

EQUITY INVESTMENT AGREEMENT

This Equity Investment Agreement (the "Agreement") is made as of the 24th day of January, 2021 (the "Effective Date"), by and among Sahara Energy Ltd., an Alberta, Canada corporation (hereinafter "Sahara"), and DMG Buffalo LLC, a Delaware limited liability company (hereinafter "DMG").

Background.

- DMG intends to develop off-campus student housing (the "Project") at the premises known as and located at 2915-2949 North Forest Road, Amherst, New York 14068 (the "Premises"), which Premises currently consist of an approximately 6.19 acre plot, inclusive of certain undevelopable areas, in the vicinity of the University at Buffalo campus. The Project is planned to consist of 154 residential units and 481 beds, and a lower-level parking area having 283 parking spaces, together with ancillary amenities and improvements, in a four story building containing approximately 213,438 square feet (the "Improvements"). The Project is also referred to and known as Auden Buffalo Student Housing in publications and advertisements. All required municipal approvals from the City of Amherst have been obtained for construction of the Project.
- As of the Effective Date, DMG is the sole member in Amherst Forest Holdings LLC, a Delaware limited liability company, which entity is the sole member (the "Sole Member") of Amherst Forest Property LLC, a Delaware limited liability company (the "Property Owner"), which entity is the fee owner of the Premises (DMG, Sole Member, and Property Owner are each individually referred to as a "DMG Entity" and collectively referred to as the "DMG Entities").
- On the Closing Date (as hereinafter defined), the parties intend and have agreed as follows: (a) DMG and Sahara (or its designee) shall become members in a newly formed Delaware limited liability company (the "Newco"), and execute the Operating Agreement (as hereinafter defined) in connection therewith; (b) Sahara shall fund its Initial Capital Contribution (as defined in the Operating Agreement); and (c) DMG shall assign and contribute all of its membership interest in Sole Member to Newco. The occurrence of all of the events described in clauses "a," "b," and "c," above, are collectively referred to as the "Closing".

1. The Transaction.

1.1 DMG hereby agrees to enter into the Operating Agreement and assign all of its membership interest in Sole Member, and Sahara hereby agrees to (or to cause its designee to) enter into the Operating Agreement and fund its Initial Capital Contribution, subject to the terms and conditions set forth in this Agreement. The Closing shall occur on the earlier of the date (the "Closing Date") that is: (a) sixty (60) days after the Effective Date; or (b) five (5) days after the satisfaction (or waiver) of all of the conditions set forth at Section 4 hereof; or otherwise on such other date as the parties may mutually agree. If the conditions set forth at Section 4 hereof are not satisfied (or waived) on or before the 60th day after the Effective Date, time being of the essence, either party may elect at any time thereafter, in its respective sole discretion, to terminate this Agreement; in which event neither party shall have any further rights or liability under this Agreement except any obligations that expressly survive termination.

1.2 The Closing shall be consummated through a customary escrow arrangement. On the Closing Date: (a) Sahara (or its designee) and DMG shall enter into and exchange fully signed

counterparts of the limited liability company operating agreement of Newco in the form annexed hereto as Exhibit A (the "Operating Agreement"), with DMG's Initial Capital Contributions in Newco (in the amount equal to (i) \$15,451,832, plus (ii) the aggregate amount of Additional Capital Contributions (as defined in the Operating Agreement) made by DMG from and after the Effective Date and prior to the Closing Date (as if the Operating Agreement was in effect as of the Effective Date), less (iii) the DMG Distribution (as defined and in accordance with Section 7.1 of the Operating Agreement)) being set forth on Exhibit A thereto; (b) DMG shall assign all of its right, title, and interest in Sole Member to Newco pursuant to a customary form of assignment of membership interest; and (c) Sahara shall fund its Initial Capital Contribution in the amount of \$3,000,000, by wire transfer of immediately available federal funds pursuant to wire instructions to be provided by DMG.

1.3 On or before the Closing Date, DMG shall form Newco in Delaware.

2. Representations by DMG.

DMG represents and warrants to Sahara as set forth below, all as of the Effective Date:

2.1 Organization and Authorization. Each of DMG, Sole Member and Property Owner are limited liability companies which are duly organized, validly existing and in good standing under the laws of the State of Delaware, have all requisite power and authority to own its properties, and to carry on its business as now being conducted, to execute and deliver this Agreement and the agreements contemplated herein, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by DMG of this Agreement and the agreements provided for herein, and the consummation by DMG of all transactions contemplated hereunder, have been duly authorized by all requisite limited liability company action.

2.2 Absence of Undisclosed Liabilities. Except as and to the extent incurred in the ordinary course of business (e.g., real estate taxes, insurance, utilities and operating expenses) and in connection with the construction, development and financing of the Project, either individually or in the aggregate, none of DMG, Sole Member or Property Owner have any liability or obligation, secured or unsecured, whether accrued, absolute, contingent, unasserted or otherwise, which is material to the condition (financial or otherwise) of the assets, properties, business or prospects of the Project taken as a whole.

2.3 Title. DMG and the Sole Member have good and marketable title to their membership interests in the Sole Member and the Property Owner, respectively, free and clear of any and all covenants, conditions, restrictions, liens, options and adverse claims.

2.4 Bankruptcy. That there has been no undismissed or unstayed petitions in bankruptcy or other insolvency proceeding filed by or against DMG, Sole Member or Property Owner, nor have any of them made any assignment for the benefit of creditors.

2.5 Approvals. There are no corporate, contractual, statutory or other restrictions of any kind upon the power and authority of DMG, Sole Member, or Property Owner to the transfer, sale, assignment, conveyance, delivery and receipt of the assets, properties and business as contemplated by this Agreement, and no action by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality is necessary to provide such power or authority.

2.6 Judgments. None of DMG or Sole Member, or Property Owner are in default with respect to any judgment, order, writ, injunction or decree of any court of federal, state, municipal or other governmental department to which it is party.

2.7 Claims, Etc. There are no claims, lawsuits, actions, arbitrations, administrative or other proceedings, governmental investigations or inquiries pending or, to the best of DMG's knowledge, threatened against DMG, Sole Member, or Property Owner, that, if adversely determined could adversely affect the performance of DMG's obligations under this Agreement.

2.8 Organization. The sole member in DMG Buffalo LLC is DMG Investments LLC. The sole members in DMG Investments LLC are *[names of members redacted for privacy reasons]*. A true and correct copy of Property Owner's organization chart is attached hereto as Exhibit B.

2.9 Information. To the best of DMG's knowledge, no document or other written information furnished by DMG to Sahara (including the Disclosure Information, as hereinafter defined), with respect to the Premises, the Project or the DMG Entities, contains any false material information or statement, or omits to state a material fact necessary to make such document or other written information, in light of the circumstances in which they were made, not misleading.

3. Representations by Sahara.

Sahara represents and warrants to DMG as set forth below, all as of the Effective Date:

3.1 Organization and Authority. Sahara is a corporation duly organized, validly existing and in good standing under the laws of the Province of Alberta, Canada, and has requisite power and authority to own its properties and to carry on its business as now being conducted, to execute and deliver this Agreement and the agreements contemplated herein, and to consummate the transactions contemplated hereby and thereby. Sahara has full power to execute and deliver this Agreement and to consummate the transactions contemplated hereby.

3.2 Authorization. The execution and delivery by Sahara of this Agreement and the agreements provided for herein, and the consummation by Sahara of all transactions contemplated hereunder and thereunder, have been duly authorized by all requisite corporate action of Sahara. This Agreement has been duly executed by Sahara.

3.3 Claims, Etc. There are no claims, lawsuits, actions, arbitrations, administrative or other proceedings, governmental investigations or inquiries pending or, to the knowledge of Sahara, threatened against Sahara that, if adversely determined, could adversely affect the performance of its obligations under this Agreement.

3.4 Bankruptcy. That there has been no undismissed or unstayed petition in bankruptcy or other insolvency proceeding filed by or against the Sahara, nor has Sahara made any assignment for the benefit of creditors.

4. Express Conditions Which Must be Satisfied Prior to Initial Capital Contribution By Sahara.

4.1 The obligations of Sahara to consummate the transactions contemplated by this Agreement are expressly subject to and conditioned upon the fulfillment of the following conditions precedent:

- A. DMG shall have cooperated, without any obligation to incur any out-of-pocket cost, in the preparation of Sahara's public disclosure documentation. Including providing Sahara with all information respecting DMG, Newco, the Project and matters relating hereto (collectively, the "Disclosure Information"), to the extent such cooperation reasonably requested by Sahara and is required to be disclosed by Sahara pursuant to applicable laws and the rules of the Canadian securities regulators and the TSX Venture Exchange (the "Exchange").
 - B. Sahara shall have received all necessary approvals (including any necessary third party or shareholder approvals, the "Exchange Approvals") of and as required by the Exchange, in respect of this Agreement, the Project, the transactions contemplated hereby and thereby and Sahara's disclosure in respect thereof. Sahara shall, from and after the Effective Date, in good faith and using commercially reasonable and diligent efforts, seek to obtain the requisite Exchange Approvals, and, as permitted by law and the rules of the Exchange, shall keep DMG reasonably informed of the status of its efforts to obtain such Exchange Approvals. Where permitted by law and the rules of the Exchange, Sahara shall, promptly after filing, give DMG copies of any and all filings it makes with the Exchange and shall, promptly after Sahara's receipt thereof, advise DMG of any responses or feedback (written or otherwise) provided by the Exchange or any other third party or shareholder, as applicable, in respect of any filings and/or the transaction(s) this Agreement describes.
 - C. No guarantee of any type whatsoever in connection with Newco or the Project, including but not limited to corporate, personal, limited, contingent, or otherwise, shall be required of Sahara, or any officer or stakeholder affiliated with Sahara, or any individual affiliated with Sahara in their individual capacity, whether requested by DMG, any party involved with the Project, any potential lender (secured or unsecured) to the Project, or any third party;
 - D. On the Closing Date there shall be no emergency lockdown, emergency shutdown, mandatory quarantine, or mandatory suspension of private enterprise issued by any governmental agency having jurisdiction over the Project, due to COVID-19, then in effect, which would prevent DMG from constructing the Project;
 - E. DMG's representations set forth at Section 2 of this Agreement shall remain true and correct in all material respects on the Closing Date. Upon Closing, DMG shall deliver to Sahara a certification confirming that all of DMG's representations set forth at said Section 2 remain true and correct in all material respects as of the Closing Date; and
 - F. Except as permitted under the Operating Agreement, there shall have been no sale, transfer, assignment, or hypothecation of any membership interest in Newco, Sole Member or Property Owner.
5. Express Conditions Which Must be Satisfied Prior to DMG's proceeding to Closing.

5.1 The obligations of DMG to consummate the transactions contemplated by this Agreement are expressly subject to and conditioned upon the fulfillment of the following conditions precedent:

- A. Sahara (or its designee) shall have executed and delivered the Operating Agreement to DMG and funded its Initial Capital Contribution; and

B. Sahara's representations in this Agreement shall remain true and correct in all material respects on the Closing Date.

6. Brokers. Each party: (a) represents and warrants it has dealt with no broker in entering into this Agreement; and (b) shall indemnify, hold harmless and defend the other from and against any and all loss, cost, damage, liability or expense, including reasonable attorneys' fees, which the other party may sustain, incur or be exposed to by reason of any claim for fees or commissions arising out of a breach by the indemnified party of the aforesaid representation. The provisions of this section shall survive Closing or termination of this Agreement.

7. Confidentiality. From and after the Effective Date:

7.1 Subject to this Section 7 and other than information that is required by law or the rules of the Exchange to be disclosed in respect of Newco, the DMG Entities, the Project and the transactions contemplated hereby or where the use of such information is necessary or appropriate in making any filing or obtaining any consent or approval required for the consummation of the transactions contemplated hereby or otherwise is reasonably necessary to satisfy any of the conditions precedent specified in Section 4, or where the furnishing or use of such information is required by or necessary or appropriate in connection with legal proceedings, Sahara shall hold in confidence all knowledge and information shared by DMG or learned through its participation in negotiating this Agreement or the Operating Agreement with respect to DMG and to the Project and shall not disclose, publish or make use of the same without the consent of DMG, except to the extent that such information shall have become public knowledge other than by Sahara's breach of this Agreement. Notwithstanding the foregoing, where the disclosure of information by Sahara would be considered detrimental to DMG, Sahara will use best efforts to prevent the disclosure of the same, including without limitation, seeking an order from the securities regulators and/or the Exchange permitting Sahara to protect the confidentiality of such information. To the extent possible and appropriate, Sahara will afford DMG with notice of any disclosure and an opportunity to review and comment on such disclosure.

7.2 Subject to any mandatory disclosure requirement of applicable Canadian securities laws and the Exchange and disclosure necessary to obtain the Exchange Approvals and any other consent or approval, each Party hereto agrees: (i) not to disclose any aspect of the discussions, negotiations, terms, status or conditions relating to the transactions contemplated herein to any third party other than their respective attorneys, accountants, officers, directors, authorized employees, authorized representatives and to DMG's lenders, investors, and their agents in connection with the Project, and then only on a need to know basis; and (ii) to cause and require all such Persons to whom such information is disclosed to abide by the provisions of this Section.

8. Intentionally Omitted.

9. Miscellaneous.

9.1 Knowledge. As used in this Agreement, reference to the "knowledge" of any party shall include the information that would be known to such party had such party's officers, directors, and other authorized representatives made reasonable and diligent inquiries in respect of such matters qualified by such party's knowledge.

9.2 Notices. Any notices or other communications required or permitted hereunder shall be sufficiently given if: (i) delivered personally; (ii) sent by a nationally recognized receipted overnight delivery service for next business day service; (iii) sent by postage prepaid certified or registered mail; or (iv) sent by email (provided that notices by email are also sent by the next business day in the manner prescribed in clauses “i,” “ii,” or “iii”) in each case to the address(es) as set forth on the signature page hereto or to such other address of which the parties may have given notice pursuant to this Section 9.2. Unless otherwise specified herein, such notices or other communications shall be deemed received: (a) on the date delivered, if delivered personally, by email, or by certified or registered mail; or (b) the next business days after being sent, if sent by overnight delivery. Either party’s counsel may give notice on behalf of his/her representative party. No proof of an attorney’s authority is required, whether or not this Agreement identifies that attorney.

9.3 Sahara Indemnity. Sahara shall indemnify, hold harmless and defend DMG from and against any and all loss, cost, damage, liability or expense, including reasonable attorneys’ fees (collectively, “Liabilities”), which DMG may sustain, incur or be exposed to by reason of any claim or action arising out of: (a) the Exchange Approvals and Sahara’s efforts to obtain same, including any filing or disclosure Sahara makes with or to the Exchange (excluding, in any event, Liabilities arising in connection therewith out of DMG’s material breach of any representation under Section 2 above); or (b) and any enforcement or another action arising from the foregoing (excluding Liabilities arising out of DMG’s material breach of any representation under Section 2 above). This Section shall survive Closing or the earlier termination of this Agreement.

9.4 DMG Indemnity. DMG shall indemnify, hold harmless and defend Sahara from and against any and all Liabilities which Sahara may sustain, incur or be exposed to by reason of any claim or action arising out of: (a) Sahara’s efforts to obtain the Exchange Approvals, including any filing or disclosure Sahara makes with or to the Exchange, so long as the Liabilities therefor are based upon DMG’s material breach of any representation under Section 2 above; or (b) any enforcement or another action arising from the foregoing, so long as the Liabilities therefor are based upon DMG’s material breach of any representation under Section 2 above. Notwithstanding anything to the contrary in this Agreement, if, on or before Closing, Sahara obtains knowledge that DMG is or will be in breach of any of its representations under said Section 2 as of or after Closing, and Sahara proceeds to Closing notwithstanding such breach, then Sahara shall be deemed to have irrevocably waived its rights under this Section 9.4 to make a claim against DMG on account of such breach. This Section shall survive Closing, but not the termination of this Agreement.

9.5 Reporting and Project Status. From and after the Effective Date and for so long as the Operating Agreement remains in force, promptly following DMG obtaining knowledge, DMG will use reasonable efforts to advise Sahara, in writing, of any and all matters, incidents and events that may have a material and adverse effect on the Project, Newco, or the ability of DMG to satisfy, in full, any and all of its material obligations to Sahara under the Operating Agreement. Notwithstanding the previous sentence, it is understood and agreed that DMG has no obligation to notify Sahara of any event or occurrence that impact the market generally or other otherwise publicly known or reported.

9.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto. Neither party may assign this agreement without the consent of the other.

9.7 Entire Agreement; Amendments. The Agreement, all Exhibits hereto, all agreements and instruments to be delivered by the parties pursuant thereto, represent the entire understanding

and agreement between the parties hereto with respect to the subject matter hereof and supersede all prior oral and written and all contemporaneous oral negotiations, commitments and understandings between such parties. Except to the extent of the Operating Agreement, the terms of which shall prevail, if the provisions of an Exhibit to this Agreement are inconsistent with the provisions of this Agreement, the provisions of the Agreement shall prevail. The Exhibits attached hereto are hereby incorporated as integral parts of this Agreement.

9.8 Governing Law; Venue; Etc. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflicts-of-law rules of such State. The exclusive venue for any dispute arising under this Agreement shall be any state or federal court in New York County, New York. If any dispute arises under this Agreement then the prevailing party shall be entitled to recover its reasonable legal fees, disbursements, and court costs incurred in the dispute from the other party. The parties waive jury trial.

9.9 Remedies. In the event DMG shall default under this Agreement then Sahara, as its sole and exclusive remedies, may either: (a) bring an action against DMG to seek specific performance of DMG's obligations under this Agreement, so long as such action for specific performance is commenced within sixty (60) days of DMG's default under this Agreement; or (b) terminate this Agreement. Without limitation to the foregoing, if DMG defaults under this Agreement then Sahara shall not be entitled to recover, and DMG shall not be liable for, any damages by reason thereof, including any punitive, direct, indirect, special, or consequential damages under any theory of liability whatsoever.

9.10 Survival. Except for any that specifically and expressly survive Closing or termination of this Agreement, all rights, obligations, covenants, representations, and warranties in this Agreement shall terminate on the earlier of Closing or termination of this Agreement.

9.11 Further Assurances. Each party hereto shall cooperate with the others, and execute and deliver, or cause to be executed and delivered, all such other instruments, including instruments of conveyance, assignment and transfer, and take all such other actions as may be reasonably requested by the other parties hereto from time to time, consistent with the terms of this Agreement, to effectuate the purposes and provisions of this Agreement. This obligation shall survive closing.

9.12 Section Headings. The section headings are for the convenience of the parties and in no way alter, modify, amend, limit, or restrict the contractual obligations of the parties.

9.13 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

9.14 Counterparts. This Agreement may be executed in one or more counterparts, including by PDF, each of which shall be deemed to be an original, but all of which shall be one and the same document.

[No further text. Signatures on next page.]

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the Effective Date.

Sahara Energy Ltd., an Alberta, Canada corporation:

By: (signed) "Panwen Gao"
Name: Panwen Gao
Title: CEO

Address for Notice:

Sahara Energy Ltd.
370 Lexington Avenue #2010
New York, New York 10017

With a required copy to:

Peter L. Nurzia, Esq.
2 Overhill Road, Suite 400
Scarsdale, New York 10583
Email: :pnurzia@nurzialaw.com

DMG Buffalo LLC, a Delaware limited liability company:

By: (signed) " Yuanliu He"
Name: Yuanliu He
Title: Authorized Signatory

Address for Notice:

DMG Buffalo LLC
100 Wall Street, Suite 2203
New York, New York 10005
Attention: Ariel Hai
Email: arielhai@dmg-investments.com

With a required copy to:

Tannenbaum Helpern Syracuse & Hirschtritt LLP
900 Third Avenue
New York, New York 10022
Attention: Eric Schoenfeld, Esq.
Email: schoenfeld@thsh.com

Exhibit A

Form of Newco Operating Agreement

OPERATING AGREEMENT
OF
DMG AMHERST FOREST GP LLC

TABLE OF CONTENTS

ARTICLE I - EFFECTIVE DATE; DEFINITIONS

ARTICLE II - FORMATION

ARTICLE III - MEMBERSHIP

ARTICLE IV - ACTION BY THE MEMBERS

ARTICLE V - MANAGER

ARTICLE VI - INDEMNIFICATION

ARTICLE VII - CAPITAL CONTRIBUTIONS

ARTICLE VIII - CASH DISTRIBUTIONS

ARTICLE IX - NET PROFITS AND NET LOSSES

ARTICLE X - CAPITAL ACCOUNTS

ARTICLE XI - REPRESENTATIONS AND WARRANTIES

ARTICLE XII - TRANSFERS

ARTICLE XIII - TERMINATION AND DISSOLUTION

ARTICLE XIV - AMENDMENTS

ARTICLE XV - BOOKS AND RECORDS

ARTICLE XVI - MISCELLANEOUS

Exhibit A

Members

Exhibit B

Contact Information of the Manager

**OPERATING AGREEMENT
OF
DMG AMHERST FOREST GP LLC**

THIS AGREEMENT is dated and effective as of [_____, 2021,] by and among the Persons named on Exhibit A annexed hereto.

W I T N E S S E T H :

WHEREAS, the Company (unless otherwise defined, all defined terms used herein shall have the meaning ascribed to them in Article I hereof or elsewhere in this Agreement) was formed as a limited liability company under the Delaware Limited Liability Company Act (the “**Act**”); and

WHEREAS, simultaneously herewith the Persons named on Exhibit A are the sole Members of the Company.

NOW, THEREFORE, in consideration of the agreements and covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

**ARTICLE I
EFFECTIVE DATE; DEFINITIONS**

Section 1.1 Effective Date. Except as otherwise provided herein, the provisions of this Agreement are effective as of the date hereof (the “**Effective Date**”).

Section 1.2 Definitions. As used herein, the following terms and phrases shall have the meanings indicated:

(a) “**Additional Capital Contributions**” shall have the meaning given to such term in Section 7.2 hereof.

(b) “**Affiliate**” shall mean when used with reference to a specified Person, (a) any Person that directly or indirectly through one or more intermediaries controls or is controlled by or is under common control with the specified Person, (b) any Person who, from time to time, is an officer or director of a specified Person, or (c) any Person who, directly or indirectly, is the beneficial owner of fifty percent (50%) or more of any class of equity securities of the specified Person or of which the specified Person is directly or indirectly the owner of fifty percent (50%) or more of any class of equity securities.

(c) “**Assignment**” shall have the meaning given to such term in Section 5.10 hereof.

(d) “**Assignment Agreement**” shall have the meaning given to such term in Section 5.10 hereof.

(e) “**Attorneys’ Fees**” shall mean reasonable attorney fees and disbursements, and any fees and expenses for expert witnesses and/or court costs.

(f) “**Authorized Person(s)**” shall have the meaning given to such term in Section 5.1(a) hereof.

(g) “**Business Day**” shall mean any day other than a Saturday, Sunday, or any Federal holiday or any holiday in the State of New York.

(h) “**Capital Account**” shall have the meaning given to such term in Section 10.1 hereof.

(i) “**Capital Contributions**” shall mean, collectively, all capital contributions made pursuant to Article VII.

(j) “**Capital Percentage**” shall mean, with respect to a Member, a fraction, the numerator of which is the aggregate Capital Contribution made by such Member and the denominator of which is the aggregate Capital Contributions made by all Members.

(k) “**Cash Flow**” shall mean the excess of (x) all cash received by the Company (whether from operating cash flow and/or proceeds derived from any capital transaction) increased by any amounts previously held in reserve which the Manager determines to be no longer necessary, over (y) the Company’s cash disbursements, plus a reasonable allowance for cash reserves as reasonably determined by the Manager.

(l) “**Code**” shall mean the Internal Revenue Code of 1986, as amended, or any corresponding Federal tax statute enacted after the date of this Agreement, together with any and all Treasury Regulations promulgated thereunder. A reference to a specific section [§] of the Code refers not only to that section but also to any corresponding provision of any Federal tax statute enacted after the date of this Agreement, as that section or provision is in effect as of the date the provisions of this Agreement containing such reference are applied.

(m) “**Company**” shall mean DMG Amherst Forest GP LLC, the limited liability company governed hereby.

(n) “**Construction Loan**” shall mean a loans secured by the Property, which is to be used to finance a portion of the costs to develop and construct the Project.

(o) “**Construction Loan Guarantees**” shall mean any and all guarantees of payment and/or performance, guarantees of any carve-outs to the non-recourse provisions (e.g., misapplication of rents after default, fraud, etc.) and/or guarantees or indemnifications with respect to environmental matters required by the Lender in connection with the Construction Loan.

(p) “**DMG**” shall mean DMG Buffalo LLC, a Delaware limited liability company.

(q) “**First Quarter Expiration**” shall have the meaning assigned to such term in Section 8.4 hereof.

(r) **“Governmental Authority”** means any court, tribunal or government (federal, state or local) or any political subdivision thereof, including without limitation, any department, commission, board, bureau, agency or other regulatory, administrative or governmental authority or instrumentality.

(s) **“Guarantor”** shall mean DMG Investments LLC, a Delaware limited liability company, which entity, as of the Effective Date, is the sole member in DMG.

(t) **“Initial Capital Contributions”** shall mean the contributions made to the Company by each Member in accordance with the provisions hereof in the amount set forth opposite such Member’s name on Exhibit A hereto.

(u) **“Interest”** shall mean a Member’s ownership interest in the Company, including its share of the Net Profits and Net Losses of the Company, its right to receive distributions of the Company property and its rights to participate in the management of the Company as and to the extent provided in this Agreement.

(v) **“Investment Period”** shall mean the period commencing on the Effective Date and expiring on the last calendar day of the month which is twelve (12) month following the Effective Date.

(w) **“Lender”** shall mean the holder of any loan which is made to the Company, Sole Member or the Property Owner, and which loan is secured, in whole or part, by the Property (or any substantial portion thereof), an interest in the Property, or any interest in the Company, Sole Member or Property Owner.

(x) **“Loan”** means all loans to the Company, Sole Member and/or the Property Owner, and each, a “Loan.”

(y) **“Manager”** shall mean the Person or Persons described in Section 5.1 hereof, and any other Person so designated in accordance with this Agreement.

(z) **“Material Default”** shall mean either: (i) the failure of Sahara to be paid any sums due and payable under Section 8.4 or Section 12.4 hereof, which failure continues for fifteen (15) Business Days following notice from Sahara to DMG of such failure to pay when due; or (ii) DMG’s breach of any other material obligation under this Agreement which continues for a period of thirty (30) days following written notice of such breach from Sahara to DMG; provided, however, if such breach is not reasonably capable of being cured within such 30-day period, such breach shall not be a Material Default so long as DMG commences the cure thereof within such 30-day period and diligently prosecutes such cure to completion.

(aa) **“Members”** shall mean those Persons named on Exhibit A annexed hereto, and any other Persons hereinafter admitted as members of the Company in accordance with this Agreement. The term Member includes the Manager.

(bb) **“New Investor”** shall have the meaning assigned to such term in Section 5.11 hereof.

(cc) “**Net Profits**” or “**Net Losses**” shall mean, for any period, the net profits or net losses of the Company during such period for purposes of maintaining the Capital Accounts of the Company computed in accordance with Federal income tax principles except that depreciation with respect to assets contributed to the Company or revalued by the Company pursuant to the Treasury Regulations promulgated under Section 704(b) of the Code shall be computed based on the value at which such assets were recorded on the books of the Company.

(dd) “**Person**” shall mean any person or entity.

(ee) “**Preferred Return**” shall mean the amount equal to a cumulative return on Sahara’s Unreturned Contributions at the per annum rate of ten (10%) percent, non-compounding; provided, however, such rate shall increase to the per annum rate of fifteen (15%) percent, non-compounding, from and after the occurrence of a Material Default and so long as such Material Default shall continue.

(ff) “**Principal**” shall mean a Person owning, directly or indirectly, any interest in a Member or any Affiliate of such Person, or a partner, member, manager, shareholder, director, officer, beneficiary or trustee of a Member, or Affiliate of a Member.

(gg) “**Project**” shall mean the ground up construction of a four-story student-housing apartment building, containing 154 units and 481 beds, and a lower-level parking area having 283 parking spaces, together with ancillary amenities and improvements (including a community area), as modified from time to time subject to this Agreement.

(hh) “**Project Completion Date**” shall mean the date the construction of the Project is substantially completed, which shall be evidenced by the receipt of (i) any and all required governmental sign-offs for such work and (ii) any legally required temporary certificate of occupancy (or local equivalent) in connection with the Project.

(ii) “**Project Costs**” shall mean any and all costs and expenses incurred in connection with the acquisition, financing, development and construction of the Project, including without limitation, all soft and hard costs of construction and all costs incurred in connection with any Loan financings.

