

BUCKHORN RECREATION INC. CONTROL AGREEMENT

This Buckhorn Recreation Inc. Corporate Control Agreement is made this 27th day of July, 2000 by and among Buckhorn Recreation Inc. ("Recreation") and Buckhorn Homeowners Association, Inc. ("BHA") and Buckhorn Estates Association of Homeowners, Inc. ("BEHA").

WITNESSETH:

WHEREAS, Recreation is the owner/operator of a swimming pool located on Lot # 3 of the Buckhorn neighborhood ("Pool");

WHEREAS, Buckhorn Estates is a separate neighborhood located adjacent to the Buckhorn neighborhood;

WHEREAS, BEHA has requested Recreation to allow it to obtain access to the Pool in order to allow the residents of Buckhorn Estates to use it;

WHEREAS, Recreation agreed to such use in return for a reimbursement of a portion of the cost of the pool;

WHEREAS, BEHA is a not for profit entity that represents the interests of the Buckhorn Estate's neighborhood;

WHEREAS, BHA is a not for profit corporation representing the neighbors of Buckhorn;

WHEREAS, Recreation believes that the respective neighborhood organizations should own and operate it in order to allow each neighborhood full and complete access to the Pool and that the intent of each neighborhood association is to continue to operate the Pool on an indefinite basis;

WHEREAS, BHA and BEHA are willing to become the members of Recreation and operate the Pool in accordance with the provisions.

of this Control Agreement.

NOW THEREFORE, in consideration of the covenants contained herein and the issuance of the stock of Recreation, the parties agree as follow:

1) BHA and BEHA agree that the following actions will require their unanimous consent:

a) employment of any service company to clean and maintain the Pool and its related facilities;

b) employment of any personnel (such as lifeguards, etc.) to operate the Pool and its related facilities;

c) execution or approval of any contract involving expenditures of \$1,000.00 on a per annum basis; and

d) any agreement or understanding concerning Recreation's dissolution, or other activity affecting Recreation's primary purpose of operating the Pool;

e) preparation and enforcement of rules relating to the Pool's use such as hours of operation, etc.;

2) BEHA and BHA agree that all costs of operating, maintaining, repairing, replacing, and upgrading the Pool shall be borne equally by them; i.e. each neighborhood association shall pay 1/2 of the above described costs. In the event a neighborhood association fails to pay its 50% share, the remaining association may prevent the defaulting neighborhood's residents from using the Pool. The above remedy shall not be exclusive. Recreation may seek to enforce its rights under this Control Agreement as further described herein;

3) In the event BHA and BEHA cannot obtain their unanimous agreement, or otherwise breach the terms of this Control Agreement,

they shall submit their differences to binding arbitration. The arbitrator shall be provided by the American Arbitration Association; Recreation shall bear all costs of the arbitration.

IN WITNESS WHEREOF, the parties have executed this agreement the day, month, and year above set forth.

BUCKHORN RECREATION INC.

By: Jeff Reed
Jeff Reed, President

BUCKHORN HOMEOWNERS ASSOCIATION, INC.

By: Jeff Reed
Its: President

BUCKHORN ESTATES ASSOCIATION OF HOMEOWNERS, INC.

By: Robert Alford
Its: President