

BRIAN D. ADLER

TAXPAYER EXHIBIT

B3

February 26, 2013

Brian D. Adler and Cheryl Adler
601347

January 29, 2013

To Whom It May Concern:

Mr. Brod's protest letter dated January 22, 2010 was incorrect with respect to the following:

The Travertine deal was the only deal that my corporation ever entered into the purchase contract and my corporation has never owned any real estate. In this deal, I had hired new local counsel who mistakenly used the corporate name. As evidenced by the December, 2004 assignment documents to a newly formed LLC, and my attorney's letter, it was never my intention nor the corporation's intention to have the corporation acquire the Travertine property. So, knowing that, I didn't bother to change the contract. Every single penny invested in the Travertine project came from me and my wife, personally.

I hereby declare that the above is true and correct under penalty of perjury under California law.

Jan 29, 2013
DATED
Brian D. Adler
BRIAN D. ADLER

STATE BOARD OF EQUALIZATION



Appeal Name: Brian D. Adler and Cheryl Adler
Case ID: 601347 ITEM #: B3
Date: Feb 26, 2013 Exhibit No: 2.3

(TP)

FTB DEPT PUBLIC COMMENT

DECLARATION

I, STEVEN W. DELATEUR, hereby declare:

1. I am an attorney licensed to practice law since 1988 in the State of California. I have personal knowledge of the following facts and, if called as a witness, would testify thereto under oath.

2. I am one of the attorneys who worked for Travertine Corporation ("Travertine Corp.") and participated in drafting the attached Option and Purchase Agreement ("Agreement").

3. I worked with Brian Adler for years as he, as a developer, attempted to secure investors to provide capital to purchase and develop a piece of property in La Quinta, California known as the Travertine Property. The intent was to develop a luxury resort hotel, a golf course, and luxury homes with spectacular views of the La Quinta/Palm Springs area.

4. The relevant boilerplate provisions always contained in our contract (here contained in Section 22 of the Agreement) provide: "Buyer shall not assign this Agreement without the consent of Seller, which consent will not be unreasonably withheld upon submission of an application for such consent together with such written information concerning the proposed assignee. Buyer shall furnish Seller with additional information about the assignment and the assignee, as Seller shall reasonably request." These provisions were intended to prevent a buyer from immediately flipping the property to a new buyer without Travertine's knowledge.

5. At the specific request of Brian Adler, I added the following provisions to Section 22 of the Agreement: "Notwithstanding the foregoing, Buyer shall have the right to assign this Agreement without Seller's consent to an entity controlled by or under common control with Buyer. Upon any assignment, the assignee shall assume, in writing, all of the obligations hereunder of the assignor and Seller shall be provided with a copy of such assignment and assumption prior to Closing."

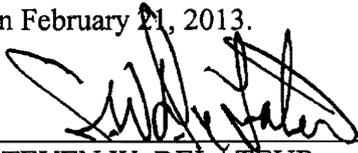
6. Throughout the contract drafting process, I believed, as did the officers of Travertine Corp., (to my knowledge), that Brian would set up a new entity (probably a limited liability company) before closing escrow (which he did), to purchase the Travertine Property so that investors would own most of the project. The first reason for this belief is that the purchase price and projected development costs, including utility infrastructure, access roads, golf course construction and home construction, would run into the hundreds of millions of dollars, and that projects of this size and complexity almost always, in my experience, are developed with equity financing furnished by large investment funds, not by a single individual. The second reason is that Brian told me that he was presenting this project to various potential investors for approval. During the course of the option term, I met with Brian and representatives of different institutional investors as part of their due diligence investigation of this project. As such, it was my understanding that Brian never intended that his solely owned corporation, B.D. Adler, Inc.,

would purchase and develop the Travertine Property.

7. I have absolutely no idea why the buyer listed in the Agreement was B.D. Adler, Inc. (I did not prepare the first draft of the Agreement on behalf of Travertine Corp.). In any event, it was my understanding and belief that Brian would set up another entity to purchase and develop the property – hence, the language added to Section 22 of the Agreement at Brian’s request.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed in Palm Desert, California, on February 21, 2013.



STEVEN W. DELATEUR

DECLARATION

I, STEVEN W. DELATEUR, hereby declare:

1. I am an attorney licensed to practice law since 1988 in the State of California. I have personal knowledge of the following facts and, if called as a witness, would testify thereto under oath.

2. Yesterday, I signed a Declaration regarding the Travertine Property. This Declaration is supplemental to that Declaration.

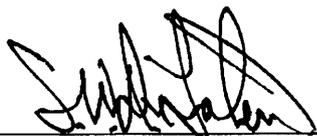
3. Exhibit E to the Agreement is a copy of the Grant Deed for the proposed sale of the Travertine Property. While the seller/grantor is designated on that document, the name of the grantee is intentionally left blank. Travertine Corp., and I as its counsel, intentionally left the grantee's name blank since we were aware that when escrow was ready to close, Brian Adler would set up a new entity to take title to the Travertine Property.

4. Exhibit F to the Agreement is a copy of the License Agreement for the proposed sale of the Travertine Property. While that document makes specific reference to the Agreement between Travertine Corp., and B.D. Adler, Inc., once again the Licensee's name on page 1 of that document and in the signature block on the last page of that document are left blank, awaiting instructions from Mr. Adler as to the name of a new entity he was going to establish to purchase the Travertine Property.

5. It is my standard practice to have as many exhibits as possible, including a grant deed and a license agreement, where applicable, attached to the purchase and sale agreement when I present the agreement to the buyer for review so that the drafts are as complete as possible. Normally, those attached documents would contain the name of the buyer. Here, however, I did not know the name of the Buyer. I only knew that B.D. Adler, Inc., was not going to be the Buyer at the close of escrow. Therefore, those attached documents leave the name of the Buyer blank.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed in Palm Desert, California on February 22, 2013.



STEVEN W. DELATEUR

OPTION AND PURCHASE AGREEMENT

TRAVERTINE CORPORATION, Seller

B.D. ADLER, INC., Buyer

FROM :

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OPTION AND PURCHASE AGREEMENT

This Option and Purchase Agreement (the "Agreement") is entered into this ___ day of _____, 2004, by and between TRAVERTINE CORPORATION, a Minnesota corporation ("Seller"), and B.D. ADLER, INC., a California corporation, doing business as Adler Development Group ("Buyer"), all parties collectively hereinafter referred to as the "Parties" and individually as a "Party".

RECITALS

A. Whereas, Seller owns approximately 933 acres of golf and residential property in La Quinta, California, commonly known as Travertine, legally described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Real Property");

B. Whereas, Seller owns certain intangible property (the "Intangible Property"), such as entitlements, permits and contract rights, which relate, refer to, or affect the Real Property, which Seller is prepared to assign to Buyer in connection with the sale of the Real Property to Buyer; and

C. Whereas, Seller is willing grant to Buyer an option to purchase the Real Property and Intangible Property (together hereinafter referred to as "Property") on the terms and conditions set forth in this Agreement (the "Transaction"); and

NOW, THEREFORE, for good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Effective Date. The Effective Date of this Agreement (the "Effective Date") is the date on which this Agreement is fully executed by the Parties and Seller's Bank (as defined below) receives the Option Consideration in full. The Effective Date shall be used to calculate all time frames hereunder.

