ

5. MAIL TAX BILL TO:
Granite Capital Corporation
5416 East Baseline Road, Suite 120
Mesa, AZ 85206

6. PROPERTY TYPE (for Primary Parcel): **NOTE: Check Only One Box**
 a. Vacant Land
 b. Single Family Residence
 c. Condo or Townhouse
 d. 2-4 Plex
 e. Apartment Building
 f. Commercial or Industrial Use
 g. Agricultural
 h. Mobile or Manufactured Home
 i. Other Use, Specify:

7. RESIDENTIAL BUYER'S USE: If you checked b, c, d, or h in Item 6 above, please check one of the following:
 To be occupied by owner or family member.
 To be rented to someone other than family member.

See reverse side for definition of a "family member."
 8. NUMBER OF UNITS: N/A
 For Apartment Properties, Motels, Hotels, Mobile Home Parks, RV Parks, Mini-Storage Properties, etc.

COUNTY OF RECORDATION: PINAL
 FEE NO: 2008-046428
 RECORD DATE: 05/15/08

(e) ASSESSOR: _____ (f) DOR: _____
ASSESSOR'S USE ONLY
 Verify Primary Parcel in Item 1: _____
 Use Code: _____ Full Cash Value: \$ _____

10. TYPE OF DEED OR INSTRUMENT (Check Only One Box):
 a. Warranty Deed
 b. Special Warranty Deed
 c. Joint Tenancy Deed
 d. Contract or Agreement
 e. Quit Claim Deed
 f. Other

11. SALE PRICE: 2,340,000.00 00
 12. DATE OF SALE (Numeric Digits): 05/2008
 Month Year
 (For example: 03 / 05 for March 2005)

13. DOWN PAYMENT: \$ 2,310,750.00 00

14. METHOD OF FINANCING:
 a. Cash (100% of Sale Price)
 b. Exchange or trade
 c. Assumption of existing loan(s)
 d. Seller Loan (Carryback)
 e. New loan(s) from Financial institution:
 (1) Conventional
 (2) VA
 (3) FHA
 f. Other financing; Specify:

15. PERSONAL PROPERTY (see reverse side for definition):
 (a) Did the Sale Price in Item #11 include Personal Property that Impacted the Sale Price by 5% or more? Yes _____ No
 (b) If Yes, provide the dollar amount of the Personal Property:
 \$ 0.00 00 AND
 briefly describe the Personal Property:

16. PARTIAL INTEREST: If only a partial ownership interest is being sold, briefly describe the partial interest: N/A

17. PARTY COMPLETING AFFIDAVIT (Name, Address, Phone):
First American Title Insurance Company National Commercial
2425 E. Camelback Road, Suite 300
Phoenix, AZ 85016
NCS-348480-PHX1 (Jls) / Phone (602)567-8100

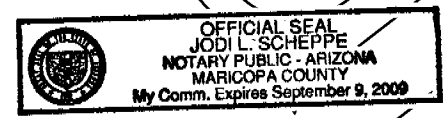
18. LEGAL DESCRIPTION (attach copy if necessary):
 Please see Exhibit A

THE UNDERSIGNED BEING DULY SWORN, ON OATH, SAYS THAT THE FOREGOING INFORMATION IS A TRUE AND CORRECT STATEMENT OF THE FACTS PERTAINING TO THE TRANSFER OF THE ABOVE DESCRIBED PROPERTY.