(jj) “**Property**” shall mean that certain parcel of land located at 2915-2949 North Forest Road, Amherst, New York 14068, together with all structures and other improvements that may be located thereon from time to time.

(kk) “**Property Owner**” shall mean Amherst Forest Property LLC, a Delaware limited liability company, the owner of fee title to the Property as of the date hereof; and any direct or indirect subsidiary of the Company which acquires fee title to the Property after the date hereof.

(ll) “**Property Owner Interest**” shall mean all right, title and interest in the Property Owner which, as of the Effective Date, is owned by the Sole Member.

(mm) “**Property Owner Operating Agreement**” shall mean that certain Limited Liability Company Agreement of the Property Owner dated as of March 2, 2020, as same may be amended and/or restated from time to time.

(nn) “**Redemption**” shall having the meaning given to such term in Section 12.4 hereof.

(oo) “**Required Return**” shall have the meaning assigned to such term in Section 8.4 hereof.

(pp) “**Sahara**” shall mean Sahara Energy LTD., an Alberta Canada Corporation, or its designee.

(qq) “**Sahara Equity Percentage**” shall mean 21.27%.

(rr) “**Sahara’s Unreturned Contributions**” shall mean (i) the Initial Capital Contributions made by Sahara less (ii) the aggregate distributions made to Sahara pursuant to Section 8.3(b) hereof.

(ss) “**Sole Member**” shall mean Amherst Forest Holdings LLC, a Delaware limited liability company, which company, as of the Effective Date, is the sole member of the Property Owner.

(tt) “**Sole Member Interest**” shall mean all right, title and interest in the Sole Member acquired by the Company pursuant to the Assignment Agreement.

(uu) “**Sole Member Operating Agreement**” shall mean that certain Limited Liability Company Agreement of the Sole Member dated as of March 2, 2020, as same may be amended and/or restated from time to time.

(vv) “**Treasury Regulation**” shall mean the income tax regulations, including temporary regulations, promulgated under the Code, as amended (and including corresponding provisions of successor regulations).

ARTICLE II FORMATION

Section 2.1 Name. The name of the Company is DMG Amherst Forest GP LLC, a limited liability company formed under the laws of the State of Delaware.

Section 2.2 Business. Subject to and in accordance with this Agreement, the purposes of the Company shall be to take, and/or cause either the Sole Member or the Property Owner to take, as the case may be, the following actions as the context requires:

(a) To enter into the Sole Member Operating Agreement, and acquire the Sole Member Interest; to own, finance, refinance, manage, sell or otherwise dispose of the Sole

Member Interest; and to own, finance, manage, sell, or otherwise dispose of the Property Owner Interest.

(b) To exercise any and all rights and powers and comply with any and all obligations of the Company with respect to the Sole Member Interest and/or pursuant to the Sole Member Operating Agreement;

(c) To exercise any and all rights and powers and comply with any and all obligations of the Sole Member with respect to the Property Owner Interest and/or pursuant to the Property Owner Operating Agreement;

(d) To modify, amend, supplement and/or restate the terms of either or both of the Sole Member Operating Agreement and the Property Owner Operating Agreement (and/or waive any rights thereunder);

(e) To own, operate, manage, lease, license, renovate, construct, develop, build, mortgage, finance, refinance, pledge, sell, convey, assign, transfer or otherwise deal with all or any portion of the Property or other assets of the Property Owner;

(f) To take, or cause either or both of the Sole Member and Property Owner to take, any actions which may be necessary, advisable, convenient, incidental or appropriate in connection with the foregoing; and

(g) Subject to any limitations contained in this Agreement, to enter into any lawful transaction and engage in any lawful activities in furtherance of the foregoing purposes.

Section 2.3 Term. The Company shall continue until terminated as provided in this Agreement.

Section 2.4 Registered Agent and Registered Office. The Company's registered agent shall be Corporation Service Company. The address of the registered agent and the registered office of the Company shall be 251 Little Falls Drive, Wilmington, Delaware 19808. The registered agent and the registered office of the Company may be changed from time to time by the Manager, as it deems appropriate.

Section 2.5 Place of Business. The Company's principal office shall be located at 100 Wall Street, Suite 2203, New York, New York 10005 or such other place as the Manager may determine. The Manager shall give notice to the Members after any change in the location of the principal office of the Company.

Section 2.6 Fiscal Year. Unless elected otherwise by the Manager, the fiscal year of the Company shall be the calendar year.

Section 2.7 Issuance of Certificates. The Company will not issue any certificates representing a Member's ownership interest in the Company but will, at the written request of a

Member, provide a certified statement of the Member's Capital Percentage as of the date the statement is provided.

ARTICLE III MEMBERSHIP

Section 3.1 Members. (a) On date hereof, Sahara and DMG are the sole Members of the Company.

(b) Except as otherwise provided in Article XII hereof, a new Member may be admitted into the Company only if all of the Members approve of such admission. Subject to the approval of Sahara set forth in the preceding sentence, any new Member may be admitted into the Company only if he, she or it executes such instruments as the Manager determines is necessary or desirable to effect such admission and to confirm the agreement of the Person being admitted to be bound by all of the covenants, terms and conditions of this Agreement then in effect. Said new Member shall receive a capital interest and an interest in the Net Profits and Net Losses and Cash Flow of the Company in an amount to be determined jointly by the Members at the time of said admission.

(c) Notwithstanding anything herein to the contrary, in connection with any proposed financing by the Company, the Sole Member or the Property Owner, in the event an institutional lender shall request that (1) a so-called "bankruptcy remote entity" or "single purpose entity" be admitted into the Company, the Sole Member or the Property Owner, as the case may be, either as a Member or as a Manager, and/or (2) a new Manager be admitted as a so-called "independent director", the Manager shall be authorized to approve such admission without the approval of any Members of the Company (and cause the Operating Agreement, the Sole Member Operating Agreement or the Property Owner Operating Agreement, as the case may be, to be amended), provided that such admission (and amendment) does not increase the obligations or affect the rights of the Manager or Members in any respect (other than with respect to voting rights in respect of any bankruptcy or pending bankruptcy of the Company).

Section 3.2 Withdrawal from the Company. Except in accordance with the provisions of Article XII hereof, the Company shall have no obligation to purchase some or all of the interest in the Company held by a Member. Except in accordance with the provisions of Article XII hereof, no Member may partially or completely withdraw or resign from the Company.

Section 3.3 Other Business Ventures; Employment of Affiliates. Any Member, Manager and/or Authorized Person may engage in or possess an interest in any other business venture, of every nature and description, independently or with others, whether or not competitive with the business of the Company, and neither the Company nor any of the other Members shall have any rights by virtue of this Agreement in or to such independent ventures or the income derived therefrom. The Manager may employ or contract with any Person on behalf of the Company which is affiliated with any Manager or Member provided that the terms

of such employment or contract shall be reasonably competitive with unrelated third-parties who provide similar services and have similar expertise.

Section 3.4 Limitation on Liability. A Member shall not be bound by, or be personally liable for, under any circumstances, the expenses, liabilities or obligations of the Company and the liability of each Member shall be limited solely to the amount of its Interest in the Company.

ARTICLE IV ACTION BY THE MEMBERS

Section 4.1 Voting. Unless otherwise expressly provided in this Agreement or required by law, the Members shall not have the right to vote on any matter; however, in its sole discretion, the Manager may submit any matter to the vote of all of the Members.

Section 4.2 Annual Meetings. The Company shall not be required to hold annual meetings of the Members.

Section 4.3 Special Meetings. Special meetings of the Members of the Company may be held on any day when called by the Manager.

Section 4.4 Notice of Meetings. (a) In the event that the Manager shall call a meeting of the Members, not less than two (2), nor more than ten (10) Business Days before the date fixed for such meeting of the Members, written notice stating the time and place of the meeting and the purpose of such meeting shall be given to each Member entitled to vote thereat. Such meeting shall be held at such time and place as is specified in the notice thereof.

(b) Upon written request by any Member, any Manager shall forthwith cause notice to be given to all Members (whether any Member is entitled to vote or not) of the upcoming meeting. The meeting must be held on a date not less than two (2), nor more than ten (10) Business Days after the receipt of such request, as the Manager may fix.

If notice is not given within five (5) days after the delivery or mailing of the request, the Person or Persons calling the meeting may fix the time of the meeting and give notice thereof in the manner provided by law or by this Agreement, or may cause such notice to be given by any designated representative. Without limiting the ability of a Member to participate by telephone or similar communications equipment in accordance with Section 4.5 below, each special meeting shall be called to convene between 9:00 a.m. and 6:00 p.m., and shall be held at the Company's offices located at 100 Wall Street, Suite 2203, New York, New York 10005 or in such other location as the Manager may advise.

Section 4.5 Meeting Particulars. Any meetings of the Members may be held through in-person conference, video conference, telephone or similar communications equipment

whereby all Members participating in the meeting can hear each other. Participation in a meeting in this manner shall constitute presence in person at the meeting.

ARTICLE V MANAGER

Section 5.1 Identity; Number.

(a) DMG shall be the sole Manager of the Company. The Manager may designate other Persons (any of which may be a Member) to act as authorized representatives on behalf of the Company (as officers or otherwise) (each, an “**Authorized Person**” and, collectively, “**Authorized Persons**”), and in such event, any such Authorized Person shall have the same power and authority to bind the Company as the Manager(s) who appoints such Authorized Person (provided, however, that such power and authority may be circumscribed by the Manager appointing such Authorized Person). Notwithstanding any other provision of this Agreement, the authority of an Authorized Person may be terminated at any time by the Manager.