2. Option to Purchase. Pursuant to the provisions of this Agreement, Seller hereby grants to Buyer an option (the "Option") to purchase the Property for Seventy-Five Million, Five Hundred Thousand Dollars (\$75,500,000.00) (the "Purchase Price").

3. Option Consideration. Immediately upon the mutual execution of this Agreement by Seller and Buyer, Buyer shall cause the sum of Seven Hundred Fifty-Thousand Dollars (\$750,000.00) (the "Option Consideration") to be wire transferred into Seller's account at La Jolla Bank, Indian Wells, California ("Seller's Bank"). This Agreement shall be null and void if Seller's Bank has not received the Option Consideration in full within twenty-four (24) hours of Seller's execution of this Agreement. The Option Consideration is earned in full by Seller contemporaneously with Seller's execution of this Agreement in consideration for Seller granting to Buyer the Option on the terms set forth herein. In all events, the Option Consideration shall be retained by Seller. If Buyer timely exercises the Option by taking the acts set forth herein, the Option Consideration shall be applicable to the Purchase Price. If Buyer does not timely exercise the Option or if Buyer shall for any reason or for no reason deliver to Seller Notice of Cancellation in the form of Exhibit "B," Seller shall retain the Option

Consideration, Seller shall have no further obligation to Buyer and this Agreement shall be terminated.

4. Option Term. The Option Term shall commence on the Effective Date and shall continue for a period of Sixty (60) calendar days thereafter.

5. Exercise of Option. In order for Buyer to exercise the Option, Buyer shall: (i) not less than five (5) calendar days prior to the expiration of the Option Term, deliver to Seller and Escrow Holder (as defined below) written notice of Buyer's intent to exercise the Option and designate therein a date certain, which shall be no later than seventy-five (75) calendar days from the Effective Date (the "Closing Date"), for the closing by Escrow Holder of the Escrow (as defined below) for the sale and purchase of the Property; and (ii) close Escrow on the Closing Date. Buyer understands and acknowledges that the deadlines and time frames set forth in this Agreement are not subject to amendment or extension.

6. Purchase and Sale. Provided that Buyer has timely and validly exercised the Option, Seller shall sell and convey to Buyer and Buyer shall purchase from Seller the Property in accordance with the terms of this Agreement (the "Transaction").

7. Terms of Payment. The Purchase Price, less the Option Consideration, is payable to Seller by Buyer in immediately available funds at the close of Escrow.

8. Description of Property.

8.1 The Real Property. As used herein, the term "Real Property" shall include (a) the Land, (b) all apparatus, equipment and appliances affixed to and used in connection with the operation or occupancy of the Land and (c) all of Seller's rights, privileges and easements appurtenant to or used in connection with the Real Property, including, without limitation, all minerals, oil, gas and other hydrocarbon substances, all development rights, air rights, water, water rights and water stock relating to the Land, all strips and gores, all of Seller's right, title and interest in and to any streets, alleys, easements, rights-of-way, public ways, or other rights of Seller appurtenant, adjacent or connected in any way to the Real Property.

8.2 The Intangible Property. As used herein, the term "Intangible Property" shall mean all of that certain intangible property owned by Seller and used by Seller in connection with all or any portion of the Real Property, including, without limitation, all of Seller's right, title and interest in, to and under: (a) all contract rights, reports, test results, environmental assessments, if any, plans, specifications and other similar documents and materials relating to the use, development, or construction of all or any portion of the Real Property; (b) all transferable business licenses, the vineyard lease, architectural, site, landscaping, land use, environmental, endangered species and water permits or other permits, applications, approvals, authorizations and other entitlements affecting any portion of the Real Property; (c) all transferable guarantees, warranties and utility contracts relating to all or any portion of the Real Property and (d) any other rights of Seller connected in any way to the Property.

All Intangible Property shall be delivered to Buyer without warranty, express or implied other than as may be expressly set forth herein.

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9. Escrow. The Parties shall open an escrow (the "Escrow") to consummate the sale of the Property according to the terms of this Agreement at the office of First American Title Insurance Company ("FATCO"), 3625 14th Street, P. O. Box 986, Riverside, California 92501 (Attention: Debra Dunn, Telephone: 800-499-0945) ("Escrow Holder" and "Title Company"). Following the Effective Date, Escrow Holder shall prepare written escrow instructions (the "Escrow Instructions") for this Transaction consistent with the terms of this Agreement. The Parties shall execute the Escrow Instructions and return them to Escrow Holder within five (5) business days from receipt of the Escrow Instructions. In the event that any Escrow Instructions are inconsistent with the terms and provisions of this Agreement, the terms and provisions of this Agreement shall control. Buyer and Seller shall also deliver to Escrow Holder all instruments, documents and other items identified in the Escrow Instructions and/or reasonably required by Escrow Holder to close the Escrow on the Closing Date.

10. Right of Buyer to Enter Property. During the term of the Option, Buyer and its designated agents and independent contractors (collectively, "Buyer's Agents") shall, without the prior written consent of Seller, upon 24 hours prior written notice to Seller, have the right to enter onto the Property to the extent necessary for the purpose of surveying, planning studies, conducting soil tests, environmental tests and engineering studies. Buyer shall maintain, and shall require all consultants entering on the property on behalf of Buyer to maintain minimum insurance coverages of: (i) general commercial liability insurance in an amount of not less than \$1,000,000; combined single limit for bodily injury and property damage; (ii) automobile liability insurance in an amount of not less than \$500,000 covering all owned and/or operated automobiles and equipment; and (iii) worker's compensation insurance policies. Where appropriate, all such policies shall name Seller as an additional insured. Buyer shall provide Seller a certificate of insurance in accordance with the foregoing coverages prior to entry onto the Property. In the event of the recording of a claim of lien, Buyer shall secure and record the bond contemplated by California Civil Code, Section 3143, all at Buyer's sole expense. Any person entering the Real Property shall execute a License Agreement in the form provided in Exhibit "7".

Buyer shall repair any damage that it or its agents or independent contractors shall cause to the Property and further shall indemnify and hold Seller harmless from any and all costs, expenses, losses, attorneys' fees and liabilities including, but not limited to, claims of mechanic's liens incurred or sustained by Seller as a result of any acts of Buyer and/or Buyer's Agents, their agents and/or independent contractors. Buyer's indemnity shall survive a termination of this Agreement. Furthermore, Buyer shall take no action that affects or may affect the vineyard and Seller's federal, state and local land use entitlement and access applications, including, but not limited to, the Endangered Species Act (collectively, the "Entitlement Applications") and Buyer shall obey all federal, state and local laws and regulations.

