

RE-RECORDED IN ORDER TO ADD
OMITTED EXHIBITS A and B.

MAY 19 1993 4/17

MAY 30 1991

P
2

When recorded return to:
Streich Lang
2100 First Interstate Bank Plaza
100 W. Washington Street
Phoenix, Arizona 85003-1897
Attn: Bruce B. May

708123



FEE # 210510351
OFFICIAL RECORDS
COCHISE COUNTY
DATE 05/30/91 HOUR 8

REQUEST OF
PIONEER TITLE AGENCY
CHRISTINE PHODES-RECORDER
FEE : 13.00 PAGES : 3

Amendment to Lease
and Management Agreement

By this Agreement entered into this 8th day of April, 1991,
City of Douglas, a municipal corporation, (the "City") and the
Industrial Development Authority of the City of Douglas, an Arizona
corporation (the "IDA") hereby state, confirm and agree as follows:

1. Recitals

1.1 The City and IDA entered into that Lease, dated
August 15, 1978, and recorded September 5, 1978 in Docket 1268,
page 426 in the records of Cochise County, Arizona (the "IDA
Lease") covering, in addition to other adjoining real property,
that real property described in Exhibit "A" attached hereto and
incorporated herein by this reference (the "Sale Property").

1.2 The City and the Economic Development Administration
of the United States of America (the "EDA") entered into that
Property Management Agreement, dated November 26, 1979 and recorded
February 5, 1980, Docket 1397 and re-recorded June 4, 1980 at
Docket 1426, page 339, records of Cochise County, Arizona (the
"Management Agreement"). The IDA is the successor to the EDA and
exercises all rights thereof under the Management Agreement.

1.3 The City is conveying the Sale Property to Phelps
Dodge Corporation, a New York corporation ("Phelps Dodge") together
with certain access, utility and signage easements (the
"Easements") as more particularly set forth in that Special
Warranty Deed and Signage and Access Easement to Phelps Dodge dated
April 26, 1991, a copy of which is attached hereto as Exhibit "B"
(the "Deed").

1.4 The parties hereto desire and intend to terminate
the IDA Lease and Management Agreement as respects the Sale
Property and subordinate the interests of the parties in the IDA
Lease and Management Agreement to the Easements.

2. Termination and Subordination

The City and IDA hereby terminate the IDA Lease and
Management Agreement as respects the Sale Property and subordinate
the terms and conditions of the IDA Lease and Management Agreement
and interests of the parties therein to the Easements. The City

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and IDA hereby agree that Phelps Dodge shall own the Sale Property and shall exercise all rights in and to the Easements free and clear of the IDA Lease and Management Agreement.

IN WITNESS WHEREOF the parties hereto executed these presents on the day and year hereinabove set forth.

City of Douglas
a municipal operation

By Elizabeth W. Ames
Its Mayor

The Industrial Development Authority
of the City of Douglas, an Arizona
Corporation

By McDonald
Its President

State of Arizona)
County of Cochise)ss

The foregoing instrument was acknowledged before me this 9th
day of April, 1991, by ELIZABETH W. AMES the MAYOR
of THE CITY OF DOUGLAS, a municipal organization, on behalf of said
organization.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Steven D. Parks
Notary Public

My commission expires:

January 15, 1992



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REQUEST OF
PIONEER TITLE AGENCY
CHRISTINE RHODES-RECORDER
FEE : 20.00 PAGES : 15

FEE # 930513089
OFFICIAL RECORDS
COCHISE COUNTY
DATE 05/19/93 HOUR 4

State of Arizona)
)ss
County of Cochise)

The foregoing instrument was acknowledged before me this
5th day of April, 1991, by ABEL D. TELLEZ the
PRESIDENT of THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE
CITY OF DOUGLAS, an Arizona corporation, on behalf of said
corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

OFFICIAL SEAL
SOCORRO A. VARELA
Notary Public - State of AZ
COCHISE COUNTY
My Commission Expires Nov. 13, 1992

Socorro A. Varela
Notary Public

My commission expires:

November 13, 1992

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EXHIBIT "A"

DESCRIPTION

The surface to a depth of 500 feet of that parcel of land situated in the Northwest quarter of Section 13, Township 24 South, Range 27 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, described as follows:

BEGINNING at the Northwest corner of said Section 13;

thence South 00° 54' 38" West measured (South 00° 30' West of record) along West line of said Section 13, a distance of 453.17 feet;

thence South 89° 05' 22" East measured (South 89° 30' East of record), 33.00 feet to a point in a line parallel with and distant 33.0 feet Easterly, measured at right angles, from said West line of Section 13, being the Westerly line of land described in said Deed and the TRUE POINT OF BEGINNING of the parcel of land to be described;

thence South 00° 54' 38" ~~West~~ ^{EAS} measured (South 00° 30' West of record) along said parallel line, 839.25 feet to the Northwest corner of land described in deed dated February 4, 1975, from Southern Pacific Transportation Company to H&I Enterprises, Inc., et al;

thence South 73° 07' 22" West measured (South 73° 32' East of record) along the Northerly line of land described in last said deed and the Easterly prolongation thereof, 1058.00 feet measured (1033.09 feet of record) to the Southwest of that parcel of land described in Document No. 8603-04692, ~~430.00 feet measured~~ ^{430.12 feet of record}

thence North 16° 52' 38" East measured (North 16° 27' 15" East of record) along the Westerly line of said parcel of land described in Document No. 8603-04692; a distance of 430.00 feet measured (430.12 of record);

thence North 73° 07' 22" West measured (North 73° 32' West of record) 637.61 feet;

thence North 16° 52' 38" East measured (North 16° 27' 15" East of record) 429.94 feet to the Northerly line of parcel deeded to City of Douglas in Docket 1219, page 504;

thence North 73° 07' 22" West measured (North 73° 32' West of record) 665.00 feet, more or less, to the Point of Beginning.

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EXHIBIT "B"

When Recorded, Return to:

Streich Lang
2100 First Interstate Bank Plaza
100 West Washington
Phoenix, Arizona 85003-1897
Attn: Bruce B. May, Esq.

CITY OF DOUGLAS
SPECIAL WARRANTY DEED AND SIGNAGE AND ACCESS EASEMENT
TO
PHELPS DODGE

For the consideration of Ten Dollars, and other valuable consideration, CITY OF DOUGLAS, ARIZONA (the "Grantor") hereby conveys to PHELPS DODGE CORPORATION, a New York corporation (the "Grantee"), that certain real property (the "Property") situated in Cochise County, Arizona, described more particularly in Exhibit "1" attached hereto and made a part hereof, together with the "Signage Easement" provided for below.

Grantor hereby conveys to Grantee a perpetual, non-exclusive easement over that real property outlined on Exhibit "2" attached hereto (the "Easement Property") appurtenant to the Property and that real property owned by Grantor adjacent thereto ("Appurtenant Property") for the purpose of erecting and maintaining, at locations mutually acceptable, one or more signs (at least one on each side of Park Road) advertising portions of the Appurtenant Property and such activities and undertakings as are associated therewith (the "Signage Easement"). Grantee shall be solely responsible for constructing, erecting, and maintaining its signs on the Easement Property. Grantor shall be responsible for maintaining the landscaping on the Easement Property. Grantee's signs shall be no larger than Grantor's current signs or such larger signs as it may install and shall conform to the same extent as Grantee's signs within applicable ordinances, laws, rules, and regulations.

Grantor shall provide permanent legal access for traffic and utilities to Pan American Avenue over Park Road as outlined on Exhibit "3" and hereby conveys to Grantee, its successors and assigns, a perpetual, non-exclusive easement appurtenant to the Appurtenant Property (i) over Park Road for pedestrian and vehicular access to and from Pan American Avenue and installation, repair and maintenance of such utility lines as may be located within Park Road, and (ii) over that adjoining property owned by the Grantor described on Exhibit "4" for the installation, repair and maintenance of such utility lines as may be necessary or desirable to develop the Property provided such easements are either located thereon on the date hereof or are in conformity with applicable laws, rules, and regulations and master plans reasonably acceptable to Grantor.

