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City Clerk's Office Contract Indexing Form



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Name (s)		
CABELAS RETAIL INC		
GROUND LEASE		
Location		
ZANJERO		
Job #	Job #	Job #
20051929867		
Resolution #	Resolution #	Resolution #

Index By

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ELECTRONIC RECORDING

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CITY CLERK
CITY OF GLENDALE, ARIZONA
5850 WEST GLENDALE AVENUE
GLENDALE, ARIZONA 85301

NCS-189344

2/2

GROUND LEASE
Agreement No. _____

CITY OF GLENDALE, ARIZONA
an Arizona municipal corporation
("City")

and

CABELA'S RETAIL, INC., a Nebraska corporation
("Cabela's")

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APPENDIX D - DEVELOPMENT AGREEMENT (without Exhibits)

GROUND LEASE NO. _____

CITY OF GLENDALE, ARIZONA

THIS GROUND LEASE, dated as of December 1, 2005, is entered into by and between the City of Glendale, Arizona as "Lessor" and Cabela's Retail, Inc. as "Lessee" ("Cabela's" or the "Lessee"). In consideration of the payment of rent and the performance by the parties of each of the provisions set forth herein, and intending to be legally bound, the parties agree as follows:

ARTICLE 1
PARCEL

1.1 Agreement. Lessor hereby leases to Lessee for the term, at the rent, and in accordance with the provisions set forth herein, the Parcel described in Appendix "A" attached hereto (the "Parcel") for the uses and purposes specified below, subject to the provisions of Article 4 (Use of Premises).

1.2 Use. The Parcel shall be used solely and exclusively for the construction and operation of a Retail Center by the Lessee and the construction of a lake, surface parking, monument signage, trail system, if any, and related landscaping.

1.3 Parcel leased "as is". Lessee makes use of the Parcel "as is" and Lessor makes no express or implied warranties as to the physical condition of the Parcel but subject to the City's obligations to construct or cause to be constructed the Site Improvements (as defined in the Development Agreement).

1.4 Definitions.

"Development Agreement" means that Development Agreement dated as of September 1, 2005 by and between the Lessor and the Lessee and recorded on August 26, 2005 with recording number 2005-1240171 The Development Agreement, not including exhibits as attached hereto as Appendix D.

"Premises" means the Parcel together with all rights appurtenant thereto expressly granted by this Ground Lease, including Improvements, Removable Improvements, and personal property located on, below or above the Parcel.

"Rent" means Annual Rent, base rent, percentage rent or any combination thereof, including any and all payments required of Lessee to Lessor.

"Retail Center" means a Cabela's retail store as commonly understood at the time of execution of this Ground Lease (and as more fully described in the Development Agreement) and including commonly associated amenities.

ARTICLE 2
TERM

2.1 Commercial Expiration. The term of this Ground Lease commences on December 13, 2005, and ends on December 1, 2025, with four (4) five-year renewal options at the direction of the Lessee as provided in this Ground Lease unless terminated earlier as provided in this Ground Lease. Such options shall be exercised by the lessee giving written notice to the Lessor at least one hundred twenty (120) days before expiration of the current term, and Lessee's right to exercise any consecutive options shall be contingent upon Lessee's exercise of the previous options.

ARTICLE 3
RENT

3.1 Annual Rent. Lessee shall pay rent to Lessor, without notice or demand, on or before the commencement date of this Ground Lease, and each year thereafter, annually in advance, on or before the anniversary of the commencement date, for the use and occupancy of the Parcel during the term of this Ground Lease, without offset or deduction except as provided hereafter. Lessee agrees to pay rent for this Ground Lease due and payable as follows:

Years 1 thru 20, and for each of any exercised renewal option	\$120.00 annually
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3.2 Penalty; Interest; Lien. Lessee shall pay a penalty of five percent (5%) plus interest on any amount of delinquent rent. Interest shall accrue daily on the delinquent amount and on the penalty at the rate set by the Arizona State Treasurer under A.R.S. § 37-241(D) (3) until paid. The delinquent rent, penalty and interest shall be a lien on the Improvements and other property on the Parcel.

ARTICLE 4
USE OF PREMISES

4.1 Use. The Premises shall be used solely and exclusively for the purpose described in Article 1.2 (Use) and in Article 4.2 (Other Terms of Use). All others are prohibited.

4.2 Other Terms of Use (a) Cabela's may erect within the Parcel monument signage with respect to the Retail Center and Cabela's operations on the Parcel.

(b) Cabela's may pump water from any water features on the Parcel for irrigation or sprinkler use, provided that Cabela's shall pay the City for the use of such water under standard billing arrangements.

(c) Cabela's may create an area within the parking lot to hold approximately four 6 foot dog kennels and 2,000 square feet for horse corrals for the temporary use by visitors to the Retail Center.

(d) Cabela's may place signage on the Retail Center in size and square footage as other similar size retail centers operated by Cabela's as more particularly described in the Development Agreement.

(e) Cabela's may conduct not more than 6 events per year which involve the erection of one or more event tents in the parking area or elsewhere for the purpose of conducting sales, displays demonstrations or other activities consistent with the operation of Cabela's retail stores. In the event that Cabela's desires to conduct more than six such events involving tents, Cabela's acknowledges that it shall be required to seek a special use from the City. The parties acknowledge and agree that any tents erected on the Parcel shall be for the use of Cabela's, its vendors, licensees or other partners and shall be used only for events that promote the operations of Cabela's and its sponsored events. No event shall last longer than 10 days in duration. The tents and improvements necessary for the tents shall not be mobilized earlier than 48 hours before the event and at the end of each such event, Cabela's shall remove all tents and improvements associated with such events promptly but in no event later than 48 hours after the end of the event.

(f) Cabela's may maintain outdoor display areas for retail merchandise including, boats, all terrain vehicles, tents and other merchandise, including the construction of outdoor food vending areas in designated areas outside the Retail Center in conformance with the final site plan to be approved by the City for the construction of the Retail Center.

(g) No overnight camping or customer vehicle parking shall be permitted on the Parcel.

(h) The City may use the parking area during hours the Retail Center is not open to the public, provided that such use shall not interfere with the operations of the Retail Center and no overnight use shall be permitted.

4.3 Waste. Lessee shall not conduct or permit to be conducted any public or private nuisance on the Premises, nor commit or permit to be committed any waste thereon. Lessee shall report to Lessor and appropriate law enforcement authorities any known or suspected trespass or waste committed on the Premises.

4.4 Native plants. Lessee shall not move, use, destroy, cut or remove or permit to be moved, used, destroyed, cut or removed any timber, cactus, protected native plants, standing trees or products of the land except that which is necessary for the use of the Parcel, and then only with the prior written approval of Lessor. If the removal or destruction of plants protected under the Arizona Native Plant Law is necessary to the use of the Parcel, Lessee shall also obtain the prior written approval of the Arizona Department of Agriculture.