In the event Buyer timely gives the Notice of Cancellation or in the event Buyer fails to close Escrow through no fault of Seller, all surveying, planning studies, soil tests, engineering studies, appraisals and any and all documents prepared, (collectively "Buyer's Due Diligence Documents") shall be and become the property of Seller and Buyer shall immediately deliver them to Seller. Additionally, Buyer shall execute such "assignment of documents" and/or other documents so as to cause the transfer of legal title of all such documents to Seller. Buyer hereby irrevocably authorizes the engineering firm(s) and other companies that have prepared the

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documents to deliver copies of same to Seller; provided, however, such delivery shall not result in any additional charges to the account of Buyer.

10.1 Buyer's Right To Communicate With Governmental Agencies. In July, 2004, Buyer attended certain Due Diligence meetings with the City of La Quinta, IID Energy, Coachella Valley Water District and the U.S. Fish & Wildlife Service as part of its due diligence investigation of the Property. Following the Effective Date, Buyer shall be entitled to request a meeting with any federal, state and local governmental authorities that have jurisdiction over the Property, other than the agencies listed above in this Section, and as to those agencies, Buyer may request a meeting if Buyer has a new question or questions not posed in Buyer's July, 2004 Due Diligence meetings. For this purpose, asking a governmental agency for an update from the July, 2004 meetings shall not be considered a new question. To initiate a meeting with a governmental agency pursuant to this Section, Buyer shall notify Seller's attorney, Steven W. DeLateur of McDermott & DeLateur, LLP, of Buyer's intentions to communicate with such agencies and the issues Buyer wishes to cover during such meetings. Buyer shall not contact or communicate directly with such agencies and shall not meet with the staff of such agencies other than with the participation and/or in the presence of Steven W. DeLateur. As provided herein, Seller shall use its best efforts to arrange such communications and meetings with such governmental agencies during the Option Term. However, Seller does not warrant or represent that Buyer will be able to communicate with all agencies with whom Buyer wishes to communicate during the Option Term. The inability of Buyer to communicate with such agencies within the Option Term does not constitute grounds to extend the Option Term or the close of Escrow. Furthermore, Buyer shall not seek to make any changes or amendments to Seller's Entitlement Applications, nor use any information obtained during Buyer's investigation of the Property to attempt to make such changes and shall not present itself to any third party as the owner of the Property.

10.2 Closing Conditions.

10.2.1 Buyer's Closing Conditions. The obligation of Buyer to close Escrow is subject to the following conditions precedent (and conditions concurrent, with respect to deliveries to be made by the Parties at Closing) (the "Buyer's Closing Conditions"):

(a) **Title.** The Title Company shall be prepared and irrevocably committed to issue to Buyer at Seller's cost (with an effective date not earlier than the Closing Date), as to the Real Property, a California Land Title Insurance Standard Owner's Policy of title insurance or if Buyer has been able to complete a survey or the Title Company is otherwise willing to issue it, at Buyer's cost with respect to the premium above the cost of the Standard Owner's Policy, an American Land Title Association extended coverage owner's policy of title insurance in favor of Buyer for the Real Property: (i) showing fee title to the Real Property vested in Buyer or its nominee, (ii) including those endorsements reasonably requested by Buyer, provided that such endorsement are available in the State of California, (iii) containing no exceptions other than those exceptions that Buyer shall permit (the "Permitted Exceptions"), and (iv) stating liability coverage in such amounts as Buyer shall determine, provided that the aggregate amount of liability coverage shall not exceed the amount of the Purchase Price (the "Owner's Title Policy").

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(b) Seller's True Performance. All of the representations and warranties of Seller set forth in this Agreement shall be true, correct and complete in all material respects as of the Closing Date, and Seller, on or prior to the Closing Date, shall have complied with and/or performed all of the material obligations, covenants and agreements required on the part of Seller to be complied with or performed pursuant to the terms of this Agreement.

(c) Physical Condition of Property. Subject to the provisions of Section 33 hereof, (Condemnation), the physical condition of the Property shall be substantially the same on the Closing Date as on the Effective Date, except for any damages due to any act of Buyer or its representatives.

(d) Bankruptcy. No action or proceeding shall have been commenced by or against Seller under the federal bankruptcy code or any state law for the relief of debtors or for the enforcement of the rights of creditors and no attachment, execution, lien or levy shall have attached to or been issued with respect to Seller's interest in the Property or any portion thereof.

(e) Assignment. At the Closing, Seller shall transfer to Buyer all of the Property, free of all liens and encumbrances (other than the applicable Permitted Exceptions), pursuant to an assignment in the form of Exhibit "C" attached hereto (the "Assignment").

(f) Non-Foreign Affidavit. At the Closing, Seller shall deliver to Buyer a non-foreign affidavit in the form of Exhibit "D" attached hereto, executed by Seller (the "Non-Foreign Affidavit").

(g) California Form 593-W. At the Closing, Seller shall deliver to Buyer and Escrow Holder a California Form 593-W.

10.2.2 Failure of Buyer's Closing Conditions. If any of the Buyer's Closing Conditions have not been fulfilled within the applicable time periods, Buyer may:

(a) waive the Buyer's Closing Condition and close Escrow in accordance with this Agreement, without adjustment or abatement of the Purchase Price; or

(b) terminate this Agreement by written notice to Seller and Escrow Holder. In all events the Option Consideration shall not be refundable to Buyer. All documents, instruments and funds delivered into Escrow shall be returned to the Party that delivered the same into Escrow, and Seller shall pay for all of the cancellation charges, if any, of Escrow Holder and Title Company.

10.2.3 Seller's Closing Conditions. The obligation of Seller to close Escrow is subject to the following conditions precedent (and conditions concurrent, with respect to deliveries to be made by the Parties at Closing) (the "Seller's Closing Conditions"), which conditions may be waived, or the time for satisfaction thereof extended, by Seller only in a writing executed by Seller (provided, however, that any such waiver shall not affect Seller's abilities to pursue any remedy it may have with respect to any breach hereunder by Buyer):

(a) Buyer's True Performance. All of the representations and warranties of Buyer set forth in this Agreement shall be true, correct and complete in all material respects as of the Closing Date, and Buyer, on or prior to the Closing Date, shall have complied with and/or performed all of the material obligations, covenants and agreements required on the part of Buyer to be complied with or performed pursuant to the terms of this Agreement.

(b) Deliveries. Buyer shall have delivered to Escrow Holder or Seller, as the case may be, such funds, documents or instruments as are required to be delivered by Buyer pursuant to the terms of this Agreement.

10.2.4 Failure of Seller's Closing Conditions. If any of the Seller's Closing Conditions have not been fulfilled within the applicable time periods, Seller may:

(a) waive the Seller's Closing Condition and close Escrow in accordance with this Agreement, without adjustment or abatement of the Purchase Price; or

(b) terminate this Agreement upon written notice to Buyer and Escrow Holder. In all events the Option Consideration shall not be refundable to Buyer. All documents, instruments and funds delivered into Escrow shall be returned to the Party that delivered the same into Escrow, and Buyer shall pay for all of the cancellation charges, if any, of Escrow Holder and Title Company.