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Grantor also hereby reserves a permanent, non-exclusive easement over Park Road for pedestrian and vehicular traffic for that portion of the adjoining property owned by Grantor. Grantor shall maintain the improvements to Park Road in good and safe condition. On or before the first anniversary hereof, Grantor shall dedicate that portion of the Park Road on Grantor's property for use as a public right-of-way and grant such utility easements therein as may be necessary or desirable to develop the Property and accept (or join in) a dedication of that portion of Park Road on the Property. Upon such dedication, the easement reserved by Grantor over that portion of Park Road shall automatically terminate and be of no further force and effect. Grantor and Grantee shall execute any instruments evidencing such abandonment and dedication as may be necessary. Grantor shall defend, indemnify and hold Grantee harmless from any loss, liability, damages costs, expenses and fees (including reasonable attorneys' fees) arising from or in connection with Grantor's use of the easement reserved over Park Road, unless such matters are caused by the act or neglect of Grantee.

Grantor shall be liable to Grantee for the presence of any hazardous wastes, hazardous substances or other contaminants ("Hazardous Wastes") only to the extent expressly agreed to in that Exchange Agreement, dated April 10, 1991, between Grantor and Grantee. Grantor shall not be liable in any respect for the presence of Hazardous Wastes to any person, other than Grantee, acquiring any right, title or interest in any part or all of the Property.

The title and interests granted hereby shall be subject to matters set forth above and those taxes and other assessments, reservations in patents, easements, rights of way, encumbrances, covenants, conditions, restrictions, obligations, and liabilities that are enumerated in Exhibit "5" hereto and made a part hereof or that may appear of record or that may be disclosed by an inspection or survey of the properties. Notwithstanding any warranty that may be implied from the use of any phrase or word herein, Grantor makes no representations or warranties as to title with respect to the Property, except,

subject to the matters set forth above, Grantor warrants the title against the acts of the Grantor and no others.

DATED this ____ day of _____, 19__.

Approved as to Form for Grantee:

STREICH LANG

CITY OF DOUGLAS

By _____

By _____
Its _____

"GRANTOR"

ACCEPTED this ____ day of _____, 19__.

PHELPS DODGE CORPORATION,
a New York corporation

By _____
Its _____

"GRANTEE"

STATE OF ARIZONA)
County of Maricopa) ss.

This instrument was acknowledged before me this ____ day of _____, 19__, by _____, the _____ of PHELPS DODGE CORPORATION, a New York corporation, for and on behalf of the corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My commission expires:

STATE OF ARIZONA

County of Cochise

)
SS.

The foregoing document was acknowledged before me this ____ day of
____, 19____, by _____, the
of the CITY OF DOUGLAS, on behalf of the City of Douglas, Arizona.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My commission expires:

EXHIBIT "1"

DESCRIPTION

The surface to a depth of 500 feet of that parcel of land situated in the Northwest quarter of Section 13, Township 24 South, Range 27 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, described as follows:

BEGINNING at the Northwest corner of said Section 13;
thence South 00° 54' 38" West measured (South 00° 30' West of record) along West line of said Section 13, a distance of 453.17 feet;

thence South 89° 05' 22" East measured (South 89° 30' East of record), 33.00 feet to a point in a line parallel with and distant 33.0 feet Easterly, measured at right angles, from said West line of Section 13, being the Westerly line of land described in said Deed and the TRUE POINT OF BEGINNING of the parcel of land to be described;

thence South 00° 54' 38" West measured (South 00° 30' West of record) along said parallel line, 889.25 feet to the Northwest corner of land described in deed dated February 4, 1975, from Southern Pacific Transportation Company to H&I Enterprises, Inc., et al;

thence South 73° 07' 22" ^{EAST} West measured (South 73° 32' East of record) along the Northerly line of land described in last said deed and the Easterly prolongation thereof, 1053.00 feet measured (1033.09 feet of record) to the Southwest of that parcel of land described in Document No. 8603-04692;

thence North 16° 52' 38" East measured (North 16° 27' 15" East of record) along the Westerly line of said parcel of land described in Document No. 8603-04692; a distance of 430.00 feet measured (430.12 of record);

thence North 73° 07' 22" West measured (North 73° 32" West of record) 637.61 feet;

thence North 16° 52' 38" East measured (North 16° 27' 15" East of record) 429.94 feet to the Northerly line of parcel deeded to City of Douglas in Docket 1219, page 504;

thence North 73° 07' 22" West measured (North 73° 32' West of record) 665.00 feet, more or less, to the Point of Beginning.

LEGAL DESCRIPTION

That part of the Northwest Quarter of Section 13, Township 24 South, Range 27 East, Gila and Salt River Meridian, Cochise County, Arizona, more particularly described as follows:

Commencing at the Northwest corner of said Section 13;

THENCE South 00 degrees 54 minutes 38 seconds West, along the west boundary of said Section 13 and the basis for bearing, a distance of 453.17 feet;

THENCE South 89 degrees 05 minutes 22 seconds East a distance of 33.00 feet;

THENCE South 73 degrees 07 minutes 22 seconds East a distance of 2,508.12 feet to the POINT OF BEGINNING;

THENCE South 04 degrees 53 minutes 20 seconds West a distance of 187.92 feet;

THENCE South 13 degrees 07 minutes 45 seconds West a distance of 76.19 feet;

THENCE South 16 degrees 34 minutes West a distance of 86.44 feet;

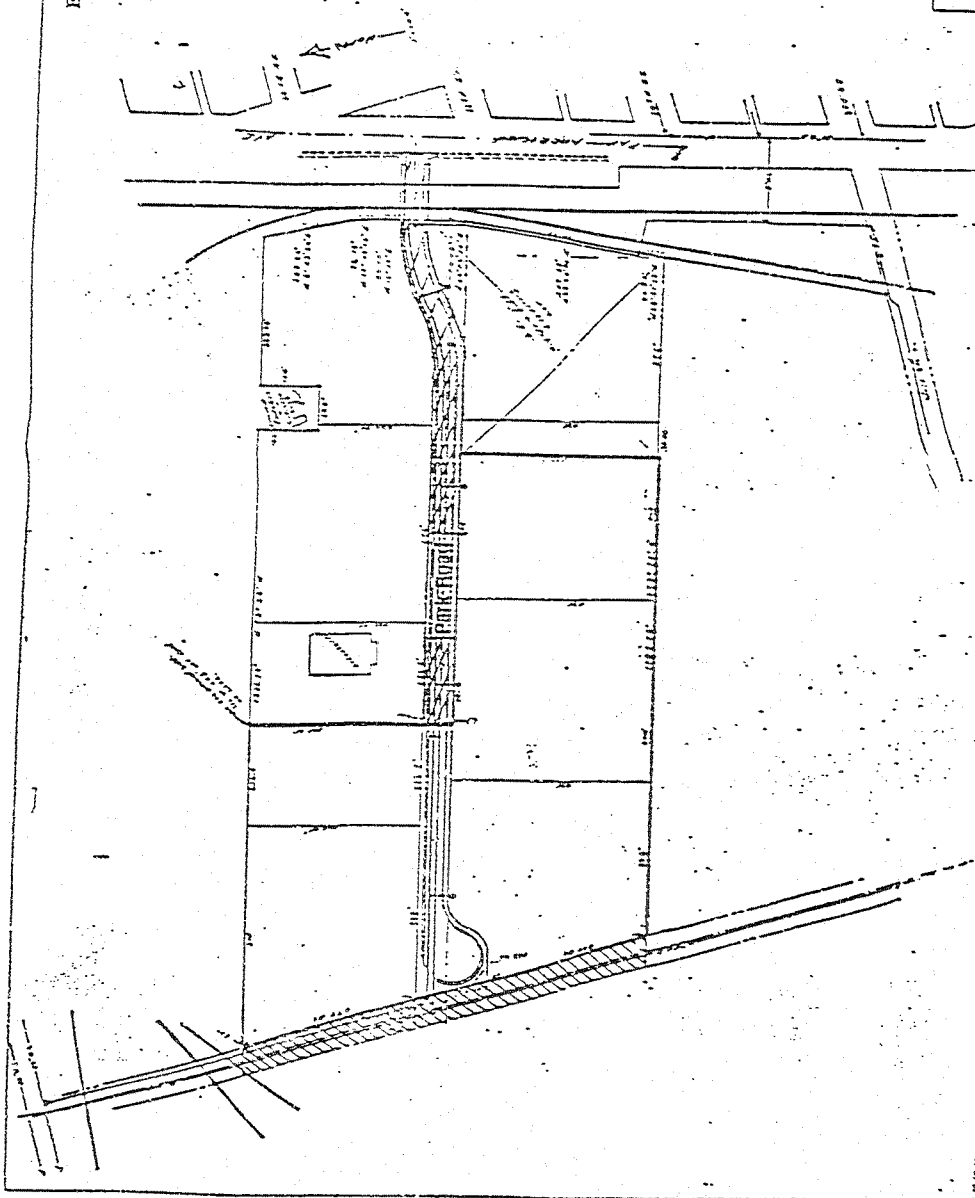
THENCE North 76 degrees 00 minutes West a distance of 75.0 feet;