Section 5.2 Resignation of Manager. The resignation (whether by voluntary or involuntary action) of the Manager or Authorized Person may occur at any time and, if voluntary, shall take effect immediately after such Manager or Authorized Person provides notice to all Members, or at a later date set forth in the notice of resignation. A resignation as a Manager shall not, in and of itself, constitute a resignation or withdrawal as a Member from the Company.

Section 5.3 Replacement Manager. In the event of the dissolution or resignation of the Manager, a replacement Manager shall be appointed by DMG (or the Principals of DMG); provided that until such time as the replacement Manager(s) are appointed, the business and affairs of the Company shall be governed with the written action of the unanimous consent of the Principal of DMG and Sahara.

Section 5.4 Manager's Authority. Subject to the provisions of this Section 5.4 and the other provisions of this Agreement (including, without limitation, Sections 2.2 and 5.5, and any provision expressly requiring the approval of all Members) the business and affairs of the Company and, indirectly, the Sole Member and Property Owner, shall be managed by the Manager, who shall have all necessary powers to carry out the business of the Company. The Manager’s powers shall include, but shall not be limited to, the following actions taken by the Manager on behalf of the Company, the Sole Member and/or the Sole Member, as applicable:

(a) Causing the Company to acquire, own, operate, manage, develop, maintain, exploit and sell all of the assets of the Company, including, without limitation, its direct or indirect interest in the Property and any equity therein, and acquire, own, operate and manage such personalty, equipment and or fixtures as may be reasonably related to the business of the Company.

(b) Without limitation to the foregoing, causing the Property Owner to own, operate, manage, develop, maintain, exploit and sell all of the assets of the Property Owner, including, without limitation, the Property, and to acquire, own, operate and manage such personalty, equipment and or fixtures as may be reasonably related to the business of the Property Owner.

(c) Causing new improvements to be constructed on the Property and/or alter existing improvements thereon and enter into contracts for construction of such improvements, including the Project.

(d) Causing the Property, or any portion of it, to be leased, and to extend, cancel or otherwise modify leases on terms acceptable to the Manager.

(e) Enforcing the Company's, the Sole Member's and the Property Owner's rights under any agreement to which it is a party.

(f) Bringing or defending, settling, paying, collecting, compromising, arbitrating, resorting to legal action, or otherwise adjusting claims or demands of or against the Company, the Sole Member or the Property Owner.

(g) Causing the Company, the Sole Member and/or Property Owner, to borrow money from lending institutions for their business purposes, and, in connection with loans from lending institutions, encumbering the Property, the Sole Member Interest and/or the Property Owner Interest, provided that Sahara and its Affiliates shall have no obligation to provide any guaranty or indemnity whatsoever in connection with any such Loans.

(h) Maintaining the Company account records of all Members, as well as the books of account of the Company.

(i) Distributing any Cash Flow, in accordance with the provisions of Article VIII hereof.

(j) Investing the Company's funds, including, without limitation, reserves, in certificates of deposit, interest-bearing time deposits in state or national banks, in United States Government or agency securities, in bank repurchase agreements, bankers' acceptances or money market funds or longer-term investments of comparable nature.

(k) Performing or causing to be performed all of the Company's, the Sole Member's and/or the Property Owner's obligations under any agreement to which it is a party.

(l) Performing any and all acts they deem necessary or appropriate for the protection and preservation of the Company's, the Sole Member's and/or the Property Owner's assets.

(m) Performing any and all acts, and execute any and all documents they deem necessary or appropriate to carry out the Company's, the Sole Member's and/or the Property Owner's purposes.

(n) Without limitation to the foregoing, causing the Property Owner to (1) complete the Project, and (2) rent the units at the Property.

(o) Except as otherwise provided herein, causing the Company, the Sole Member and/or the Property Owner to enter into agreements and execute instruments in the name of the Company, the Sole Member and/or the Property Owner relating to other matters on such terms as are advisable in the sole discretion of the Manager.

Notwithstanding anything to the contrary contained in this Agreement, all rights and powers of the Manager on behalf of the Company described herein may be carried out by or through one or more of the Company's subsidiaries, and the Manager shall be authorized and empowered to execute any and all instruments in connection therewith on behalf of the Company's subsidiaries or otherwise.

Section 5.5 Approvals by Sahara. (a) Notwithstanding anything contained in this Article V or elsewhere in this Agreement to the contrary, it is agreed that the Manager shall not have the right or power, without the prior approval of Sahara, which approval shall not be unreasonably withheld, delayed or conditioned, to take any of the following actions on behalf of the Company, the Sole Member and/or the Property Owner, as applicable (each of the items below, a "**Major Action**"):

(i) Subject to Articles III and XII and Section 5.11 hereof, causing any new Member to be admitted into the Company, the Property Owner or the Sole Member;

(ii) merge or consolidate the Company, the Property Owner or the Sole Member with any other entity;

(iii) cause the Property Owner to acquire any direct or indirect interest in land or any real property (other than the Property);

(iv) amend any provision of this Agreement, including without limitation, Articles VII and VIII hereof, except pursuant to Article 14 of this Agreement and after notice to the Members;

(v) approve any other decision, action or consent that requires the approval of Sahara under the terms of this Agreement, which approval shall not be unreasonably withheld, delayed or conditioned; and

(vi) Any sale of the Property to a third party.

(b) If a response is not received from Sahara to any request by the Manager to approve a Major Action sought to be taken by the Company or Property Owner within fifteen (15) days after such request for approval is made and in such request for approval, the Manager refers to such fifteen (15) day period, then the Manager may send a second request to Sahara for approval. If such second request is sent and such Member has not responded to such second request within five (5) days after delivery of such second notice, which notice shall, in all capital letters, specifically refer to the effect of Sahara's failure to respond within the aforesaid

five (5) day period, then Sahara shall be deemed to have consented to such request for approval of the Major Action.

(c) Nothing in this Agreement shall be construed to limit the right of the Members, subject only to their unanimous agreement, to modify any and/or all of the terms of this Agreement.

Section 5.6 Other Activities.

(a) The Manager shall not be required to devote its full working time to the Company, but the Manager, or the Principals of the Manager, if applicable, shall devote reasonable efforts of the type a prudent businessman would devote in similar circumstances which may be necessary in order to properly supervise the affairs and business of the Company. Without limiting the provisions of Section 3.3 above, no Member, Manager or Authorized Person shall be obligated to present to the Company other investment opportunities which come to their attention, even if such opportunities might be suitable for investment by the Company. It is expressly understood that the Manager and Authorized Persons shall have the rights set forth in Section 3.3 hereof.

(b) Subject to Section 3.3 above, each of the Members acknowledges that any Manager and/or any Authorized Person is or may become the manager, managing member, officer or authorized representative of other limited liability companies or other entities and have affiliations with other Persons, and each Member agrees that each Manager's activities in connection with other limited liability companies and other Persons shall not be a breach of any duty to the Company or the Members. In addition, in each case subject to the limitations set forth in Section 3.3 above, notwithstanding the duty of loyalty, good faith and fair dealing provisions contained in the Act, the Members agree that such duties shall be modified, to the fullest extent permitted under the Act, to permit the Manager, Authorized Persons, the Members and their respective affiliates to do any of the following:

(i) The Members, Manager and Authorized Persons, and any shareholder, officer, director, or employee thereof, may engage in or possess an interest in other business ventures of every nature and description, independently or with others, including, but not limited to, the ownership, operation, management, and syndication of businesses and other property the same or similar to that of the Company, and such activities shall not be deemed to have breached any duty of loyalty. Neither the Company nor the Members shall have any right by virtue of this Agreement in and to such independent ventures or to the income or profits derived therefrom. Neither a Member nor a Manager nor any Authorized Person shall be obligated to present any particular opportunity to the Company, even if such opportunity is of a character which, if presented to the Company, could be taken by the Company and each of the Members and the Manager and each Authorized Person, and any of their respective affiliates shall have the right to take for its own account (individually or as a trustee, partner, or fiduciary) or to recommend to others any such particular opportunity.

(ii) Neither a Member nor any Manager nor any Authorized Person will be deemed to have violated a duty or obligation owed to the Company merely because the conduct of the Member or Manager or Authorized Person (as the case may be) furthers its, his or her

own interest. Subject to Section 3.3 hereof, a Member or any Manager (or any Authorized Person) or any of their respective affiliates may lend money to and transact other business with the Company. The rights and obligations of a Member or a Manager who lends money to or transacts business with the Company are the same as those of a Person who is not a Member or Manager, subject to other applicable law. Subject to Section 3.3 and Section 5.5 hereof, no transaction with the Company shall be voidable solely because a Member, a Manager or an Authorized Person has a direct or indirect interest in the transaction, and any act or transaction that may violate a duty of loyalty under the Act may be authorized or ratified by the unanimous consent of the Members after full disclosure of all material facts.

(iii) A Manager and Authorized Person or an affiliate of the foregoing may acquire, and own an interest in the Company as a Member.

(c) Notwithstanding any inferences in the general provisions of this Agreement to the contrary, in connection with all actions to be taken by the Manager in its capacity as Manager acting on behalf of the Company (as opposed to in its capacity as a Member voting on matters that require the unanimous consent of the Members), the Manager shall be a fiduciary of the Company and the Members, and the Manager shall make all such decisions in a manner that is in the best interests of the Company and the Project without taking regard for the unique or specific needs, requirements or interests of the Manager or any other Member. To the extent that a unanimous consent of the Members consents to any such decision, then any action taken by the Manager in furtherance of same shall be presumed to comply with the provisions of this paragraph.