4.5 Conformity to Law. Lessee shall not use or permit the Premises to be used in any manner that is not in conformity with all applicable Federal, State, County and municipal laws, rules and regulations, unless Lessor determines and advises Lessee in writing otherwise.

4.6 Governmental Approval. Except as provided in Article 4.5 (Conformity to Law), failure to obtain, or loss of any governmental approval that is prerequisite to the use for which this lease is issued or that is necessary to construct, maintain or operate any facilities on the site

in connection with that use, shall constitute a breach of this lease, subject to the provisions of Article 17 (Lessee Defaults and Lessor's Remedies).

4.7 Quiet Enjoyment. Lessee shall peaceably and quietly enjoy the Parcel during the term of this Ground Lease so long as Lessee is in compliance with all the provisions of this Ground Lease.

4.8 Inspection. Lessor, its duly authorized agents, employees and representatives shall have the right to enter upon and inspect the Parcel and all Improvements thereon at reasonable time, and in a reasonable manner.

4.9 Surrender. In the event this Ground Lease is not renewed or the Lessee has not exercised its option to purchase the Parcel as described in the Development Agreement, Lessee shall surrender peaceably the possession of the Premises upon expiration of the term of this Ground Lease.

4.10 Temporary Use by Lessor for Purposes of Constructing Site Improvements. As provided in the Development Agreement, the Lessor is responsible to construct or cause to be constructed the Site Improvements (as defined in the Development Agreement and more specifically set forth in Appendix "B" attached hereto, but subject to the Public Participation Amount as set forth in the Development Agreement). In order to permit such construction, the Lessee hereby grants temporary use to Lessor of such portion of the Premises (but not including the land where the Retail Center is located) as is necessary for the Site Improvements to be constructed, such temporary use to end upon completion of the Site Improvements. Any other temporary use of any portion of the Premises shall be governed by other provisions of this Ground Lease.

4.11 Access. The Lessor shall not take any action which materially affects access to the Premises.

ARTICLE 5 RECORDS

5.1 Record Keeping; Inspection. Lessee shall make and keep for the term of the Ground Lease and either (i) five (5) years thereafter; or (ii) until the conclusion of any dispute concerning this Ground Lease, whichever is later, appropriate books and records concerning the operation of this Ground Lease, including but not limited to Federal and State tax statements, receipts and other records. Lessor, its duly authorized agents, employees and representatives shall have the right at all times during the term of this Ground Lease and for either (i) five (5) years thereafter; or (ii) until the conclusion of any dispute, whichever is later, to make reasonable examination of those books, records or other material in order to obtain information which Lessor deems necessary to administer this Ground Lease.

ARTICLE 6 CONSTRUCTION AND IMPROVEMENTS; GPLET

6.1 Definitions. "Improvements" means anything permanent in character which is the result of labor or capital expended by Lessee or his predecessors in interest in its reclamation or

development, and which has enhanced the value of the Parcel. "Removable Improvements" means anything not permanent in character which is the result of labor or capital expended by Lessee or his predecessors in interest.

6.2 Prior Approval Required. Lessee shall not place or construct or permit to be placed or constructed any Improvement or Removable Improvement on or to the Parcel, other than as approved in the Zanjero Planned Area Development in Case Z-02-19 under the City's Zoning Ordinance.

6.3 Utilities; New Construction. Gas, electric, power, telephone, water, sewer, cable television and other utility or service lines of every nature shall be placed and kept underground unless Lessor grants prior written approval otherwise. All buildings and structures shall be of new construction and no buildings or structures shall be moved from any other location onto the Parcel without Lessor's prior written approval.

6.4 Purchase of Retail Center by City. As provided in the Development Agreement, upon completion of the Retail Center, the City shall purchase the Retail Center from Cabela's at a price of \$10 subject to fulfillment of the conditions herein. As a condition of the City's purchase of the Retail Center, simultaneous with such purchase, Cabela's shall execute and deliver to the City a recorded Special Warranty Deed in the form attached as Appendix "C" hereto.

6.5 GPLET. (a) Pursuant to this Ground Lease and the Development Agreement, the City is or will be title owner of record with respect to the Property and all improvements made on the Property by Cabela's, including the Retail Center.

(b) Prior to final acceptance by the City of the Retail Center, Cabela's shall provide an appropriate and detailed description sufficient to allocate square footage of the areas within the Retail Center used primarily for athletic, recreational, entertainment, artistic, cultural or convention activities (it being recognized that the "Conservation Mountain", "Taxidermy Diorama" and "Aquarium", along with associated viewing spaces, within the Retail Store are within such categories) and those activities directly related and incidental to these uses including concession stands.

(c) As required by ARS §42-6206:

(i) Notice is given hereunder and shall be given in the Ground Lease, that Cabela's is responsible for payment of the tax liability under the provisions of GPLET; and

(ii) failure by Cabela's to pay the tax liability due under the provisions of GPLET after notice and an opportunity to cure is an event of default that could result in divesting Cabela's of any interest in or right of occupancy of the improvements on the Property including the Retail Center.

6.6 Changes to GPLET. If the statutory provisions related to GPLET are proposed to be changed, the City shall make reasonable efforts to prevent any such changes which are materially adverse to the provisions of GPLET stated hereunder and if such material adverse

changes are enacted into law, the City will reasonably cooperate with Lessee to obtain other benefits for Lessee which substantially replace those benefits not available from GPLET.

ARTICLE 7
REPAIRS AND MAINTENANCE

7.1 Lessee's Obligations. Lessor shall be under no obligation to maintain, repair, rebuild or replace any Improvement on the Parcel. Lessee shall, subject to the provisions of Article 12 (Damage) and Article 15 (Eminent Domain) and at its own expense, keep and maintain the Premises in good order, condition and repair in conformity with all governmental requirements and if applicable, those of the insurance underwriting board or insurance inspection bureau having jurisdiction over the Premises, unless Lessor determines and advises Lessee in writing that such conformity is not in the best interest of the Lessor.