THENCE North 16 degrees 52 minutes 38 seconds East a distance of 350.55 feet;

THENCE South 73 degrees 07 minutes 22 seconds East a distance of 28.0 feet to the POINT OF BEGINNING, and containing .4881 acres of land, more or less.

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EXHIBIT 3



ST. JAMES
ST. JAMES
ST. JAMES

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DESCRIPTION

Exhibit 4

The surface to a depth of 500 feet of that parcel of land situated in the Northwest Quarter of Section 13, Township 24 South, Range 27 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, described as follows:

BEGINNING at the Northwest corner of said Section 13;
 thence South 00° 30' West along West line of said Section 13, a distance of 453.17 feet;
 thence South 89° 30' East, 33.00 feet to a point in a line parallel with and distant 33.0 feet Easterly, measured at right angles, from said West line of Section 13, being the Westerly line of land described in said Deed and the TRUE POINT OF BEGINNING of the parcel of land to be described;
 thence South 00° 30' West along said parallel line, 889.25 feet to the Northwest corner of land described in deed dated February 4, 1975, from Southern Pacific Transportation Company to H&I Enterprises, Inc., et al;
 thence South 73° 32' East along the Northerly line of land described in last said deed and the Easterly prolongation thereof, 1503.78 feet to a line concentric with and distant 25.0 feet Westerly, measured radially, from the center line of Southern Pacific Transportation Company's spur track;
 thence North 29° 47' 35" East, 46.77 feet;
 thence North 25° 48' 40" East, 389.54 feet;
 thence North 20° 02' 35" East, 78.73 feet;
 thence North 16° 34' East, 86.44 feet;
 thence North 13° 07' 45" East, 76.19 feet;
 thence North 04° 53' 20" East, 187.92 feet;
 thence North 73° 32' West, 333.98 feet;
 thence South 16° 29' West, 130.00 feet;
 thence North 73° 32' West, 100.00 feet;
 thence North 16° 28' East, 130.00 feet;
 thence North 73° 32' West, 1351.74 feet to the TRUE POINT OF BEGINNING;

EXCEPT the following described parcel:

COMMENCING at the Northwest corner of said Section 13;
 thence South 03° 40' 58" East, a distance of 453.97 feet to a one-inch steel pin marking the Northwest corner of said industrial park;
 thence South 00° 29' 02" West (measured) (South 00° 30' West record) coincident with the Westerly line of said industrial park, a distance of 889.20 feet (measured) (889.25 feet record) to a 5/8 inch pin with cap marked MAR 5663 marking the Southwest corner of said industrial park;