Section 5.7 Actions by Manager and Authorized Persons. Any document to be executed by the Company may be executed by a Manager or by an Authorized Person (unless the appointment of such Authorized Person does not empower such Authorized Person to execute same) acting alone and the Company shall be bound thereby. Notwithstanding the foregoing or anything to the contrary contained herein, any third party may rely upon execution of a document by the Manager or Authorized Person. Except as expressly provided in this Agreement, the consent of the Members shall not be required for any actions to be taken or decisions to be made by the Manager or Authorized Person, on behalf of the Company.

Section 5.8 Partnership Representative. The Manager (“**Partnership Representative**”) shall be the “partnership representative” within the meaning of Code Section 6223 (and any similar provisions under any applicable state or local or foreign tax laws). The Partnership Representative shall have the right to retain professional assistance in respect of any audit of the Company and all reasonable expenses and fees reasonably incurred by the Partnership Representative on behalf of the Company as Partnership Representative shall be reimbursed by the Company. In the event any adjustment to any item of income, gain, loss, deduction or credit of the Company, or any Member’s distributive share thereof, for a “reviewed year” (as defined in Code Section 6226(d)(1)) would result in an imputed underpayment of the Company under Code Section 6225, each of the Company and each Member of the Company for the current year or a reviewed year agrees to timely take all actions under Code Section 6225(c) (and any Regulations or other guidance issued thereunder) necessary (including filing amended tax returns) to eliminate such imputed underpayment and

to take all other reasonable actions and provide all information reasonably requested by the Partnership Representative to reduce the amount of any imputed underpayment.

Section 5.9 Reimbursement of Costs. The Manager and Authorized Persons shall be reimbursed for all reasonable and documented third party costs and expenses incurred on behalf of the Company in the exercise of their authority conferred herein.

Section 5.10 Affiliated Transactions.

(a) The Members acknowledge and agree that the Company (or the Property Owner) may pay DMG (or its Affiliate) a development in connection with the Project, in the aggregate amount not to exceed \$1,250,000.00, which fee shall be paid in ten (10) equal monthly installments commencing on the first (1st) day of the calendar month immediately succeeding the date hereof (and the Manager may cause the Company and/or the Property Owner to enter into a separate agreement with DMG or its Affiliate, as applicable, with regard to such services and fee, on such commercially reasonable terms the Manager deems appropriate).

(b) The Members acknowledge and agree that the Company may cause the Property Owner to enter into a property management agreement with DMG or its Affiliate, pursuant to which DMG (or such Affiliate, as property manager) will be paid a monthly management fee of no more than 3.50% of the effective gross revenue collected at the Property (and reimbursement of customary expenses); and which management agreement shall otherwise be on such commercially reasonable terms as DMG deems appropriate.

(d) The Members acknowledge and agree that the Company has accepted an assignment (the “**Assignment**”) of all of DMG’s right, title and interest in and to the Sole Member Interest pursuant to an assignment dated even date herewith (the “**Assignment Agreement**”), and the Company has assumed all of the obligation thereunder from and after the Effective Date.

(e) The Members acknowledge and agree that in the event the Lender under the Construction Loan requires a principal or Affiliate of DMG to execute the Construction Loan Guarantees, the Property Owner will pay DMG (or its Affiliate) a fee of \$150,000, which fee shall be paid upon the closing of the Construction Loan.

Section 5.11 Additional Investors. Notwithstanding anything contained in this Agreement to the contrary, DMG may, from time-to-time and in its sole discretion, cause either or both of the Sole Member or Property Owner to admit any number of additional Persons as members (each, a “**New Investor**”) in Sole Member or Property Owner, respectively, with each New Member making capital contributions in such subsidiary company in such amounts determined by DMG, in its sole discretion, to be used to pay Project Costs and/or reimburse DMG for Project Costs it has then previously incurred (including, without limitation, by funding Capital Contributions in payment thereof). Each New Investor shall receive a capital account and an interest in the net profits, net losses and net cash flow of either the Sole Member or Property Owner, as the case may be, in the amount determined by the Manager, in its sole discretion, and the Company and each New Investor shall enter into an amendment to the Sole Member Operating Agreement or the Company shall cause the Sole Member to enter into an

amendment of the Property Owner Operating Agreement with each New Investor, as applicable, confirming the terms of its admission to the New Investor pursuant to this Section 5.11, in each case on such terms and conditions as DMG determines, in its sole discretion. As a result of any admission of New Investor(s) in either or both of Sole Member or Property Owner and the granting of a Sole Member Interest or Property Owner Interest, as applicable, to such New Investor(s), the Company's equity interest in the Sole Member or Property Owner shall be reduced and Sahara's indirect equity interest in Sole Member or Property Owner shall be effectively diluted, accordingly; provided, however, it is agreed that no such amendment of either the Sole Member Operating Agreement or Property Owner Operating Agreement, admission of any New Investor in Sole Member or Property Owner, or the granting of any Sole Member Interest or Property Owner Interest hereunder shall operate to decrease the Company's percentage share of cash distributed by the Sole Member to less than the Sahara Equity Percentage thereof unless and until the Redemption occurs.

ARTICLE VI INDEMNIFICATION

Section 6.1 Third Party Actions. The Company shall indemnify any Member, Manager and Authorized Person, and any Person serving or acting at the request of a Member, Manager or Authorized Person on behalf of and/or for the benefit of the Company and who are Principals, members, directors, officers and/or employees of the Company or its Members (but not independent contractors or consultants) (each of the foregoing, an “**Indemnified Party**” and collectively, the “**Indemnified Parties**”), who is or was a party, or who is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including all appeals, by reason of the fact that he, she or it is or was a Member, Authorized Person, Manager or employee of the Company, or is or was acting on behalf of or at the request of a Member, Authorized Person or Manager (including, without limitation, by reason of such Person becoming personally liable to any Lender or any other Person to the extent same arises from obligations for which the Company is primarily liable (such as, liability under recourse guarantees or for environmental conditions at the Property or any guarantees given in connection with the financing undertaking by the Company a or the Property Owner and/or any refinancing thereof; or pursuant to any other agreement, contract or document to which such Person and/or the Company is a party entered into in accordance with this Agreement and which benefits the Company directly or indirectly), or is or was serving at the request of the Company as a director, Member, Manager, trustee, officer or employee of another limited liability company, corporation, partnership, joint venture, trust or other enterprise, against any and all expenses (including, without limitation, reasonable Attorneys' Fees), judgments, decrees, fines, penalties and amounts paid in settlement, which were actually and reasonably incurred by him, her or it in connection with such action, suit or proceeding, if he, she or it acted in good faith and in a manner which he, she or it reasonably believed to be in, or at least not opposed to, the best interests of the Company, and, with respect to any criminal action or proceeding, he, she or it had no reasonable cause to believe his, her or its conduct was unlawful; *provided that* for the avoidance of doubt, no indemnification hereunder shall be authorized in respect of amounts payable which a court of competent jurisdiction determines resulted from the fraud, gross negligence, bad faith, willful misconduct, intentional breach (whether of this Agreement or of a financing or other agreement), or criminal

act of such Indemnified Party or its Affiliates. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the Person did not act in good faith and in a manner which he, she or it reasonably believed to be in, or at least not opposed to, the best interests of the Company.

Section 6.2 Derivative Actions. The Company shall indemnify any Indemnified Party who is or was a party, or who is threatened to be made a party, to any threatened, pending or completed action or suit, including all appeals, by or on behalf of the Company in order to procure a judgment in its favor by reason of the fact that he, she or it is or was a Member of the Company or is or was serving at the request of the Company as a Manager or Authorized Person or otherwise, against any and all expenses (including, without limitation, reasonable Attorneys' Fees) which were actually and reasonably incurred by him, her or it in connection with the defense or settlement of such action or suit, so long as he, she or it acted in good faith and in a manner which he, she or it reasonably believed to be in, or at least not opposed to, the best interests of the Company; except that no indemnification shall be made with respect to any claim, issue or matter as to which such Person shall have been adjudged to be liable for fraud, gross negligence, willful misconduct or intentional breach in the performance of his, her or its duty to the Company.

Section 6.3 Rights after Successful Defense. To the extent that an Indemnified Party has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 6.1 or 6.2, or in defense of any claim, issue or matter therein, he, she or it shall be indemnified against expenses (including, without limitation, reasonable Attorneys' Fees) actually and reasonably incurred by him, her or it in connection therewith.

Section 6.4 Other Determination of Rights. Except in a situation governed by Section 6.3, any indemnification under Section 6.1 or 6.2 (unless ordered by a court) shall be made by the Company only as authorized in a specific case upon a determination that indemnification of such Indemnified Party is proper under the circumstances because he, she or it has met the applicable standard of conduct set forth in Section 6.1 or 6.2. Such determination shall be made by the Manager in its reasonable discretion.

Section 6.5 Advances of Expenses. Expenses of each Indemnified Party, which were incurred in defending against a civil, criminal, administrative or investigative action, suit or proceeding (including all appeals), or threat thereof, may be paid by the Company in advance of the final disposition of such action, suit or proceeding, if authorized by the Manager (whether disinterested or not) following receipt of a written promise by or on behalf of the Indemnified Party to repay such amount unless it shall ultimately be determined that he, she or it is entitled to be indemnified by the Company.

Section 6.6 Nonexclusivity. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled as a matter of law.

Section 6.7 Purchase of Insurance. The Company may purchase and maintain insurance on behalf of any Person who is a Member of the Company, or who is or was serving at the request of the Company as a Manager or Authorized Person, against any liability asserted against him, her or it and incurred by him, her or it in any such capacity, or arising out of his, her or its status as such, whether or not the Company would have the power to indemnify him, her or it against such liability under the provisions of this Article or of the laws of the governing jurisdiction.