11. Title.

11.1 Deliveries by Seller. Promptly following the Effective Date, Seller shall instruct the Title Company to issue and deliver to Buyer, at Seller's sole cost and expense, (a) a current title report for a California Land Title Association owner's policy of title insurance for the Real Property (the "Title Report") and (b) legible copies (to the extent reasonably available) of all documents referenced as exceptions in the Title Report (collectively, the "Underlying Documents"). Should Buyer want an ALTA extended coverage policy, it shall be responsible for the extra premium above the cost of the premium of the Standard Owner's Policy (CLTA policy) and for satisfying the requirements of the Title Company, prior to Closing, in connection with an ALTA policy. The Title Report, the Underlying Documents and any ALTA survey shall be collectively referred to herein as the "Title Documents."

11.1.1 Buyer's Review of Title. Buyer shall be solely responsible for reviewing and/or objecting to any matters contained in the Title Documents. Seller shall have no responsibility to remove any matter of record in the Title Report (whether or not Permitted Exceptions), other than to discharge and remove any and all liens affecting the Property that secure an obligation to pay money (other than installments of real estate taxes not delinquent as of the Closing) (collectively, the "Liens").

11.2 No General Title Warranty. Nothing in this Agreement shall be construed as a warranty or representation by Seller concerning Seller's title to the Property. Buyer acknowledges and represents to Seller that Buyer is relying solely upon the Title Policy, the limited title warranties implied from the use of the words "grant, sell and convey" in the Grant Deed and Buyer's own investigations with respect to Seller's title to the Property.

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11.3 Condition of Title at Closing. Upon the Closing, Seller shall transfer, grant and convey to Buyer fee simple title to the Real Property by a duly executed and acknowledged grant deed in the form of Exhibit "E" attached hereto (the "Grant Deed").

12. Seller's Authorizations and Notifications. Seller notifies Buyer as follows:

(a) Authority. Seller has the requisite power and authority to enter into and perform this Agreement and those Seller's Closing Documents signed by them; such documents have been or will be duly executed and delivered by Seller; such execution, delivery and performance by Seller of such documents does not and will not conflict with or result in a violation of Seller's organizational documents or any agreement, indenture, judgment, order or decree of any court or arbitrator to which Seller is a party; and such documents are or will be valid and binding obligations of Seller, enforceable in accordance with their terms.

(b) Assessments. To the best of Seller's knowledge, Seller has received no notice of actual or threatened special assessments against the Real Property which have not yet been levied and of record.

(c) Rights of Others to Purchase Property. Seller has not entered into any other contracts for the sale of the Property, nor any rights of first refusal or options to purchase the Property or any other rights of others that might prevent the consummation of this Agreement.

(d) FIRPTA. Seller is not a "foreign person," "foreign partnership," "foreign trust" or "foreign estate" as those terms are defined in Section 1445 of the Internal Revenue Code.

(e) Proceedings. To the best of Seller's knowledge, there is no legal action, litigation, governmental investigation, condemnation or similar proceeding of any kind pending or threatened against any portion of the Property.

(f) Tenants. There are no existing leases affecting the Property other than the Vineyard Lease Extension Agreement with Donald Kizarian dated December 1, 2003 (the "Existing Lease").

For purposes of this Agreement, "Seller's knowledge" or similar phrases shall mean actual knowledge, without investigation.

13. Prorations. The following shall be prorated between Seller and Buyer as of the Closing Date: rents on the Existing Lease, real property taxes, special tax assessments and other charges upon the Real Property of record prior to the Closing Date. Any additional property taxes which may be assessed after the Closing Date pertaining to the period prior to the transfer of title to Buyer, regardless of when Notice is delivered or who receives Notice, as well as any bond or assessment that is a lien determined as of the Closing Date, shall be reimbursed by Seller within 10 days of receipt of notice.

14. No Commissions or Finder's Fees. Seller and Buyer each warrant to the other party that no broker or finder can properly claim a right to a commission or finder's fee based

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upon contacts between the claimant and the warranting party with respect to the other party or the Property. Seller and Buyer shall indemnify, defend and hold the other party harmless from and against any loss, cost or expense, including, but not limited to, attorneys' fees and court costs, resulting from any claim for a fee or commission by any broker or finder in connection with the Property and this Agreement resulting from the indemnifying party's actions.

15. Closing Costs. Closing Costs shall be shared as follows:

(a) Seller shall pay for transfer taxes on the deed, the premium on a California Land Title Association Owner's Policy of Title Insurance in the amount of the Purchase Price, and one half of the Escrow Fees.

(b) Buyer shall pay for all other Closing Costs.

(c) Except as provided herein, each Party will pay its own legal fees and costs incurred in this Transaction.

16. Vesting of Title. Buyer shall advise Escrow Holder prior to the close of escrow of the manner in which title shall vest.

17. Delivery of Possession. Seller shall deliver possession of the Property to Buyer immediately on the close of Escrow free and clear of all uses and occupancies, subject to the existing vineyard lease.

18. Closing. As used herein, the following terms shall have the following meanings: (a) the "Closing" shall mean the closing of the Transaction, including, without limitation, the recordation of the Grant Deed in the Official Records of Riverside County, California (the "Official Records"); (b) the "Closing Date" shall mean the date upon which the Closing actually occurs; and (c) the "Closing Statement" shall mean the reconciliation statement prepared by Escrow Holder showing the receipt, allocation, proration and distribution of Escrow funds at the time of Closing.

18.1 Deliveries by Seller. On or before the Closing Date, Seller, at its sole cost and expense, shall deliver or cause to be delivered into Escrow the following documents and instruments, as applicable, each dated as of the Closing Date, in addition to all other items and payments required by this Agreement to be delivered by Seller at the Closing:

18.1.1 Grant Deed. An original executed and acknowledged Grant Deed conveying the Real Property from Seller to Buyer, in the form of the specimen contained in Exhibit "E," attached hereto and incorporated herein by this reference.

18.1.2 Non-Foreign Affidavit. An original executed Non-Foreign Affidavit from Seller, in the form of the specimen contained in Exhibit "D," attached hereto and incorporated herein by this reference.

18.1.3 Assignment. Four (4) original executed counterparts of the Assignment, executed by Seller, in the form of the specimen contained in Exhibit "C," attached hereto and incorporated herein by this reference, transferring the Intangible Property to Buyer.

18.1.4 Proof of Authority. Such proof of Seller's authority and authorization to enter into this Agreement and the Transaction and such proof of the power and authority of the individual(s) executing or delivering any instruments, documents or certificates on behalf of Seller to act for and bind Seller as may be reasonably required by Title Company, Buyer, or both; and

18.1.5 Other. Such other documents and instruments (including, without limitation, affidavits reasonably required by Title Company to facilitate the issuance of the Owner's Title Policy at the Closing prior to the recordation of the Grant Deed), signed and properly acknowledged by Seller, if appropriate, as may be reasonably required by Buyer, Title Company, Escrow Holder, or otherwise in order to effectuate the provisions of this Agreement and the Closing of the Transaction.