ARTICLE 8
MECHANICS' LIENS

8.1 Payment; Indemnity. The Parcel is public property which is not subject to lien. Nevertheless, to the extent permitted by law, the following provisions apply. Lessee shall be responsible for payment of all costs and charges for any work done by or for it on the Premises or in connection with Lessee's occupancy thereof, and Lessee shall keep the Premises free and clear of all mechanics' liens and other liens and encumbrances resulting from work done for Lessee or persons claiming under it; provided, however, that Lessee may in good faith, and with reasonable diligence, contest or dispute any such lien claims in any appropriate forum so long as this Ground Lease or the Leased Parcel are not actually in danger of levy or sale. Lessee expressly agrees to and shall indemnify and save Lessor harmless against liability, loss, damages, costs, attorney's fees and all other expenses on account of claims of lien or other encumbrances of laborers or material men or others for work performed or materials or supplies furnished to Lessee or persons claiming under it. Further, any contracts between Lessee or sublessees and any contractors and subcontractors shall expressly hold Lessor harmless against any liability arising from such contracts, as described above.

8.2 Notice. Should any such claims of lien or other encumbrances be filed against the Parcel or any action affecting the title to the Parcel be commenced, the party receiving notice of such lien or action shall immediately give the other party written notice thereof.

ARTICLE 9
UTILITIES

9.1 Lessee's Obligations. Lessee shall be responsible for and shall hold Lessor harmless from any liability for all charges for water, gas, sewage, electricity, telephone and any other utility service.

9.2 Maintenance of Utilities. Lessee shall maintain on the Parcel and make available to the Parcel at all times after the issuance of the certificate of occupancy all the recited utilities in Section 9.1 above, other than telephone service.

ARTICLE 10
TAXES AND ASSESSMENTS

10.1 Lessee's Obligations. In addition to the rent set herein, Lessee shall timely pay and discharge, without deduction or abatement for any cause, all duties, taxes, charges, assessments, impositions and payments, extraordinary as well as ordinary, unforeseen as well as foreseen, of every kind and nature (under or by virtue of any current or subsequently enacted law, ordinance, regulation or order of any public or governmental authority), which during the term are due, imposed upon, charged against, measured by or become a lien on (i) the Premises; (ii) any Leasehold interest; (iii) the interest of any of the parties to this Ground Lease or in proceeds received pursuant to this Ground Lease; (iv) the rent paid pursuant to this Ground Lease, and (v) amounts payable pursuant to GPLET as described in Section 6.5 herein.

ARTICLE 11
INSURANCE AND INDEMNITY

11.1 Indemnity. Irrespective of any insurance carried by Lessor for the benefit of Lessor, Lessee hereby expressly agrees to indemnify and hold Lessor harmless, or cause Lessor to be indemnified and held harmless, from and against all liabilities, obligations, damages, penalties, claims, causes of action, costs, charges and expenses, including attorney's fees and costs, which may be imposed upon or incurred by or asserted against Lessor by reason of the following: (i) any accident, injury or damage to any person or property occurring on or about the Premises or any portion thereof; (ii) any use, nonuse or condition of the Premises or any portion thereof; or (iii) any failure on the part of Lessee to perform or comply with any of the provisions of this Ground Lease; except that none of the foregoing shall apply to Lessor's intentional conduct or active negligence, whether by its employees or agents. In case any action or proceeding is brought against Lessor by reason of any such occurrence, Lessee, upon Lessor's request and at Lessee's expense, will resist and defend such action or proceeding, or cause the same to be resisted and defended either by counsel designated by Lessee or, where such occurrence is covered by liability insurance, by counsel designated by the insurer. Notwithstanding the above, Lessor does not waive any applicable statutory notice requirements and any applicable statute of limitations.

11.2 Policies. Lessee at its expense, shall at all times during the term, and any extension thereof, maintain in full force a policy or policies of comprehensive liability insurance, including property damage, written by one or more responsible insurance companies licensed to do business in the State of Arizona, and each policy shall be written on an occurrence basis, which insure Lessee and Lessor against liability for injury to persons and property and death of any person or persons occurring in, on or about the Premises, or arising out of Lessee's maintenance, use and occupancy thereof. All public liability and personal property damage policies shall contain a provision that Lessor, named as an additional insured, shall be entitled to recovery under the policies for any loss occasioned to it, its servants, agents and employees by reason of the negligence or wrongdoing of Lessee, its servants, agents and employees or sublessees. Further, the policies shall provide that their coverage is primary over any other insurance coverage available to Lessor, its servants, agents and employees. All policies of insurance delivered to Lessor must contain a provision that the company writing the policy shall

give to Lessor thirty (30) days notice in writing in advance of any cancellation or lapse, or the effective date of any reduction in the amounts of insurance.

11.3 Coverage. The insurance as described in Paragraph 11.2 (Policies) herein shall afford protection not less than \$2,000,000 in combined single limits for bodily injury and property damage and each liability policy shall be written on an occurrence basis; provided, however, that the minimum amount of coverage for the above shall be adjusted upward on Lessor's reasonable request so that such respective minimum amounts of coverage shall not be less than the amounts then required by statute or generally carried on similarly improved real estate in the County herein described, whichever is greater. If at any time Lessee fails, neglects or refuses to cause such insurance to be provided and maintained, then Lessor may, at its election, procure or renew such insurance and any amounts paid therefor by Lessor shall be an additional amount due at the next rent day.

11.4 Blanket Policy. Notwithstanding anything to the contrary in this Article, Lessee's obligations to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance maintained by Lessee, provided, however, that the coverage afforded Lessor will not be reduced by reason of the use of such blanket policy of insurance.

11.5 Copies. Evidence of policies required by this Article shall be delivered to Lessor prior to Lessee's occupancy of the Premises. At Lessor's request, Lessee will provide copies of such policies. Lessee shall provide Lessor with a current certificate of insurance and at Lessor's request provide proof of payment.

ARTICLE 12 **DAMAGE**

12.1 Lessee's Obligations. If the Parcel or any building or other Improvement located thereon are damaged or destroyed during the term of this Ground Lease, Lessee shall arrange at its expense for the repair, restoration and reconstruction of the same substantially to its former condition, but such damage or destruction shall not terminate this Ground Lease or relieve Lessee from its duties and liabilities hereunder; provided that in the last year of the initial term or any renewal term, Lessee shall not be required to undertake any repairs, restoration or reconstruction.

12.2 Insurance Proceeds. All insurance proceeds received by the Lessee shall be held in trust by the Lessee for the purpose of repair and rebuilding as provided in Section 12.1.

ARTICLE 13 **TRADE FIXTURES AND PERSONAL PROPERTY**

13.1 Lessee's Property. Any trade fixtures, signs, store equipment, and other personal property installed in or on the Parcel or in or on the Retail Center (whether or not physically attached to any structure) by Lessee or any sublessee shall remain its property subject to the provisions of this Ground Lease. Lessee shall have the right, provided it is not then in breach hereunder, at any time to remove any and all of the same, subject to the restrictions of Article 6.5 (Ownership; Removal).