ARTICLE VII CAPITAL CONTRIBUTIONS

Section 7.1 Initial Capital Contributions. Simultaneously herewith, the Members have made Initial Capital Contributions to the capital of the Company in the amounts set forth on Exhibit A hereto; it being understood that DMG's Initial Capital Contribution referred to on said Exhibit A represents the agreed-upon value of the Sole Member Interest contributed to the Company by DMG pursuant to the Assignment Agreement, less the monies to be distributed to DMG pursuant to this Section 7.1(a). Simultaneously herewith, all of Sahara's Initial Capital Contribution (the "**DMG Distribution**") shall be distributed by the Company to DMG (it being agreed that the "DMG Distribution" may be paid directly to DMG by Sahara, but deemed to be contributed and distributed as aforesaid). For avoidance of doubt, following the Assignment and the contributions and distributions described in this paragraph, the Company's books shall reflect that DMG's Capital Account (and DMG's Initial Capital Contribution) and Sahara's Capital Account (and Sahara's Initial Capital Contribution) in the respective amounts set forth on Exhibit A.

Section 7.2 Additional Capital Contributions. To the extent the Company or Property Owner requires capital in excess of the Initial Capital Contributions, the DMG, in its sole discretion, may make additional Capital Contributions (the "**Additional Capital Contributions**") in such amounts as it may determine from time to time. In no event shall Sahara be permitted or required to make any Additional Capital Contributions.

Section 7.3 Interest in Specific Assets. Each Member hereby agrees that he, she or it has no interest in specific Company assets.

ARTICLE VIII CASH DISTRIBUTIONS

Section 8.1 Interest. A Member shall not be entitled to interest on his, her or its Capital Contributions, or to withdraw any part of his, her or its Capital Account, or to receive any distribution from the Company, except as specifically provided herein or by law.

Section 8.2 Time of Distributions. All distributions of Cash Flow shall be made at such time and with respect to such periods as the Manager may determine.

Section 8.3 Distribution of Cash Flow. Subject to Section 8.2, all Cash Flow shall be distributed to the Members in the following order of priority (to the extent each of the following is applicable):

(a) first, 100% to Sahara, until Sahara shall have received aggregate distributions pursuant to this clause (a) in an amount equal to the Preferred Return then accrued and due to Sahara;

(b) second, 100% to Sahara, until Sahara shall have received aggregate distributions pursuant to this clause (b) in an amount equal to Sahara's Initial Capital Contribution; and

(c) then, 100% to DMG.

Section 8.4 Return Guaranty. Notwithstanding anything contained in this Agreement to the contrary, DMG agrees that Sahara shall receive distributions from the Company pursuant to Section 8.3(a) in an aggregate amount equal to the then Preferred Return accrued and due to Sahara (the "**Required Return**") as of (a) the date which is the last day of the calendar month in which the ninetieth (90th) day following the Effective Date occurs (the "**First Quarter Expiration**") and (b) the expiration of the Investment Period. In the event that, upon the First Quarter Expiration and/or the expiration of the Investment Period, Sahara has not received the Required Return, DMG shall pay Sahara the amount necessary (when added to the distributions theretofore paid to Sahara under said Section) to cause Sahara to receive the Required Return (which payment shall be deemed an Additional Capital Contribution by DMG, and a distribution to Sahara under Section 8.3(a) hereof). By executing this Agreement below, Guarantor hereby guarantees to Sahara such payment by DMG to Sahara when due hereunder.

ARTICLE IX

NET PROFITS AND NET LOSSES

Section 9.1 Allocation of Net Profits and Net Losses.

(a) Until such time, if any, as Sahara delivers a Redemption Withdrawal Notice pursuant to Section 12.4(a), for the purpose of maintaining the Capital Accounts of the Company, all Net Profits and Net Losses for any fiscal year shall be allocated 100% to DMG .

(b) On an after the date that Sahara delivers a Redemption Withdrawal Notice, for the purpose of maintaining the Capital Accounts of the Company, all Net Profits and Net Losses for any fiscal year or period thereof shall be allocated among the Members to the extent of and in proportion to such amounts as are required to cause the Capital Account balance of each Member as of the end of the fiscal year or other applicable period to equal the amount that would be distributed to such Member if the Company made a distribution in accordance with the priorities of Section 8.3 as of the end of the relevant fiscal year in an amount equal to the Deemed Liquidation Amount. For purposes of this Section 9.1(b), the "**Deemed Liquidation Amount**" is an amount equal to the aggregate positive Capital Account balances of all of the Members immediately prior to such allocation of Net Profits or Net Losses (taking into account all Capital Contributions, prior distributions and other adjustments to Capital Accounts for such

fiscal year), increased by any Net Profits or reduced by any Net Losses for such fiscal year to be allocated pursuant to this Section 9.1(b).

Section 9.2 Special Allocations. Notwithstanding Section 9.1 hereof, appropriate adjustments shall be made to the allocations to the extent required to comply with the “qualified income offset,” “minimum gain chargeback”, “partner nonrecourse debt minimum gain chargeback”, “nonrecourse deductions” (which shall be allocated 100% to DMG) and “partner nonrecourse deductions” rules of the Treasury Regulations promulgated pursuant to Section 704(b) of the Code. To the extent permitted by such Treasury Regulations, the allocations in such year and subsequent years shall be further adjusted so that the cumulative effect of all the allocations shall be the same as if all such allocations were made pursuant to the allocation provisions hereof without regard to this Section 9.2.

Section 9.3 Tax Allocations. Net profits, net losses, gains and losses for income tax purposes shall be allocated in the same manner as Net Profits and Net Losses are allocated for purposes of maintaining the Members' Capital Account balances hereunder, except that appropriate adjustments shall be made to take account of the difference between the amount at which the assets are reflected on the Company's books and the adjusted basis of such assets for income tax purposes under the principles of Section 704(c) of the Code and the Treasury Regulations thereunder, as further explained in the Treasury Regulations promulgated under Section 704(b) of the Code.

ARTICLE X

CAPITAL ACCOUNTS

Section 10.1 Capital Account. A separate Capital Account shall be maintained for each Member. For purposes hereof, a “**Capital Account**” shall mean, with respect to any Member, the capital account determined and maintained for such Member in accordance with the rules of Treasury Regulation §1.704-1(b)(2)(iv). In this regard:

(a) Each Member's Capital Account shall be increased by (i) the amount of money contributed by such Member to the Company, (ii) the fair market value of property contributed by such Member to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Section 752 of the Code), and (iii) allocations to such Member of Company income and gain (or items thereof).

(b) Each Member's Capital Account shall be decreased by (i) the amount of money distributed to such Member by the Company, (ii) the fair market value of property distributed to such Member by the Company (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Section 752 of the Code), (iii) allocations to such Member of expenditures of the Company described in Section 705(a)(2)(B) of the Code, and (iv) allocations of Company loss and deduction (or items thereof).

Each Member's Capital Account shall be otherwise adjusted as required under Treasury Regulation §1.704-1(b)(2)(iv).

(c) Upon a distribution in kind of the Company's assets, the Capital Accounts of the Members shall be increased or decreased, as the case may be, as though such Company property had been sold for an amount equal to its fair market value and gain or loss which would have been recognized were the property actually sold had been allocated to the Members pursuant to Article IX hereof.

(d) In the event all or any part of any Member's Interest is transferred, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(e) The foregoing provisions and the other provisions of this Agreement relating to the determination and maintenance of Capital Accounts are intended to comply with Treasury Regulation §1.704-1(b), and shall be interpreted and applied in a manner consistent with such regulation. In the event the Manager shall determine that it is prudent to modify the manner in which the Capital Accounts, or any increases or decreases thereto, are determined and maintained in order to comply with such regulation, the Manager may make such modification.

Section 10.2 Interest on Capital Accounts. No interest shall be paid on the Capital Account of any Member.

Section 10.3 Right to Withdraw Capital Accounts. No Member shall be entitled to withdraw any part of its Capital Account or to receive any distributions from the Company except as expressly provided in this Agreement.

Section 10.4 No Obligation to Restore Negative Capital Account Balances. No Member shall have any obligation, during the term of this Agreement or upon the liquidation of the Company, to pay to the Company or any other Member or third party an amount equal to the negative balance, if any, of such Member's Capital Account.

ARTICLE XI

REPRESENTATIONS AND WARRANTIES

Section 11.1 DMG Representations. As of the Effective Date, DMG represents and warrants to Sahara as set forth below:

(a) Organization and Authority. Each of DMG, Sole Member and Property Owner are limited liability companies which are duly organized, validly existing and in good standing under the laws of the State of Delaware, have all requisite power and authority to own its properties, and to carry on its business as now being conducted. The execution and delivery by DMG of this Agreement, and the consummation by DMG of all transactions contemplated hereunder, have been duly authorized by all requisite limited liability company action.

(b) Title. DMG and the Sole Member have good and marketable title to their membership interests in the Sole Member and the Property Owner, respectively, free and clear of any and all covenants, conditions, restrictions, liens, options and adverse claims.

(c) Bankruptcy. That there has been no undismissed or unstayed petitions in bankruptcy or other insolvency proceeding filed by or against DMG, Sole Member or Property Owner, nor have any of them made any assignment for the benefit of creditors.

(d) Approvals. To the best of DMG's knowledge, there are no corporate, contractual, statutory or other restrictions of any kind upon the power and authority of DMG, Sole Member, or Property Owner to the transfer, sale, assignment, conveyance, delivery and receipt of the assets, properties and business as contemplated by the Assignment, and no action by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality is necessary to provide such power of authority.

Section 11.2 Sahara Representations. As of the Effective Date, Sahara represents and warrants to DMG as set forth below:

(a) Organization and Authority. Sahara is a _____ duly organized, validly existing and in good standing under the laws of _____, and has requisite power and authority to own its properties and to carry on its business as now being conducted. Sahara has full power to execute and deliver this Agreement and to consummate the transactions contemplated hereby.