Signature of Seller/Agent _____
 State of _____, County of _____
 Subscribed and sworn to before me on this _____ day of _____
 Notary Public _____
 Notary Expiration Date _____

Signature of Buyer/Agent _____
 State of AZ, County of MARICOPA
 Subscribed and sworn to before me on this 14th day of May 2008
 Notary Public Jodi L. Scheppe
 Notary Expiration 9-9-09

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AFFIDAVIT OF PROPERTY VALUE

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4. ADDRESS OF PROPERTY:
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 5416 East Baseline Road, Suite 120
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6. PROPERTY TYPE (for Primary Parcel): **NOTE: Check Only One Box**

| | |
|--|---|
| a <input checked="" type="checkbox"/> Vacant Land | f <input type="checkbox"/> Commercial or Industrial Use |
| b <input type="checkbox"/> Single Family Residence | g <input type="checkbox"/> Agricultural |
| c <input type="checkbox"/> Condo or Townhouse | h <input type="checkbox"/> Mobile or Manufactured Home |
| d <input type="checkbox"/> 2-4 Plex | i <input type="checkbox"/> Other Use, Specify: |
| e <input type="checkbox"/> Apartment Building | |

7. RESIDENTIAL BUYER'S USE: If you checked b, c, d, or h in Item 6 above, please check one of the following:
 To be occupied by owner or family member.
 To be rented to someone other than family member.
 See reverse side for definition of a "family member."

8. NUMBER OF UNITS: N/A
 For Apartment Properties, Motels, Hotels, Mobile Home Parks, RV Parks, Mini-Storage Properties, etc.

9. **FOR OFFICIAL USE ONLY: Buyer and Seller leave blank**

(a) County of Recordation: Pinal
 (b) Docket & Page Number: 2008-046428
 (c) Date of Recording: 5/15/08
 (d) Fee / Recording Number:
 Validation Codes:
 (e) ASSESSOR:
 (f) DOR:

ASSESSOR'S USE ONLY
 Verify Primary Parcel in Item 1:
 Use Code: Full Cash Value: \$

10. TYPE OF DEED OR INSTRUMENT (Check Only One Box):

| | |
|---|--|
| a <input type="checkbox"/> Warranty Deed | d <input type="checkbox"/> Contract or Agreement |
| b <input checked="" type="checkbox"/> Special Warranty Deed | e <input type="checkbox"/> Quit Claim Deed |
| c <input type="checkbox"/> Joint Tenancy Deed | f <input type="checkbox"/> Other |

11. SALE PRICE: 2,340,000.00 00

12. DATE OF SALE (Numeric Digits): 05/2008
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14. METHOD OF FINANCING:

| | |
|---|--|
| a <input checked="" type="checkbox"/> Cash (100% of Sale Price) | e <input type="checkbox"/> New loan(s) from Financial institution: |
| b <input type="checkbox"/> Exchange or trade | (1) <input type="checkbox"/> Conventional |
| c <input type="checkbox"/> Assumption of existing loan(s) | (2) <input type="checkbox"/> VA |
| d <input type="checkbox"/> Seller Loan (Carryback) | (3) <input type="checkbox"/> FHA |
| | f <input type="checkbox"/> Other financing; Specify: |

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Signature of Seller/Agent
 State of ARIZONA, County of MARICOPA
 Subscribed and sworn to before me on this 15TH day of MAY, 2008
 Notary Public Alta J. Kilgas
 Notary Expiration Date 9/4/2011

Signature of Buyer/Agent
 State of _____, County of _____
 Subscribed and sworn to before me on this _____ day of _____
 Notary Public _____
 Notary Expiration _____



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EXHIBIT "A"

LOTS 2, 5 THROUGH 12 INCLUSIVE, 14 THROUGH 24 INCLUSIVE, 28 THROUGH 38 INCLUSIVE, 42 THROUGH 51 INCLUSIVE, 53 THROUGH 58 INCLUSIVE, 60 THROUGH 69 INCLUSIVE, 71 THROUGH 75 INCLUSIVE, 77, 78, 81, 82, 84 THROUGH 97 INCLUSIVE, OF PARCEL 15 AT CIRCLE CROSS RANCH, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF PINAL COUNTY, ARIZONA, RECORDED IN CABINET F, SLIDE 110 AND AFFIDAVIT OF CORRECTION RECORDED AS 2006-034191 OF OFFICIAL RECORDS.

Circle Cross Ranch