ARTICLE 14
ASSIGNMENT, SUBLETTING AND ENCUMBRANCE

14.1 Prior Approval Required. Lessee shall not assign this Ground Lease or any interest therein, nor shall Lessee sublease any portion or all of the Premises without obtaining Lessor's prior written approval. In no event may this Ground Lease or any interest therein be assigned or sublet unless Lessee is in full compliance with this Ground Lease. Lessor may require additional rent in consideration for approval of any sublease. Lessee shall not enter into a contract of sale, mortgage, lien or other encumbrance affecting this Ground Lease unless a copy is filed with Lessor. Such additional rent will be equal to the difference between reasonably anticipated excise tax revenues generated by the Retail Center and the tax revenues generated from the assignee's or sublessee's business, if lower.

14.2 Consent Required. An assignment of this Ground Lease shall not be made without the consent of all the parties. Lessee may assign all or a portion of the Premises as allowed by the terms of this Article provided Lessee shall assign Lessee's entire interest in that portion of the Premises.

14.3 Purpose. There shall be no assignment or sublease made except to an assignee or sublessee that will use the Premises for the purpose(s) described herein.

14.4 Lessee Primarily Responsible. Notwithstanding any sublease, Lessee shall remain responsible to Lessor for the performance of the provisions of this Ground Lease.

14.5 Percentage Rent Due. Assignment shall not be approved unless all accrued Annual Rent has been paid as of the date of the application for assignment.

14.6 Entire Interest. The assignment of Lessee's entire interest in a portion of the Premises shall not relieve Lessee of its responsibility to Lessor for the performance of the provisions of this Ground Lease as it relates to that portion of the Premises not transferred by the assignment.

14.7 Certain Permitted Assignments. The Lessor grants permission to the Lessee to assign its interest in portions of the Retail Center (not to exceed at any time 15% of the Retail Center) to subsidiaries or affiliates of the Lessee who engage in activities ancillary to those undertaken at the Retail Center, such as travel services, financing, etc. or if not subsidiaries or affiliates of the Lessee, with the written consent of the Lessor.

ARTICLE 15
EMINENT DOMAIN

15.1 Expiration. If at any time during the duration of this Ground Lease the whole or any part of the Parcel is taken by acquisition in any manner through condemnation proceedings or otherwise, for any quasi-public or public purpose by any person, private or public corporation, or any governmental agency having authority to exercise the power of eminent domain or condemnation pursuant to any law, general, special or otherwise, this Ground Lease shall expire on the date when the Parcel is taken or acquired except as otherwise provided.

15.2 Partial Taking; Damages; Rent. In the event of a partial taking and if Lessor determines that it is in the best interest of the Trust, the Ground Lease may continue in full force and effect for that portion of the Parcel not taken. As against Lessor, Lessee and any sublessee shall not have a compensable right or interest in the real property being taken and shall have no compensable right or interest in severance damages which may accrue to the remainder of the Parcel not taken, nor shall Lessee or any sublessee have any compensable right or interest in the remaining term of this Leasehold or any renewal. Rent shall be apportioned as of the day of such taking. Lessor shall be entitled to and shall receive any awards, including severance damage to remaining state lands, that may be made for any taking concerning the Parcel.

15.3 Lessee's Rights to Award. In the event of any taking, Lessee shall have the right to receive any and all awards or payments made for any building or other Improvements on the lands fully placed on the Parcel by Lessee with Lessor's prior written approval

ARTICLE 16 **BANKRUPTCY AND INSOLVENCY**

16.1 Lessor's Rights. If (i) all or substantially all of Lessee's assets are placed in the hands of a receiver, and such-receivership continues for a period of thirty (30) days; or (ii) should Lessee make an assignment for the benefit of creditors; or (iii) should Lessee institute any proceedings under any present or future provisions of the Bankruptcy Code or under a similar law wherein Lessee seeks to be adjudicated as bankrupt, or to be discharged of its debts, or to effect a plan of liquidation, composition or reorganization; or (iv) should any involuntary proceedings be filed against Lessee under such bankruptcy laws and not be dismissed or otherwise removed within ninety (90) days after its filing, then this Ground Lease shall not become an asset in any of such proceedings or assignment. In addition to all other rights and remedies of Lessor provided hereunder or by law, Lessor shall have the right to declare the term of this Ground Lease at an end and to re-enter the Premises, take possession and remove all persons, and Lessee shall have no further claim on the Parcel under this Ground Lease.

ARTICLE 17 **LESSEE DEFAULTS AND LESSOR'S REMEDIES**

17.1 Conditions. All of the provisions of this Ground Lease are conditions. Breach of any one of these conditions by Lessee or any sublessee shall be sufficient grounds for cancellation of this Ground Lease by Lessor, subject to the other provisions of this Article.

17.2 Cancellation. If Lessee fails to keep any provision of this Ground Lease after notice and expiration of the cure period set forth in Section 17.3, Lessor may cancel this Ground Lease and declare Lessee's interest forfeited, Lessor shall be forever wholly absolved from liability for damages which might result to Lessee or any sublessee on account of this Ground Lease having been canceled or forfeited prior to the expiration of the full term, subject to the other provisions of this Article.

17.3 Breach. In the event of a breach of this Ground Lease by Lessee which is not curable or remains uncured after thirty (30) days notice by Lessor of failure to pay rent, taxes or other assessments, and forty-five (45) days from the receipt of the notice to cure any other

curable default, to Lessee of the breach, (but provided however if the breach can be corrected, but cannot be corrected within the applicable period, it will not constitute a breach if corrective action is instituted by the Lessee within the applicable period and diligently pursued with the breach until corrected) Lessor may, in addition to all other remedies which may be available to Lessor in law or in equity, (i) enter and repossess the Premises or any part thereof, expelling and removing therefrom all persons and property (either holding such property pursuant to Lessor's landlord's lien, or storing it at Lessee's risk and expense, or otherwise disposing thereof), as to which Lessor shall not be liable to Lessee or any sublessee for any claim for damage or loss which may thereby occur, and (ii) either (a) terminate this Ground Lease, holding Lessee liable for damages for Its breach or (b) treat the Ground Lease as having been breached anticipatorily and the Premises abandoned by Lessee without thereby altering Lessee's continuing obligations for the payment of rent and the performance of those Ground Lease provisions to be performed by Lessee during the Ground Lease term.

17.4 Expense. Lessee shall pay to Lessor upon demand all costs, expenses and fees, including attorneys' fees which Lessor may incur in connection with the exercise of any remedies on account of or in connection with any breach by Lessee, plus interest on all amounts due from Lessee to Lessor at the rate set by the Arizona State Treasurer, according to law.

17.5 Remedies not Exclusive. The remedies herein granted to Lessor shall not be exclusive or mutually exclusive and Lessor shall have such other additional remedies against Lessee as may be permitted in law or in equity at any time; provided, however, Lessor shall not be relieved of any obligation imposed by law for mitigation of damages, nor shall Lessor recover any duplicative damages, and Lessee shall be reimbursed by any subsequent Lessee or purchaser of the Premises for any amount by which the value of Lessee's Improvements exceed Lessor's damages, notwithstanding any other provision in this Ground Lease to the contrary. In particular, any exercise of a right of termination by Lessor shall not be construed to end or discharge any right of Lessor to damages on account of Lessee's breach.

17.6 No Waiver. No waiver of breach of any provision of this Ground Lease shall be construed as a waiver of succeeding breach of the same or other provisions.

ARTICLE 18

LESSOR DEFAULTS AND LESSEE'S REMEDIES

18.1 Conditions. All of the provisions of this Ground Lease are conditions. Breach of any one of these conditions by Lessor shall be sufficient grounds for Lessee to seek to exercise remedies hereunder.

18.2 Breach. In the event of a breach of this Ground Lease by Lessor which is not curable or remains uncured after forty-five (45) days from the receipt of the notice to cure any curable default, to Lessor of the breach, (but provided however if the breach can be corrected, but cannot be corrected within the applicable period, it will not constitute a breach if corrective action is instituted by the Lessor within the applicable period and diligently pursued with the breach until corrected) Lessee may, (i) seek compensatory, but not consequential or punitive, damages arising out of such breach by Lessee or (ii) seek an award and/or order seeking specific performance by the Lessor of the Lessor's obligations under the Ground Lease.

18.3 Expense. Lessor shall pay to Lessee upon demand all costs, expenses and fees, including attorneys' fees which Lessee may incur in connection with the exercise of any remedies on account of or in connection with any breach by Lessor, plus interest on all amounts due from Lessor to Lessee at the rate set by the Arizona State Treasurer, according to law.

18.4 Remedies not Exclusive. The remedies herein granted to Lessee shall not be exclusive or mutually exclusive and Lessee shall have such other additional remedies against Lessor as may be permitted in law or in equity at any time; provided, however, Lessee shall not be relieved of any obligation imposed by law for mitigation of damages, nor shall Lessee recover any duplicative damages.

18.5 No Waiver. No waiver of breach of any provision of this Ground Lease shall be construed as a waiver of succeeding breach of the same or other provisions.

ARTICLE 19 **HOLDING OVER**

19.1 Prohibition. There shall not be any holding over by Lessee or any assignee or sublessee, upon the expiration or cancellation of this Ground Lease without Lessor's prior written consent. If there be any holding over by Lessee or any assignee or sublessee, the holding over shall give rise to a tenancy at the sufferance of Lessor upon the same terms and conditions as are provided for herein with a rent for the holdover period commensurate with, but in no event less than, the previous year's rent.

19.2 Renewal Application. An application to renew this Ground Lease, properly and timely filed, may give rise to a period of interim occupancy if the term of this Ground Lease expires prior to execution of a new lease or the denial of the application to renew.

ARTICLE 20 **ENCUMBRANCES**

20.1 Rights. Lessee, and its successors and assigns, shall have the unrestricted right to mortgage and pledge this Ground Lease, subject, however, to the limitations of this Section. Any such mortgage/deed of trust or pledge shall be subject and subordinate to the rights of Lessor, and nothing in this Ground Lease shall be construed to impose upon Lessor any obligation or liability with respect to the payment of any indebtedness to any holder of a mortgage/deed of trust or pledge of this Ground Lease.

20.2 Term. The term of any leasehold mortgage or deed of trust shall not be longer than the remaining lease term.

20.3 Registration. No holder of a mortgage/deed of trust on this Ground Lease shall have the rights or benefits provided by this Article nor shall the provisions of this Article be binding upon Lessor, unless and until the name and address of the holder of the mortgage/deed of trust is registered with Lessor.

20.4 Of Record. If Lessee, or Lessee's successors or assigns, shall mortgage this Ground Lease in compliance with provisions of this Article, then so long as any such mortgage/deed of trust of record remains unsatisfied, the following provisions shall apply:

(a) Lessor, upon giving Lessee any notice of default, or any other notice under the provisions of or with respect to this Ground Lease, shall also give a copy of such notice to the registered holder of a mortgage/deed of trust on this Ground Lease.

(b) Any holder of such mortgage/deed of trust, in case Lessee shall have a monetary default hereunder, shall, within thirty (30) days from the receipt of notice have the right to cure such default, or cause the same to be cured, and Lessor shall accept such performance by or at the instance of such holder as if the same had been made by Lessee.

(c) Nothing herein contained shall preclude Lessor, subject to the provisions of this Article, from exercising any rights or remedies under this Ground Lease with respect to any other default by Lessee during the pendency of any foreclosure or trustee's sale proceedings.

(d) Any holder of such mortgage/deed of trust, in case Lessee shall have a default other than a default involving failure to pay rent, taxes or other assessments, shall have forty-five (45) days from the receipt of notice to cure any curable default.

(e) No failure on the part of Lessor to give the required notice of default to the holder of a mortgage/deed of trust shall be deemed a waiver of Lessor's continuing right to give notice of the default.

(f) Upon foreclosure of the mortgage or deed of trust, Lessor shall assign this Ground Lease to the holder of the mortgage or deed or trust if all taxes rent and assessment payments are current. Nothing herein contained shall be deemed to obligate Lessor to deliver physical possession of the demised Premises to the assignee under any assignment entered into pursuant to this paragraph.

(g) No agreement between Lessor and Lessee modifying, canceling or surrendering this Ground Lease shall be effective without the prior written consent of the registered mortgagees and lienholders.

(h) No union of the interest of Lessor and Lessee shall result in a merger of this Ground Lease in the fee interest.

(i) If a default is not cured within the applicable time period, Lessor may issue an order canceling the Ground Lease. If a cancellation order is issued, the order shall not become final until any foreclosure action by a mortgagee or other lienholder, registered with Lessor pursuant to this Article, is finally resolved, if the mortgagee or lienholder does both of the following:

(1) Within thirty (30) days of the date of issuance of a Notice of Default, files written notice with Lessor of its intent to proceed with a foreclosure action, and;

(2) Within one hundred twenty (120) days of the date of issuance of a Notice of Default, has commenced either a foreclosure action in court or a nonjudicial foreclosure of a deed of trust, and has provided Lessor with a certified copy of the complaint or other document that officially commences the foreclosure process, and thereafter prosecutes the foreclosure with reasonable diligence.