18.2 Deliveries by Buyer. On or before the Closing Date, Buyer, at its sole cost and expense, shall deliver or cause to be delivered into Escrow the following funds, documents and instruments, each dated as of the Closing Date, in addition to the other items and payments required by this Agreement to be delivered by Buyer at the Closing:

18.2.1 Funds. Immediately available funds in the amount of the Purchase Price less the Option Consideration, plus such additional funds as may be necessary to close Escrow;

18.2.2 Proof of Authority. Such proof of Buyer's authority and authorization to enter into this Agreement and the transactions contemplated hereby, and such proof of the power and authority of the individual(s) executing or delivering any instruments, documents or certificates on behalf of Buyer to act for and bind Buyer as may be reasonably required by Title Company, Seller, or both;

18.2.3 Other. Such other documents and instruments, signed and properly acknowledged by Buyer, if appropriate, as may be reasonably required by Seller, Title Company, Escrow Holder, or otherwise in order to effectuate the provisions of this Agreement and the Closing of the Transaction.

19. Actions by Escrow Holder. Provided that Escrow Holder shall not have received written notice from Buyer or Seller of the failure of any condition to Closing or of the termination of Escrow and this Agreement, when Buyer and Seller have deposited into Escrow the documents and funds required by this Agreement and when Title Company is irrevocably and unconditionally committed to issue the Owner's Title Policy effective as of the Closing Date, Escrow Holder shall, in the order and manner herein below indicated, close Escrow by taking the following actions:

19.1 Recording. Cause to be recorded in the Official Records the Grant Deed and any other documents which the Parties hereto may mutually direct to be so recorded and obtain conformed copies thereof for distribution to Buyer and Seller.

19.2 Funds. Upon receipt of confirmation of the recordation of the Grant Deed, disburse all funds as follows:

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(a) Charge Seller with costs and expenses to be charged to Seller in accordance with this Agreement and a Closing Statement that Seller shall have approved in writing and disburse the balance of the Purchase Price to Seller by Wire Transfer in accordance with wire instructions that Seller shall provide to Escrow Holder prior to Closing.

(b) Disburse the balance of the funds in the Escrow to Buyer in accordance with instructions that Buyer shall provide to Escrow Holder prior to Closing.

19.3 Delivery of Documents. Deliver: (a) to Seller: (i) two originals of the Assignment, and (ii) one conformed copy of the recorded Grant Deed and (b) to Buyer: (i) the original recorded Grant Deed, (ii) two originals of the Assignment, (iii) the original Non-Foreign Affidavit, and (iv) issue and deliver the Owner's Title Policy to Buyer.

20. As-Is Purchase. Buyer acknowledges that in all respects and for all purposes, Buyer is purchasing the Property on an "As Is, Where Is, With All Faults" basis, that Buyer is relying solely on Buyer's own investigation in deciding whether to close Escrow, and that no representations or warranties of any kind whatsoever, express or implied, have been made by Seller, Seller's agents, attorneys or brokers, including without limitation, (i) the quality, nature, adequacy and physical condition of the Property, including soils, geology, and any groundwater, (ii) the existence, quality, nature, adequacy and physical condition of utilities serving the Property, (iii) the development potential of the Property, and the Property's use, merchantability, or fitness, suitability, value or adequacy of the Property for any particular use, (iv) the zoning or other legal status of the Property or any other public or private restrictions on use of the Property, (v) the compliance of the Property or its operation with any applicable codes, laws, including, but not limited to, all Environmental Laws, regulations, statutes, ordinances, covenants, conditions and restrictions of any governmental entity or of any other person or entity, (vi) the presence of Contaminants or Contamination on, under or about the Property or the adjoining or neighboring property, (vii) the condition of title to the Property, and (viii) the economics of development of the Property. Buyer further acknowledges that any acts of Seller or Seller's representatives in disclosing the status of current entitlements and risks was and is meant to assist Buyer in its due diligence investigation, but in all events does not constitute a warranty as to the accuracy of such disclosures and that Buyer has the opportunity to verify to its own satisfaction the current entitlements and risks associated with this Property and Buyer's proposed development plans. Buyer further acknowledges that as of the close of Escrow, Buyer will be aware of all zoning regulations, other governmental requirements, site and physical conditions, and other matters affecting the use and condition of the Property and shall purchase the Property in the condition that it is in on the Closing Date. Buyer's performance of the acts necessary for Escrow to close constitutes Buyer's unqualified and irrevocable waiver of all conditions precedent and concurrent to Closing.

21. Seller's Negative Covenants. Seller covenants that between the Effective Date and the Closing Date (or the date of earlier termination hereof, if applicable):

21.1 Title. Seller shall not directly or indirectly sell, contribute, assign or create any right, title or interest whatsoever in or to the Property, or create or permit to exist thereon any lien, charge or encumbrance other than the applicable Permitted Exceptions, or enter into any agreement to do any of the foregoing, without the prior written consent of Buyer.

Notwithstanding, Buyer agrees that certain rights, agreements and easements may be approved or committed in connection with Seller's pursuit of certain applications and permits and such approvals or commitments shall not be a violation of this Section.

21.2 Entitlements. Seller shall not take any action which would materially alter the Intangible Property, including, without limitation, the entitlements with respect to the proposed development of the Property, without the prior written consent of Buyer (which consent may be granted or withheld in Buyer's sole and absolute discretion). Notwithstanding the foregoing, Buyer acknowledges that Seller is continuing and will be continuing to pursue certain applications and permits which may alter, enhance or modify existing rights and obligations. Seller will continue to keep Buyer informed of the all such actions and prior to the expiration of the Option Term will report to Buyer of the status of such applications and permits. Without Buyer's consent, which will not be unreasonably withheld, Seller shall take no further action with respect to such applications and permits between the end of the Option Term and the Closing. If Buyer objects to any action taken by Seller during the Option Term, its sole remedy shall be to deliver a Notice of Cancellation.

21.3 Notice of Change of Circumstances. Seller shall promptly notify Buyer of any change (collectively, the "Changes") in any condition with respect to the Property or any portion thereof or of any event or circumstance of which Seller obtains knowledge subsequent to the Effective Date which (a) materially affects the Property or any portion thereof, or the intended use or operation of the Property or any portion thereof, or (b) makes any material covenant or agreement of Seller under this Agreement incapable or substantially less likely of being performed.

21.4 No Defaults; Maintenance of Property. Seller shall not default with respect to the performance of any material obligation relating to the Property, including without limitation, the payment of all amounts due and the performance of all obligations with respect to any existing indebtedness or contracts affecting the Property. Seller shall operate and maintain the Property in accordance with Seller's past practice and all applicable laws, rules and regulations affecting the Property or any portion thereof.

21.5 Service, Management and Employment Contracts. Seller shall not enter into any new service, property management or employment contract or extend, renew or replace any existing service, property management or employment contract in respect of the Property without Buyer's prior written consent (which consent shall not be unreasonably withheld), unless the same shall be cancelable without penalty or premium, upon not more than thirty (30) days' notice from the owner of the Property.

