

FIRST AMENDMENT TO PRE-ANNEXATION DEVELOPMENT AND DRAINAGE SETTLEMENT AGREEMENT BETWEEN THE CITY OF APACHE JUNCTION AND FORTUNE TRAVEL, INC.

THIS AMENDMENT is made and entered into this ____ day of _____, 2025 ("the Execution Date") by and between the CITY OF APACHE JUNCTION, ARIZONA, an Arizona municipal corporation ("City"), and FORTUNE TRAVEL, INC., an Oregon corporation ("Developer"), sometimes collectively referred to as the "Parties" or individually as the "Party".

RECITALS

A. On August 18, 2009, the Parties entered into a Pre-Annexation Development and Drainage Settlement Agreement (the "Agreement") for development of one hundred twenty-three (123) acres located adjacent to the southeast corner of Southern Avenue and Meridian Drive (the "Property").

B. In 2016, the Arizona Department of Transportation condemned and developed the southwest corner of the Property as a freeway on-ramp. No other development has taken place since that time. The Agreement is set to expire on May 30, 2030.

C. To accommodate Developer's timeline and recognize challenges in state water law, Developer and City desire to amend the Agreement for an additional five (5) years ending on June 30, 2035.

AGREEMENT

NOW, THEREFORE, in consideration of mutual promises contained herein and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree to amend the Agreement as follows:

A. Section 2. TERM.

The Term of this Agreement is from August 18, 2009 through June 30, 2035.

B. Section 19. MISCELLANEOUS PROVISIONS.

KK. Status Report. At least sixty (60) calendar days before each anniversary date of the five (5) year extension Execution Date, Developer shall provide the city manager by email (with a read receipt), a status report on the development efforts and Developer's ability to procure a 100-year assured water supply for the Property.

Additionally, except as expressly amended herein, all other terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be signed by their duly authorized representatives as of the day and year first above written.

DEVELOPER:

FORTUNE TRAVEL, INC., an Oregon corporation

Michael Thesman

By: Michael Thesman

Its: President

CITY:

CITY OF APACHE JUNCTION, ARIZONA, an Arizona municipal corporation

By: Walter "Chip" Wilson

Its: Mayor

ATTEST:

Evie McKinney
City Clerk

APPROVED AS TO FORM:

R. Joel Stern
City Attorney

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing was subscribed and sworn to before me this ____ day
of _____, 2025, by _____ as _____ of Fortune
Travel, Inc., an Oregon corporation.

Notary Public

My Commission Expires:

STATE OF ARIZONA)
) ss.
COUNTY OF PINAL)

The foregoing was subscribed and sworn to before me this ____ day
of _____, 2025, by Walter "Chip" Wilson, as Mayor of the City of
Apache Junction, Arizona, an Arizona municipal corporation.

Notary Public

My Commission Expires:
