Subject: AR Sandstone

Date: Wednesday, February 14, 2007 at 11:36:54 AM Central Standard Time

From: Charles Clark
To: 'Lawson, Gary'
CC: 'Greg Huber'

Gary, here is Greg Huber's contact information. The original authorization can be sent directly to him. Please send a pdf to me for my file.

By copy hereof, I am sending this email to Greg as well so he knows the authorization is coming. Also, Greg, we still need to work out the affiliate issue regarding the lender and Scott before this authorization can be delivered.

Thanks.

Subject: AR Sandstone: Memo from Scott Schirmer re Relationship with Lender

Date: Thursday, February 15, 2007 at 3:18:35 PM Central Standard Time

From: Charles Clark
To: 'Lawson, Gary'

Gary, the paragraph below is from Scott Schirmer describing the relationship of the lender to M3 and its principals. I have been told that Richard already has been made generally aware of the relationships. Will this suffice?

## Charles T. Clark

Telephone: 972.788.2000 Fax: 972.788.2070

Email: <a href="mailto:ctclark@clarklawfirmpc.com">ctclark@clarklawfirmpc.com</a>
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From: Greg Huber [mailto:huberlaw@cableone.net] Sent: Thursday, February 15, 2007 1:22 PM

To: 'Charles Clark'

Subject: FW: Memo from Scott Schirmer re Relationship

See below.

GREGORY W. HUBER, P.C. 3031 Dollar Mark Way, Suite A Prescott, Arizona 86305 928-442-3800 928-776-0328 fax

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From: W. Scott Schirmer [mailto:wss@smdico.com] Sent: Thursday, February 15, 2007 11:56 AM

To: Greg Huber Cc: Bill Brownlee Subject:

### Greg,

Germain Ball and I have been partners for over 30 years. Germain is a partner in Prescott Development Company which is a partner in Prescott Lakes Partners. He has made a loan through Ball Land Finance for our Wickenburg development and has made a loan to us through GB Finance, L.L.C. for the sales center in Wickenburg. I am, or SMDI is, the manager of those entities for Germain. Germain and his grandchildren Andrew and Barrett are in PL Equity. Germain is not involved in any other M3 entities. He is involved in numerous entities with me. I would like Germain to fund the Sandstone loan through the entity called GB Finance, L.L.C. It is the same entity that he loaned money on the sales center in Wickenburg. This would eliminate the proposed newly formed LLC so Germain does not have another LLC to deal with. If you need any additional information please let me know. Scott

W. Scott Schirmer
M3 Companies
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Subject: AR Sandstone Resolution Signed by DPF

Date: Wednesday, February 21, 2007 at 1:28:51 PM Central Standard Time

From: Charles Clark

To: 'Quinn Wheeler'

CC: 'Greg Huber', 'Bill Brownlee'

Attached is the Sandstone resolution signed by DPF. You are authorized to release and use it and close the loan.

### Charles T. Clark

Telephone: 972,788,2000 Fax; 972,788,2070

Email: ciclark@clarklawfirmpc.com Website: www.clarklawfirmpc.com



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