22. Assignment. The provisions of this Agreement shall survive recordation of the Grant Deed and close of Escrow and shall inure to the benefit of Buyer and Seller and shall be binding upon the successors and assigns of the parties hereto. Buyer shall not assign this Agreement without the consent of Seller, which consent shall not be unreasonably withheld upon submission of an application for such consent together with such written information concerning the proposed assignee. Buyer shall furnish Seller with additional information regarding the assignment and the assignee, as Seller shall reasonably request. ~~Notwithstanding the foregoing, Buyer shall have the right to assign this Agreement without Seller's consent to an entity~~

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~~controlled by or under common control with Buyer. Upon any assignment, the assignee shall assume, in writing, all of the obligations hereunder of the assignor and Seller shall be provided with a copy of such assignment and assumption prior to Closing. No assignment shall relieve Buyer of its obligations hereunder.~~

23. Time of Essence. Time is of the essence of this Agreement and every provision hereof. Except where otherwise stated, all references to days are to calendar days. Whenever under the terms of this Agreement the time for performance of a covenant or condition falls on a day other than a Business Day, such time for performance shall be extended to the next Business Day.

24. Notices. Any notice to any of the Parties required or permitted under this Agreement shall be delivered by facsimile transmission together with delivery by a nationally recognized "overnight" delivery service, addressed to the other Party as follows:

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To Seller: Raymond E. Plots, President
Travertine Corporation
c/o Warren Fuller, Esq.
Fuller & Berres
69 So. Barrington Road
So. Barrington, IL 60010
Fax: (847) 381-6518

With Copy To: Steven W. DeLateur, Esq.
McDermott & DeLateur, LLP
74-770 Highway 111, Suite 201
Indian Wells, CA 92210-9068
Fax: (760) 346-8255

William R. Mackey, Esq.
Heller Ehrman White and McAuliffe, LLP
333 Bush Street
San Francisco, CA 94104
Fax: 415-772-6268

To Buyer: Brian Adler, President
B.D. Adler, Inc.

With Copy To: Myron Meyers, Esq.
Slovak Baron & Empey LLP
1800 East Tahquitz Canyon Way
Palm Springs, CA 92262
Fax: (760) 322-2107

The facsimile transmission shall be made on or before 4:00 p.m. Pacific Daylight Time on a business day only. All notices served in the above manner shall be considered sufficiently given or served for all purposes under this Agreement on the same business day as the facsimile transmission is made with confirmed answer back.

25. Entire Agreement and Amendment. This Agreement and the attached Exhibits constitute the entire agreement between the Parties relating to the sale of the Property. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement

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are of no force and effect. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by Buyer and Seller.

26. Attorneys' Fees. If any action, proceeding, or arbitration arising out of or relating to this Agreement is commenced by either Party to this Agreement or by the Escrow Holder, then as between Buyer and Seller, the prevailing Party shall be entitled to receive from the non-prevailing Party, in addition to any other relief that may be granted, reasonable attorneys' fees, costs, and expenses incurred in the action, proceeding, or arbitration.

27. Binding Effect. This Agreement shall be binding on and inure to the benefit of the Parties to this Agreement and their heirs, personal representatives, successors, and permitted assigns, except as otherwise provided in this Agreement.

28. Governing Law. This Agreement and the legal relations between the Parties shall be governed by and construed in accordance with the laws of the State of California.

29. Headings. The headings of this Agreement are inserted for convenience only. They do not constitute part of this Agreement and shall not be used in its construction.

30. Recitals Incorporated. The above stated Recitals contain important background facts and are hereby made a part of this Agreement.

31. Waiver. The waiver by any Party to this Agreement of a breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other provision of this Agreement.

32. Confidentiality. Buyer and Seller each agree that until the Closing, except as otherwise provided herein or required by law and except for the exercise by Buyer or Seller of any remedy hereunder, each shall (a) keep confidential the pendency of this Transaction and the documents and information supplied by Seller to Buyer, and (b) disclose such information only to each Party's agents, employees, contractors, consultants, advisors, investment bankers, investors, partners or attorneys, as well as lenders (if any) and title company personnel, with a need to know, provided that each Party shall inform all persons receiving such information of the confidentiality requirement and (to the extent within each Party's control) cause such confidence to be maintained. Disclosure of information by Buyer and Seller shall not be prohibited if that disclosure is of information that is or becomes a matter of public record or public knowledge as a result of the Closing of this Transaction or from sources other than Buyer or Seller and their respective agents, employees, contractors, consultants or attorneys.

33. Condemnation. If, prior to the Closing, all or any "Material Portion" (as hereinafter defined) is taken by condemnation or eminent domain (or is the subject of a pending or contemplated taking which has not been consummated), Seller shall immediately notify Buyer of such fact. In such event, Buyer shall have the option to terminate this Agreement upon written notice to Seller given not later than thirty (30) days after Buyer's receipt of such notice from Seller. Upon such termination, the Parties shall equally share the cancellation charges, if any, of Escrow Holder and Title Company, and neither Party shall have any further rights or obligations hereunder, other than pursuant to any provision hereof which expressly survives the termination of this Agreement. If Buyer does not elect or has no right to terminate this

Agreement, Seller shall assign and turn over to Buyer, and Buyer shall be entitled to receive and keep, all awards for the taking by condemnation and Buyer shall be deemed to have accepted the Property subject to the taking without reduction in the Purchase Price. As used herein, the term "Material Portion" shall mean any portion having a value in excess of \$5,000,000 (Five Million Dollars) and any portion which, in Buyer's reasonable belief, has a material adverse impact on Buyer's ability to develop the Property as entitled.

34. Definitions. In addition to definitions of terminology appearing elsewhere in the Agreement, Buyer and Seller agree that the following words and phrases shall have the indicated meanings:

34.1 Buyer's Due Diligence: Collectively, all of the investigations, inspections, determinations, evaluations, and other activities and analyses performed by Buyer in respect of the Real Property, the Intangible Property, and any and all Government permits and water rights.

34.2 Contaminants or Contamination: Any substance or waste containing hazardous substances, pollutants or contaminants as those terms are defined, designated, classified or listed in the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Sec. 9601, et seq., as amended ("CERCLA") and the regulations promulgated thereunder, and any other substance or waste similarly defined, designated, classified, listed or identified in any other Environmental Laws. This definition specifically includes asbestos-containing material, petroleum, and any fraction thereof, petroleum-based products and polychlorinated biphenyls ("PCBs").

34.3 Environmental Laws. All applicable federal, state, and local laws, regulations and ordinances or binding determinations of any Governmental authority governing the manufacture, import, use, handling, storage, transport, processing, release or disposal of substances or wastes deemed hazardous, toxic, dangerous or injurious to public health or to the environment or relative to air quality, water quality, solid waste management, hazardous waste management, hazardous or toxic substances or the protection of human health or the environment, including, but not limited to CERCLA, the Hazardous Material Transportation Act (49 U.S.C. Sec. 1801 et seq.), the Federal Water Pollution Control Act (33 U.S.C. Sec. 1251, et seq.), The Resource Conservation and Recovery Act of 1976 (42 U.S.C. Sec. 6901 et seq.) ("RCRA"), the Clean Air Act (42 U.S.C. Sec. 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.), and the Federal Insecticide, Fungicide, Rodenticide Act (7 U.S.C. Sec. 136 et seq.), and the Atomic Energy Act of 1954 (42 U.S.C. Sec. 2011 et seq.), as each of these laws have been amended through the Closing Date, and any analogous state or local statutes and the regulations promulgated pursuant thereto.