(continued)

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DESCRIPTION (continued)

thence South 73° 32' 00" East coincident with the South line of said industrial park, a distance of 1,066.79 feet to the Point of Beginning;

thence North 16° 27' 15" East, a distance of 430.12 feet to a point on the South right of way line of a 60.00 foot wide street;

thence South 73° 32' 45" East coincident with said South right of way, a distance of 167.35 feet to the point of curvature of a curve concave Northwesterly having a radius of 422.44 (measured) (422.51 feet record);

thence Northeasterly along the arc of said curve through a central angle of 21° 38' 50" (measured) (21° 38' 07" record) a distance of 159.61 feet to its point of tangency;

thence North 84° 43' 25" East, a distance of 63.19 feet to the point of curvature of a curve concave Southeasterly having a radius of 362.70 feet (measured) (362.51 feet record);

thence Northeasterly along the arc of said curve through a central angle of 21° 38' 00" (measured) (21° 38' 07" record) a distance of 136.95 feet to its point of tangency being a point on the Easterly boundary of said industrial park;

thence South 20° 24' 05" West (measured) (South 20° 02' 35" West record) coincident with said Easterly boundary of a distance of 78.69 feet to an iron pin;

thence South 25° 29' 45" West (measured) (South 25° 48' 40" West record) coincident with said Easterly boundary, a distance of 389.54 feet to an iron pin;

thence South 31° 45' 59" West (measured) (South 29° 47' 35" West record) a distance of 47.36 feet (measured) (46.77 feet record) to an iron pin marking the Southeast corner of said industrial park;

thence North 73° 32' 00" West coincident with the South line of said industrial park, a distance of 436.99 feet to the Point of Beginning.

AND EXCEPT FOR THE FOLLOWING DESCRIBED PARCEL.

930513080

DESCRIPTION

The surface to a depth of 500 feet of that parcel of land situated in the Northwest quarter of Section 13, Township 24 South, Range 27 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, described as follows:

BEGINNING at the Northwest corner of said Section 13;
thence South 00° 54' 38" West measured (South 00° 30' West of record) along West line of said Section 13, a distance of 453.17 feet;

thence South 89° 05' 22" East measured (South 89° 30' East of record), 33.00 feet to a point in a line parallel with and distant 33.0 feet Easterly, measured at right angles, from said West line of Section 13, being the Westerly line of land described in said Deed and the TRUE POINT OF BEGINNING of the parcel of land to be described;

thence South 00° 54' 38" West measured (South 00° 30' West of record) along said parallel line, 889.25 feet to the Northwest corner of land described in deed dated February 4, 1975, from Southern Pacific Transportation Company to H&I Enterprises, Inc., at a;

thence South 73° 07' 22" ^{FIRST} West measured (South 73° 32' East of record) along the Northerly line of land described in last said deed and the Easterly prolongation thereof, 1058.00 feet measured (1033.09 feet of record) to the Southwest of that parcel of land described in Document No. 8603-04692;

thence North 16° 52' 28" East measured (North 16° 27' 15" East of record) along the Westerly line of said parcel of land described in Document No. 8603-04692; 430.00 feet measured (430.12 feet of record)

thence North 73° 07' 22" West measured (North 73° 32' West of record) 637.61 feet;

thence North 16° 52' 28" East measured (North 16° 27' 15" East of record) 429.94 feet to the Northerly line of parcel deeded to City of Douglas in Docket 1219, page 504;

thence North 73° 07' 22" West measured (North 73° 32' West of record) 665.00 feet, more or less, to the Point of Beginning.

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1. TAXES AND ASSESSMENTS collectible by the County Treasurer not yet due and payable for the following year:

Year: 1991

2. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Docket: 1238

Page: 195

Purpose: Electric lines

3. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Docket: 1459

Page: 271

Purpose: Electric lines

4. Right of Way for 60 foot wide street as disclosed in Docket 1833, page 304 and rerecorded in Document No. 8603-04692.

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