

**GENERAL OUTLINE OF MAJOR BUSINESS POINTS**  
**IN THE INTERLOCAL AGREEMENT**

1. At December 2019 closing:
  - a. Lake Ashton I will receive ownership of the “East Course” (18 consecutive golf holes located in Lake Ashton I) [Section 2.1]
  - b. Lake Ashton II receives ownership of the “West Course” (15 consecutive golf holes located in Lake Ashton II, 3 related golf holes in Lake Ashton I, and the golf club parcels)
2. Lake Ashton I pays Lake Ashton II \$230,000 (payable in two equal payments – one due at closing, the other up one year later), plus cover its own due diligence costs on the East Course [Section 2.1]
3. Lake Ashton I can cancel Interlocal Agreement until November 15, 2019, if due diligence reveals conditions that make acquisition unsuitable (same cancellation right as LAII under the PSA) [Section 2.4]
4. LAI receives title policy for the East Course in the amount of \$250,000 [Section 2.1]
5. Lake Ashton I and Lake Ashton II will enter into a long-term lease agreement relating to Lake Ashton II’s lease of the East Course from Lake Ashton I [Section 3.2]
6. LAI shall have no financial or other responsibility for the ownership, maintenance, management, repair and replacement of the Golf Club, except for the pathways, bridges, and ponds in the East Course. [Section 3.1]
7. There shall be equal use and access of the Golf Club by landowners and residents of Lake Ashton I and Lake Ashton II. [Section 4]
8. Lake Ashton I shall maintain the pathways, bridges, and ponds in the East Course. Lake Ashton II shall maintain the pathways, bridges and ponds in the West Course. [Section 5.1]
9. Lake Ashton I agrees to support Lake Ashton II’s request(s) for recreation powers. [Section 6.1]
10. Lake Ashton I agrees to support Lake Ashton II’s efforts to effectuate a boundary amendment to move specifically identified, non-residential lands (generally comprised of golf holes 14, 15 and 16 of the West Course and portions of the Clubhouse) from the boundaries of Lake Ashton I to the boundaries of Lake Ashton II. [Section 6.2]
11. Lake Ashton I agrees to cooperate in the establishment of equal fees for all residents and landowners in both Districts for the use of the Golf Club located within Lake Ashton I. [Section 6.3]
12. Both Districts shall prepare and record for the benefit of the other District’s landowners and residents and golfers a non-exclusive, perpetual easement over the Pathways. [Section 5.2]