34.4 Government. The government of the United States of America, any political subdivision of, or any subdivision of any such subdivision of, the United States of America (including, without limitation, the State of California, County of Riverside, and any state, commonwealth, territory, federal district, municipality or possession) and any department, agency, or instrumentality thereof; and "Governmental" means of, by, or pertaining to, any Government.

35. Insurance. Seller shall cancel all policies of insurance on the Property as of the Closing Date. Buyer shall be responsible for obtaining insurance on the Property as of the Closing Date.

36. Exclusive Negotiations. During the Option Term, Seller shall continue to have the right to communicate with third parties concerning the possible purchase and sale of the Property. However, Seller shall not execute any binding agreement to sell the Property to any third party during the Option Term so long as Buyer is not in breach of this Agreement.

37. Expenses. Subject to the exceptions set forth above, any provision for payment of Closing Costs in accordance with the terms of Section 15 hereof and any other provision of this Agreement, all fees and expenses incurred by any Party hereto in connection with this Agreement shall be borne by such Party whether or not the Transaction shall be consummated.

38. Severability. Any provision or part of this Agreement which is invalid or unenforceable in any situation in any jurisdiction shall, as to such situation and such jurisdiction, be ineffective only to the extent of such invalidity and shall not affect the enforceability of the remaining provisions hereof or the validity or enforceability of any such provision in any other situation or in any other jurisdiction.

39. Counterparts. This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, and by the different Parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same instrument.

40. Further Cooperation. In addition to the actions recited herein and contemplated to be performed, executed, and/or delivered by Seller and Buyer, Seller and Buyer agree to perform, execute and/or deliver or cause to be performed, executed and/or delivered at or after the Closing any and all such further acts, instruments, deeds and assurances as may be reasonably required to consummate the Transaction.

41. Enforceability of Agreement. This Agreement shall not become binding and shall have no force and effect whatsoever until such time as it has been fully executed by all of the Parties hereto, except that the signature of Seller's Secretary/Treasurer shall be deemed full execution of this Agreement by Seller for purposes of the Effective Date.

42. Jointly Drafted. It is agreed between the Parties that this Agreement was jointly negotiated and jointly drafted by the Parties and their respective counsel, and that it shall not be interpreted or construed in favor or against either Party solely on the ground that said Party drafted the Agreement.

43. Number and Gender. Whenever the singular number is used, and when required by the context, the same includes the plural, and the masculine gender includes the feminine and neuter genders.

44. Business Days. As used herein, the term "Business Day" shall mean a day that is not a Saturday, Sunday or legal holiday. In the event that the date for the performance of any

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payment or obligation under this Agreement shall fall on a Saturday, Sunday or legal holiday, the date for performance thereof shall be extended to the next Business Day.

43. Termination of Prior Issues. Upon receipt by Seller's Bank of the Option Confirmation, Seller and Buyer shall confirm and cancel associated transactions to cancel Executive Mkt. M&I-12-4448 (200) currently pending at PATCO and mutually release all claims of the parties in connection with that account.

44. Authority to Execute. All persons signing this Agreement in a representative capacity warrant that they have full authority to bind the Party or Parties on whose behalf they are signing.

DATE: _____, 2004
THOMAS CORPORATION,
a Missouri corporation

By: 
Raymond E. Fols, President

By: 
Raymond E. Fols,
Secretary/Treasurer

DATE: _____, 2004
E.D. ADLER, INC.,
a California corporation

By: _____
Erick Adler, President

By: _____
Name:
Title:

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covenant or obligation under this Agreement shall fall on a Saturday, Sunday or legal holiday, the date for performance thereof shall be extended to the next Business Day.

45. Termination of Prior Escrow. Upon receipt by Seller's Bank of the Option Consideration, Seller and Buyer shall execute mutual escrow cancellation instructions to cancel Escrow No. RRI-152446 (DD) currently pending at FATCO and mutually release all claims of the parties in connection with that escrow.

46. Authority to Execute. All persons signing this Agreement in a representative capacity warrant that they have full authority to bind the Party or Parties on whose behalf they are signing.

SELLER:

DATE: _____, 2004
Travertine Corporation,
a Minnesota corporation

By: _____
Raymond E. Ploie, President

By: _____
Warren R. Fuller,
Secretary/Treasurer

BUYER:

DATE: Oct 8th, 2004
B.D. Adler, Inc.,
a California corporation

By: Brian Adler
Brian Adler, President

By: BRIAN ADLER
Name:
Title: PRES.

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EXHIBIT A

Real Property

FAX NO. 1

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EXHIBIT B
Notice of Cancellation

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EXHIBIT C
Assignment of Intangibles

EXHIBIT D**Non Foreign Affidavit****AFFIDAVIT OF NON-FOREIGN STATUS**

To inform _____ ("Buyer"), that withholding of tax under Section 1445 of the Internal Revenue Code of 1986, as amended ("Code"), will not be required upon the transfer of certain real property by Travertine Corporation, a Minnesota corporation ("Seller"), to Buyer, the undersigned hereby certifies the following on behalf of Seller:

1. Seller is not a foreign corporation, foreign partnership, foreign trust, foreign estate or foreign person (as those terms are defined in Section 1445(f)(iii) of the Code and the Treasury Regulations promulgated thereunder);
2. Seller's U.S. taxpayer identification number is 41-1646470.
3. Seller's address is 74-770 Highway 111, Suite 201, Indian Wells, California 92210.

Seller understands that this Affidavit may be disclosed to the Internal Revenue Service by Buyer and that any false statement contained therein could be punished by fine, imprisonment or both.

Under penalty of perjury, the undersigned hereby declares that the undersigned has examined this Affidavit and, to the best of the undersigned's knowledge and belief, it is true, correct and complete, and the undersigned further declares that the undersigned has authority to sign this document.

Dated: _____, 2004

TRAVERTINE CORPORATION,
a Minnesota corporation

By: _____
Name: Raymond Plote
Title: President

EXHIBIT E

Grant Deed

Assessor's Parcel No:
RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

MAIL TAX STATEMENTS TO:

[Space above for Recorder's use only]

The undersigned grantor declares:
Documentary transfer tax is shown on a separate sheet attached to this deed and is not a part of
the public record.

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby
acknowledged, TRAVERTINE CORPORATION, a Minnesota corporation, HEREBY GRANTS
to _____, all that real property partly in the City of La Quinta, County
of Riverside, and partly in the unincorporated area of the County of Riverside, State of
California, described as follows:

**SEE EXHIBIT A ATTACHED HERETO AND BY THIS REFERENCE
INCORPORATED HEREIN.**

This conveyance is made subject to all liens and encumbrances of record.