20.5 Casualty. A standard Mortgage Clause naming each leasehold mortgagee may be added to any and all insurance policies required to be carried by Lessee hereunder on condition that the insurance proceeds are to be applied in the manner that is not in derogation of Lessor's rights; except that the leasehold mortgage may provide a manner for the disposition of such proceeds, if any, otherwise payable directly to Lessee (but not such proceeds, if any, payable jointly to Lessor and Lessee) pursuant to the provisions of this Ground Lease.

ARTICLE 21

ENVIRONMENTAL MATTERS

21.1 Definition of Regulated Substances and Environmental Laws. For purposes of this Ground Lease, the term "Environmental Laws" shall include but not be limited to any relevant federal, state or local environmental laws, and the regulations, rules and ordinances, relating to environmental matters, and publications promulgated pursuant to the local, state, and federal laws and any rules or regulations relating to environmental matters. For the purpose of this Ground Lease, the term "Regulated Substances" shall include but not be limited to substances defined as "regulated substance," "solid waste," "hazardous waste," "hazardous materials," "hazardous substances," "toxic materials," "toxic substances," "inert materials," "pollutants," "toxic pollutants," "herbicides," "fungicides," "rodenticides," "insecticides," "contaminants," "pesticides," "asbestos," "environmental nuisance," "criminal littering," or "petroleum products" as defined in Environmental Laws.

21.2 Compliance with Environmental Laws. Lessee shall strictly comply with all Environmental Laws, including, without limitation, water quality, air quality; and handling, transportation, storage, treatment, or disposal of any Regulated Substance on, under, or from the Premises. Without limiting the foregoing, compliance includes that Lessee shall: (1) comply with all reporting obligations imposed under Environmental Laws; (2) obtain and maintain all permits required by Environmental Laws, and provide a copy to Lessor within ten (10) business days of receipt of the lease; (3) provide copies of all documentation required by Environmental Laws to Lessor within ten (10) business days of Lessee's submittal and/or receipt of the documentation; (4) during the term of the Ground Lease, provide copies of all information it receives or obtains regarding any and all environmental matters relating to the Premises, including but not limited to environmental audits relating to the Premises regardless of the reason for which the information was obtained or whether or not the information was required by Environmental Laws; (5) prevent treatment, storage, disposal, handling or use of any Regulated Substances within the Premises without prior written authorization from Lessor.

21.3 Designated Compliance Officer. Lessee at all times shall employ or designate an existing employee (the "Designated Compliance Officer") who is responsible for knowing all Environmental Laws affecting Lessee and Lessee's business and monitoring Lessee's continued compliance with applicable Environmental Laws. Upon request by Lessor, Lessee shall make the

Designated Compliance Officer available to discuss Lessee's compliance, answer any questions, and provide such reports and confirming information as Lessor may reasonably request.

21.4 Audit. At any time, Lessor may request Lessee to provide an environmental audit of the Premises performed by an Arizona registered professional engineer or an Arizona registered geologist. Lessee shall pay the entire cost of the audit.

21.5 Environmental Assessment. If the Lessor has a reasonable basis to believe there may be an event which could cause claims or damages (as described in Section 21.6), then at any such time, during the term of the Ground Lease, Lessor may require Lessee to obtain one Phase I environmental assessment of the Premises performed by an Arizona registered professional engineer or an Arizona registered geologist. If based upon the Phase I environmental assessment or its own independent investigation, Lessor identifies any possible violation of Environmental Laws or the terms of this Ground Lease, Lessor may require Lessee to conduct additional environmental assessments as Lessor deems appropriate for the purpose of ensuring that the Premises are in compliance with Environmental Laws. The Phase I assessment, or any other assessment required by Lessor, shall be obtained for the benefit of both Lessee and Lessor. A copy of the Phase I report shall be provided both to Lessee and Lessor. Lessor, in its sole discretion, shall have the right to require Lessee to perform additional assessments of any damage to the Premises arising out of any violations of Environmental Laws. If Lessee fails to obtain any assessments required by Lessor, Lessee shall pay the entire costs of any and all assessments required by Lessor, notwithstanding the expiration or termination of the Ground Lease. The Lessor may also request a Phase I environmental assessment at any time the Lessee requests permission to assign its interests in the Ground Lease.

21.6 Indemnity for Environmental Damage. Lessee shall defend, indemnify and hold Lessor harmless from and against any and all liability, obligations, losses, damages, penalties, claims, environmental response and cleanup costs and fines, and actions, suits, costs, taxes, charges, expenses and disbursements, including legal fees and expenses of whatever kind or nature (collectively, "claims" or "damages") imposed on, incurred by, or reserved against Lessor in any way relating to or arising out of any non-compliance with any Environmental Laws, the existence or presence of any Regulated Substance, on, under, or from the Premises, and any claims or damages in any way relating to or arising out of the removal, treatment, storage, disposition, mitigation, cleanup or remedying of any Regulated Substance on, under, or from the Premises by Lessee, its agents, contractors, or subcontractors, provided that Lessee shall have caused such claims or damages.

21.7 Scope of Indemnity. This indemnity shall include, without limitation, claims or damages arising out of any and all violations of Environmental Laws regardless of any real or alleged fault, negligence, willful misconduct, gross negligence, breach of warranty, or strict liability on the part of any of the indemnities. This indemnity shall survive the expiration or termination of this Ground Lease and/or transfer of all or any portion of the Premises and shall be governed by the laws of the State of Arizona.

21.8 Lessee's Participation in the Defense. In the event any action or claim is brought or asserted against Lessor which is or may be covered by this indemnity, Lessee shall fully participate, at Lessee's expense, in the defense of the action or claim including but not limited to

the following: (1) the conduct of any required cleanup, removal or remedial actions and/or negotiations, (2) the conduct of any proceedings, hearings, and/or litigation, and (3) the negotiation and finalization of any agreement or settlement. Lessor shall retain the right to make all final decisions concerning the defense. Lessee's obligations to participate in the defense under this Section shall survive the expiration or termination of the Ground Lease.

21.9 Restoration. Prior to the termination of the Ground Lease, Lessee shall restore the Premises by removing any and all Regulated Substances. In addition, the restoration shall include, but not be limited to, removal of all waste and debris deposited by Lessee. If the Premises or any portions thereof are damaged or destroyed from the existence or presence of any Regulated Substance or if the Premises or any portions thereof are damaged or destroyed in any way relating to or arising out of the removal, treatment, storage, disposition, mitigation, cleanup or remedying of any Regulated Substance, Lessee shall arrange, at its expense, for the repair, removal, remediation, restoration, and reconstruction to the Premises to the original condition existing on the date that Lessee first occupied the Parcel, to the satisfaction of Lessor. In any event, any damage, destruction, or restoration by Lessee shall not relieve Lessee from its obligations and liabilities under this Ground Lease. Lessee's restoration obligations under this Section shall survive the expiration or the termination of the Ground Lease.

ARTICLE 22 **MISCELLANEOUS**

22.1 Reservation. This Ground Lease grants Lessee only those rights expressly granted herein and Lessor retains and reserves all other rights in the Premises.

22.2 Binding Effect. Each provision of this Ground Lease shall extend to, be binding on and inure to the benefit of not only Lessee but each of its respective heirs, administrators, executors, successors and assigns. When reference is made in this Ground Lease to either "Lessor" or "Lessee", the reference shall be deemed to include, wherever applicable, the heirs, administrators, executors, successors and assigns of the parties. This Ground Lease shall be binding upon all subsequent owners of the Premises, and of any interest or estate therein or lien or encumbrance thereon.

22.3 No Partnership. The relationship of the parties is that of Lessor and Lessee, and it is expressly understood and agreed that Lessor does not in any way or for any purpose become a partner of Lessee or a joint venturer with Lessee in the conduct of Lessee's business or otherwise, and that the provisions of any agreement between Lessor and Lessee relating to rent are made solely for the purpose of providing a method by which rental payments are to be measured and ascertained.

22.4 Quitclaim upon Termination. After the expiration or termination of this Ground Lease, Lessee shall execute, acknowledge and deliver to Lessor within thirty (30) days after written demand from Lessor to Lessee, any document requested by Lessor quitclaiming any right, title or interest in the Leasehold to Lessor or other document required by any reputable title company to remove the cloud of this Ground Lease from the Premises.

22.5 Title. The titles to the Articles of this Ground Lease are not a part of this Ground Lease and shall have no effect upon the construction or interpretation of any part of the Ground Lease.

22.6 Reserved.

22.7 Notices. Any notice to be given or other document to be delivered to Lessee or Lessor hereunder shall be in writing and delivered to Lessee or Lessor by depositing same in the United States Mail, with prepaid postage thereon fully prepaid and addressed as follows:

IF TO THE CITY: City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301
Facsimile No.: (623) _____

WITH A COPY TO: City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301
Facsimile No.: (623) 915-2391

IF TO CABELA'S: CABELA'S INC.
Attn: Kevin T. Rhodes
Cabela's Ventures, Inc.
One Cabela Drive
Sidney, NE 69160
Facsimile No.: (308) 255-2300

With a copy to: Attn: Kent T. Kelsey
Cabela's, Incorporated
One Cabela Drive
Sidney, NE 69160
Facsimile No.: (308)255-2300

Lessee must notify Lessor by written notice of any change in address within thirty (30) days. Lessor may, by written notice to Lessee, designate a different address.

22.8 Lessor's Title. If it is determined that Lessor has failed to receive title to any of the Parcel, the Ground Lease is null and void insofar as it relates to that portion of the Parcel to which Lessor has failed to receive title. Lessor shall not be liable to Lessee or any assignee or sublessee for any damages that result from Lessor's failure to receive title.

22.9 Lessor's Lien. Lessee grants to Lessor a lien superior to all others in Lessee's interest in Improvements and valuable materials located on the Parcel. Lessor has the right to recover any rent arrearage and outstanding liabilities of Lessee from Lessee's interest in the Improvements or valuable materials.

22.10 Reserved.

22.11 Cancellation. Pursuant to A.R.S. § 38-511 this Ground Lease may be canceled within three years after its execution, if any person significantly involved in initiating, negotiating, securing, drafting, or creating the contract on behalf of the state, its political subdivisions or any of the departments or agencies of either is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

22.12 Applicable Law. This Ground Lease is subject to all current and subsequently enacted rules, regulations and laws applicable to the State and to the rights and obligations of Lessors and Lessees. No provision of this Ground Lease shall create any vested right in Lessee except as otherwise specifically provided in this Ground Lease.

22.13 Amendment. This Ground Lease may be amended only in writing and upon agreement by all parties.

22.14 Attorneys' Fees. In any action arising out of this Ground Lease, the prevailing party is entitled to recover reasonable attorneys' fees and costs in addition to the amount of any judgment, costs and other expenses as determined by the court. In the case of Lessor, reasonable attorney's fees shall be calculated at the reasonable market value for such services when rendered by private counsel, notwithstanding that it is represented by the Arizona Attorney General's Office or other salaried counsel.


22.15 Execution. This document is submitted for examination and shall have no binding effect on the parties unless and until executed by Lessor (after execution by Lessee), and a fully executed copy is delivered to Lessee. Upon the execution hereof, at the request of Lessee, the parties also shall execute, so that Lessee may cause it to be recorded, a short form of this Ground Lease.

22.16 Survey. At the request of Lessor, Lessee shall submit a current survey prepared by an Arizona registered land surveyor of the Parcel. The survey shall be prepared to Lessors satisfaction and the cost of the survey shall be borne by Lessee.

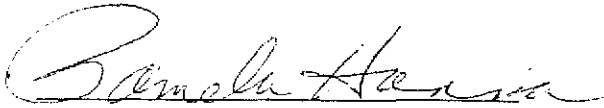
22.17 Mutual Cancellation. This Ground Lease may be terminated as to all or part of the parcel prior to the expiration date upon written agreement signed by both Lessor and Lessee. The agreement shall specify the terms and conditions of such a cancellation.

IN WITNESS WHEREOF, the parties have executed this Ground Lease through their representatives duly authorized to execute this document and bind their respective entities to the terms and obligations contained herein on the day and year first written above.

CITY OF GLENDALE, an Arizona
municipal corporation
ED BEASLEY, City Manager

By: 
Its: _____

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

CABELA'S RETAIL, INC., a Nebraska
corporation

By: _____
Its: _____

22.17 Mutual Cancellation. This Ground Lease may be terminated as to all or part of the parcel prior to the expiration date upon written agreement signed by both Lessor and Lessee. The agreement shall specify the terms and conditions of such a cancellation.

IN WITNESS WHEREOF, the parties have executed this Ground Lease through their representatives duly authorized to execute this document and bind their respective entities to the terms and obligations contained herein on the day and year first written above.

CITY OF GLENDALE, an Arizona
municipal corporation
ED BEASLEY, City Manager

By: _____

Its: _____

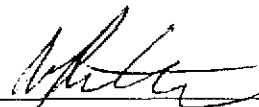
ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

CABELA'S RETAIL, INC., a Nebraska
corporation

By:  _____

Its: CFO _____

STATE OF ARIZONA)
) ss.
County of Maricopa)

This instrument was acknowledged before me this 13TH day of DECEMBER, 2005 by Ed Beasley, City Manager of the CITY OF GLENDALE, an Arizona municipal corporation, on behalf of the municipal corporation.