Date: _____

GRANTOR:

TRAVERTINE CORPORATION,
a Minnesota corporation

BY: _____

Raymond Plote

EXHIBIT F**License Agreement****LICENSE AGREEMENT**

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Travertine Corporation ("Licensor"), hereby grants to _____ ("Licensee"), for the purposes hereinafter set forth and for such purposes only, a non-exclusive license to enter the property described in that certain Option and Purchase Agreement (the "Option Agreement") between Licensor and B.D. Adler, Inc. (the "Licensed Premises").

The license herein granted shall be used by licensee for, and only for, the purpose of necessary or appropriate investigations and tests under and pursuant to the Option Agreement and the Term hereof shall extend from the Effective Date as defined in the Option Agreement to the earlier to occur of the termination of the Agreement or the Closing of the sale.

In the exercise of its rights pursuant to this License Agreement, Licensee shall avoid any damage or interference with any installations, structures or improvements on the Licensed Premises, or the property of adjacent landowners, and the representatives, agents, contractors and tenants, of any of them.

Licensee, its contractors, agents, employees and servants shall have the right of reasonable ingress and egress to the Licensed Premises subject to the uses which Licensor and others are making thereof, and of the Licensed Premises, with the specific understanding that Licensee shall be responsible for any damage suffered by Licensor and others as a result of Licensee's exercise of the rights herein granted subject to the terms and conditions herein set forth.

Licensee's interest in the Licensed Premises shall be subject to all matters and conditions of record and to the following terms and conditions to which Licensee, by and through Licensee's execution hereof, agrees:

1. Before entering any of the Licensed Premises, Licensee shall give Licensor at least twenty-four (24) hours' written notice, specifying the dates and hours of such entry. Such notice shall be effective when received.

Should Licensee contemplate any drilling, testing, excavation or disturbance of the soil on the Licensed Premises, before any entry for such purposes Licensee shall advise Licensor in writing of precisely what it or its contractors or consultants intend to do. Licensee shall not enter upon the Licensed Premises until Licensor shall have given its written approval to such entry and the described activity and the contractor(s) involved, which approval shall not be unreasonably withheld or delayed. A failure of Licensor to respond to a request for approval within two (2) business days shall be deemed an

approval of the request. Licensor shall have the right to impose such conditions upon its consent as shall be reasonably necessary to protect Licensor and the Licensed Premises with respect to such intrusion, which condition will require that Licensee remove or otherwise dispose of, in accordance with law, any soil extracted from the Licensed Premises.

2. When using the Licensed Premises, Licensee shall have in effect (or require its consultants or contractors having personnel on the Licensed Premises to have in effect) insurance as required by the Option Agreement

3. Licensee, in the exercise of the rights granted to Licensee hereunder, will not hinder nor interfere with the business and activities of Licensor, the owners of proximate land, or the tenants, subtenants and other licensees of any of them, or damage or interfere with any utilities or other facilities installed by Licensor or by any other person or entity to whom Licensor has heretofore conveyed or may, with adequate notice to Licensee, hereafter convey easements or other rights in or with respect to the Licensed Premises. Licensee shall make adequate provisions, as reasonably required by the nature of Licensee's activities, for the safety and convenience of all persons using, or structures occupying, the Licensed Premises.
4. Licensee shall not construct, erect, maintain or permit any permanent structure, installation, facility or obstruction of any kind on or above the surface of the ground of the Licensed Premises.
5. All costs and expenses incurred by Licensee in connection with Licensee's activities pursuant to this License Agreement shall be borne by Licensee.
6. Upon the completion of the Term of this License Agreement, Licensee, at its sole expense, shall in relation to use by Licensee or work performed by Licensee or its agents restore the surface of the Licensed Premises to substantially the same condition existing prior to such work.
7. Licensee shall defend, indemnify and save harmless Licensor the officers, directors and employees of Licensor ("Indemnitees") from and against any loss, expense (including reasonable attorneys' fees) or damage incurred or suffered by Indemnitees by reasons arising out of, caused (in whole or part) by, or connected with Licensee's entry upon the Licensed Premises, except to the extent such loss, expense or damage is caused by the willful act or the active negligence of any Indemnitee. This indemnity shall not extend to pre-existing Hazardous Materials, as defined in the Agreement, except to the extent that Licensee is the cause of a release thereof.
8. Licensee shall use its best efforts to not permit or suffer any lien to be put upon or arise or accrue against any part of the Licensed Premises in favor of any parties furnishing labor or material to Licensee. Licensee shall hold Licensor, the Licensed Premises, free from and against any and all liens, or rights or claims thereof that may or might accrue under or be based upon any mechanic's lien law, now in force or hereafter to be enacted,

resulting from Licensee's entry upon of the Licensed Premises, and shall cause the same to be released or bonded over to Licensor's satisfaction.

9. Licensee covenants and agrees that Licensee does not and shall not claim at any time any interest or estate of any kind or nature whatsoever in the Licensed Premises by virtue of this License or Licensee's occupancy or use thereunder.
10. Waiver by Licensor of any breach of any term or provision of this Agreement shall not be deemed a waiver of any subsequent breach of the same or any other term or provision hereof.
11. Licensor shall have no responsibility, liability or obligation to Licensee with respect to any property of Licensee or its agents or contractors at or in the Licensed Premises, it being acknowledged and understood by Licensee that the safety and security of any such property is the sole responsibility and risk of Licensee.
12. Except as set forth in the Agreement, Licensee acknowledges and agrees that Licensor has made no representations or warranties to Licensee regarding the Licensed Premises or its suitability for Licensee's purposes.
13. Licensee agrees not to use nor permit use of the Licensed Premises for the storage of ultra-hazardous materials, such as explosives.
14. The termination of this License Agreement shall not affect any rights, claims or cause of action based (in whole or in part) on rights hereunder and events occurring prior to the termination, all of which shall survive the termination.

It is agreed by and between Licensor and Licensee that the license granted pursuant to this License Agreement is personal to Licensee and the privileges appurtenant thereto shall not inure to the successors or assigns of Licensee (other than to permitted assignees of Licensee's interest under the Real Property Sale Agreement) without the prior written consent of Licensor.

IN WITNESS WHEREOF, this License Agreement is executed as of the _ day of
, 2004.

LICENSOR:
TRAVERTINE CORPORATION

BY: _____

LICENSEE:

By: _____
Its: _____

DECLARATION

I, RAYMOND E. PLOTE, hereby declare:

1. I am one of the two principals of Travertine Corporation. The other principal is Kenneth Hofmann.
2. For a long period of time, Ken and I met and talked with Brian Adler. Brian was trying to put together a group of investors to invest capital to develop a large parcel of land in La Quinta, California owned by Travertine Corporation.
3. In mid-2004, we entered into a contract with Brian to purchase this property since he had a group of investors ready to invest the capital to develop the property (the deal fell through).
4. We have no idea why the purchase contract listed B.D. Adler, Inc. as the purchaser of the property. It was our understanding throughout the process, and after the contract was executed, that the buyer of the property would be a new entity to be personally organized by Brian.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed at EAST DUDDER, Illinois on February 25, 2013.



RAYMOND E. PLOTE