Nicole L. Coking
Notary Public

My Commission Expires:

3/24/2008



STATE OF _____)
) ss.
County of _____)

This instrument was acknowledged before me this _____ day of _____, 2005 by _____ of CABELA'S RETAIL, INC., a _____ on behalf of the corporation.

Notary Public

My Commission Expires:

STATE OF ARIZONA)
) ss.
County of Maricopa)

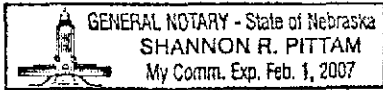
This instrument was acknowledged before me this _____ day of _____, 2005 by Ed Beasley, City Manager of the CITY OF GLENDALE, an Arizona municipal corporation, on behalf of the municipal corporation.

Notary Public

My Commission Expires:

STATE OF Nebraska)
) ss.
County of Cheyenne)

This instrument was acknowledged before me this 12th day of December 2005 by Ralph Costner, CEO of CABELA'S RETAIL, INC., a Nebraska Corp on behalf of the corporation.



Shannon Pittam
Notary Public

My Commission Expires:

2-1-07

APPENDIX A
LEGAL DESCRIPTION

PARCEL NO. 1:

TRACT A, OF ZANJERO, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA IN BOOK 764 OF MAPS, PAGE 42.

PARCEL NO. 3:

LOT 2B, OF A MINOR LAND SUBDIVISION OF LOT 2, FINAL PLAT OF ZANJERO, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA IN BOOM 774 OF MAPS, PAGE 17.

APPENDIX B

CITY REQUIRED SITE IMPROVEMENTS GLENDALE, AZ

The City shall complete or cause to be completed the following improvements to the Cabela's site, as further described in the contract drawings and specifications prepared by WRG on behalf of Cabela's, but subject to the Public Participation Amount as set forth in the Development Agreement:

- Non-standard driveway amenities- extra wide, decorative pavement, medians and entry landscaping.
- Perimeter landscaping, including irrigation and irrigation pond(s) on the Cabela's site.
- Landscaping and irrigation throughout the Cabela's site.
- All site grading including import and/or export of materials, water features, retention ponds, and screening berms.
- All utilities (dry and wet) extending from the point of connection to mains to within the building footprint.
- Parking lot construction and paving (complete) per Cabela's plans and specifications. Including landscape, signage, striping, curbs, RV hook-ups, horse corrals and dog kennels)
- Site lighting (not on building) and all required electrical feeds.
- Entry monuments and signage per Cabela's plans and specifications.
- Sidewalks around the site perimeter and within the extents of the parking lot.
- Storm water management including infrastructure to discharge water from the property into the public storm system. Also included is infrastructure to convey off site drainage water away from the Cabela's site.
- Fire hydrants on the Cabela's site.
- Effluent line into the Cabela's site. Effluent will be provided "as-is", meaning not pressurized.

APPENDIX C

When Recorded, Return To:

SPECIAL WARRANTY DEED

FOR THE VALUABLE CONSIDERATION of Ten Dollars (\$10.00) and other good and valuable consideration, Cabela's Retail, Inc., a Nebraska corporation ("Grantor"), does hereby sell, transfer and convey to the City of Glendale, Arizona ("Grantee"), all buildings, structures and other improvements constructed and to be constructed on the real property situated in Maricopa County, Arizona, described on Exhibit "One" attached hereto and incorporated herein by this reference, located at _____, Glendale, Maricopa County, Arizona (the "Improvements").

SUBJECT ONLY TO those matters listed on Exhibit "Two" attached hereto, which have been approved by Grantee.

Grantor hereby warrants title to the Improvements against the acts of Grantor (and Grantor's agents, contractors, and subcontractors) and none other, subject to the matters set forth above.

Specifically, but without limiting the foregoing, Grantor warrants title to the Property free and clear of all liens, claims, demands, and encumbrances (other than as listed on Exhibit "Two" attached hereto), including, without limitation, all mechanics' and materialmen's liens, claims and demands relating in any manner to the construction of the Improvements by Grantor.

Dated this ____ day of _____, 2005.

CABELA'S RETAIL, INC., a Nebraska corporation

By: _____

Name: _____

Its: _____

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this _____ day of _____, 2005, by _____, the _____ of _____, for and on behalf of the _____.

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

Notary Public

Exhibit "One"
To Special Warranty Deed
Legal Description

Exhibit "A"

Legal Description

TRACT A, OF ZANJERO, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA IN BOOK 764 OF MAPS, PAGE 42.

LOT 2B, OF A MINOR LAND SUBDIVISION OF LOT 2, FINAL PLAT OF ZANJERO, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA IN BOOK 774 OF MAPS, PAGE 17.

Exhibit "Two"
To Special Warranty Deed
Subject To Matters

Exhibit "B"

1. The liabilities and obligations imposed upon said land by reason of: (a) inclusion thereof within the boundaries of the Salt River Project Agricultural Improvement and Power District; (b) membership of the owner thereof in the Salt River Valley Water Users' Association, an Arizona corporation and (c) the terms of any Water Right Application made under the reclamation laws of the United States for the purpose of obtaining water rights for said land. (All assessments due and payable are paid.)
2. Reservations or Exceptions in Patents, or in Acts authorizing the issuance thereof.
3. Water rights, claims or title to water, whether or not shown by the public records.
4. Restrictions, dedications, conditions, reservations, easements and other matters shown on the plat of Zanjero, as recorded in Plat Book 764 of Maps, Page(s) 42, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
5. Easements and other matters shown on the plat of A Minor Land Division of Lot 2, Final Plat of Zanjero, as recorded in Plat Book 774, Page(s) 17, thereafter Ratification recorded September 9, 2005 as 2005-1327545 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
6. Covenants, Conditions and Restrictions as set forth in Declaration of Restrictive Covenant recorded in 2003-0703152 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
7. The terms and provisions contained in the document entitled "Developer Assistance Agreement" recorded as 2005-0681423 of Official Records.
8. The terms, provisions, easements and restrictions contained in the document entitled "Reciprocal Easement Agreement and Declaration of Restrictions" recorded September 9, 2005 as 2005-1327547 of Official Records.
9. The terms and provisions contained in the document entitled "Agreement No. C-5410" recorded August 26, 2005 as 2005-1240171 of Official Records.
10. Covenants, Conditions and Restrictions as set forth in document recorded in 2005-1358792 of Official Records; Thereafter Tract Declaration recorded as 2005-1361794 of Official Records and as 2005-1361795 of Official Records; Thereafter Ratification recorded as 2005-1571337 of Official Records, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
11. The terms and provisions contained in the document entitled "Development Agreement" recorded September 28, 2005 as 2005-1436246 of Official Records.