(b) Authorization. The execution and delivery by Sahara of this Agreement and the agreements provided for herein, and the consummation by Sahara of all transactions contemplated hereunder and thereunder, have been duly authorized by all requisite corporate action of Sahara.

(c) Bankruptcy. That there has been no undismissed or unstayed petition in bankruptcy or other insolvency proceeding filed by or against the Sahara, nor has Sahara made any assignment for the benefit of creditors.

ARTICLE XII

TRANSFERS

Section 12.1 Restrictions on Transfers. Each of the Members agrees that he, she or it shall not, without the prior written approval of all Members, which consent shall be in the Members' sole and absolute discretion and may be withheld arbitrarily, transfer, assign, pledge or hypothecate all or any portion of his, her or its Interest, including any assignment, transfer, pledge or hypothecation of financial rights, and whether voluntary or involuntary (collectively, a "**Transfer**"). In addition, except as provided in Section 12.2 below, (a) neither Member shall permit any indirect Transfer of its Interest to occur if such Transfer would violate the terms of any financing the Company, the Sole Member or the Property Owner is then subject to, and (b) DMG shall not permit any indirect Transfer of its Interest. Any Transfer in violation of the provisions of this Article XII and any attempt to do so shall be null and void and of no effect.

Section 12.2 Permitted Transfers. Notwithstanding the foregoing, direct and indirect Transfers of ownership interests in DMG shall be permitted so long as DMG Investments, LLC and its Affiliates own, directly or indirectly, in the aggregate, ten percent (10%) or more of the Interest in the Company. In addition, in the event the Redemption Payment is not paid when due under Section 12.4 hereof, and such failure continues for a period of thirty (30) days following notice thereof from Sahara to DMG, Sahara shall be permitted to transfer its entire Interest upon notice to DMG which notice shall include copies of the applicable Transfer documentation.

Section 12.3 Basis Adjustment. In the event of a transfer of all or part of a Member's Interest, the Company, in the sole discretion of the Manager, may elect under Section 754 of the Code to adjust the basis of the asset of the Company.

Section 12.4 Redemption.

(a) Notwithstanding anything contained in this Agreement to the contrary, Sahara's Interest in the Company shall be redeemed (the "**Redemption**") as of the end of the Investment Period, unless Sahara delivers written notice to DMG of its election to irrevocably not proceed with the Redemption (the "**Redemption Withdrawal Notice**") on or before the date which is the nine (9) month anniversary of the Effective Date (time being of the essence with respect to such notice). The Redemption shall be made in exchange for payment by the Company to Sahara of an amount (when added to any distributions theretofore paid to Sahara under this Agreement) equal to the sum of: (i) the Required Return accrued through the expiration of the Investment Period; and (ii) Sahara's Initial Capital Contribution (the "**Redemption Payment**"). Unless Sahara timely delivers the Redemption Withdrawal Notice pursuant to this Section, the Redemption Payment shall be due and payable upon the expiration of the Investment Period. Upon Redemption, Sahara shall: (a) be deemed to have automatically withdrawn from the Company; (b) cease to be a Member of the Company; and (c) have no further rights with respect to the Company, its management, or to any distributions made by the Company or thereafter arising from the Sole Member, Property Owner, or the Property. If Redemption occurs hereunder, Sahara agrees to promptly execute and deliver such documentation as DMG deems reasonably necessary to evidence the Redemption in accordance with this Section; provided, however, that DMG's failure to request or obtain any such documentation from Sahara shall have no effect on the Redemption set forth in the preceding sentence. Effective upon Redemption, Sahara shall be deemed to represent that its Interest has not been assigned, transferred, pledged or otherwise hypothecated all or any portion of its Interest that remains in effect, and same is free of any and all liens and encumbrances; which representation shall survive the Redemption.

(b) Notwithstanding anything contained herein to the contrary, if a Material Default has occurred and is continuing prior to the expiration of the Investment Period, Sahara may elect to cause the Redemption on no less than fifteen (15) Business Days prior notice to DMG so long as such Material Default continues. If, prior to the expiration of the Investment Period, there is a Material Adverse Change in the condition of Guarantor then DMG shall promptly give Sahara notice of such change and Sahara may elect to cause the Redemption on no less than fifteen (15) Business Days prior notice to DMG. As used herein, the term "**Material Adverse Change**" shall mean a material adverse change to the: (i) business operations or financial condition of Guarantor; or (ii) ability of Guarantor to perform its obligations under this Agreement.

(c) As a condition to Sahara's entering into this Agreement, and by executing this Agreement below, Guarantor hereby guarantees to Sahara DMG's obligation to make the Redemption Payment to Sahara if and when due hereunder.

(d) Notwithstanding anything contained in this Agreement to the contrary, at such time that Sahara has received distributions under Sections 8.3(a) and 8.3(b) above (and/or out of Additional Capital Contributions DMG elects to make in its sole discretion) in the amount equal to all sums distributable to Sahara thereunder, the Redemption described in Section 12.4(a) above shall be deemed automatically in effect (without any requirement for a Redemption Payment), with all provisions applicable to the Redemption thereunder being applicable; provided, however, (i) no distribution shall be permitted to be made to Sahara prior to the date which is three (3) months after the Effective Date, and (ii) except pursuant to Sections 8.4 and 12.4(a) above, DMG shall make reasonable efforts to provide thirty (30) days' prior notice to Sahara of such distributions.

ARTICLE XIII

TERMINATION AND DISSOLUTION

Section 13.1 Termination of the Company. The Company shall be terminated and dissolved upon:

(a) at the end of the Company's fiscal year in which the Company conveyed its entire interest in the Sole Member (or the Property Owner has conveyed its entire interest in the Property), unless (1) the Manager determines otherwise, in its sole discretion and/or (2) the Company, or any direct or indirect subsidiary, has purchased (or committed to purchase) another real property; or

(b) the dissolution of all Managers, unless the Members elect to continue the Company in accordance with the procedures set forth in Section 13.2(c) hereof; or

(c) the dissolution of the Company by operation of law or by judicial decree.

Section 13.2 Termination Avoidance. The Company shall not terminate or dissolve except as provided in Section 13.1. Without limiting the foregoing:

(a) Neither a Member's death or dissolution nor a Manager's death or dissolution (if there is at least one remaining Member at such time) shall cause the Company to terminate or dissolve.

(b) The Company shall not be caused to terminate or dissolve, nor shall a Member cease to be a Member of the Company if such Member: (i) makes an assignment for the benefit of creditors; (ii) files a voluntary petition in bankruptcy; (iii) is adjudged a bankrupt or

insolvent, or has entered against him, her or it an order for relief, in any bankruptcy or insolvency proceeding; (iv) files a petition or answer seeking for himself, herself or itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation; (v) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against him, her or it, in any proceeding of this nature; (vi) seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator of the Member or of all or any substantial part of his, her or its properties. The Company also shall not be caused to terminate or dissolve, nor shall a Member cease to be a Member of the Company if any proceeding is commenced against the Member seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation; or, without his, her or its consent or acquiescence a trustee, receiver or liquidator of the Member or of all or any substantial part of his, her or its properties is appointed.

Section 13.3 Dissolution and Liquidation. Upon the termination of the Company as herein provided, a full and general accounting shall be taken of the Company's business, and the affairs of the Company shall be wound up. Any net profits or net losses earned or incurred since the previous accounting shall be allocated among the Members. The Members shall wind up and liquidate the Company by selling the Company's assets and distributing the net proceeds therefrom, in cash, in the following order of priority by the end of the Company's fiscal year (or, if later, within ninety (90) days after the date of such liquidation):

- (i) to pay the costs and expenses of the liquidation and termination;
- (ii) to pay the matured debts and liabilities of the Company;
- (iii) to establish any reserve which the Manager deems reasonably necessary for any contingent, unmatured or unforeseen liability of the Company; and
- (iv) to pay the Members in the same manner as Cash Flow is distributable pursuant to Section 8.3 hereof.

Section 13.4 Continuing Governance. In the event of a dissolution of the Company, the business and affairs of the Company shall continue to be governed by the terms of this Agreement during the winding up of the Company's business and affairs; provided, however, if the Company has dissolved on account of Section 13.1(b) hereof, the business and affairs of the Company shall be governed by the unanimous consent of the Members, who shall have all of the authority and powers of the Manager. Notwithstanding any provision in this Agreement, unless all of the Members (and all of the Indemnified Parties to the extent any such Person shall have any potential claim thereunder) agree otherwise, Articles VI and VII of this Agreement shall survive the termination and dissolution of the Company, the termination of this Agreement and/or the sale of all of the Company's assets.

ARTICLE XIV

AMENDMENTS

Section 14.1 By the Manager. This Agreement may be amended by the Manager without the consent or approval of any other Member if (i) the amendment is solely for the purpose of clarification and does not change the substance of this Agreement, and the Company has obtained the opinion of its attorneys to that effect, (ii) in the opinion of the Company's attorneys the amendment is necessary or appropriate to satisfy requirements of the Code or of any Federal or state securities laws or regulations, and the amendment does not adversely affect the interests of the other Members, or (iii) as is necessary to make the Company a so-called "single purpose entity" and/or "bankruptcy remote," to the extent required by any institutional lender in connection with a loan to the Company. Any amendment made pursuant to this Section may, at the option of the Manager, be effective as of the date of this Agreement. The Manager shall provide the Members with prior written notice of any amendment to be made pursuant to this Section.

Section 14.2 By the Members. Any amendment to this Agreement (other than an amendment permitted by Section 14.1 hereof) shall require the prior written unanimous consent of the Members.

ARTICLE XV

BOOKS AND RECORDS

Section 15.1 Books and Records; Reports.

(a) Complete and accurate books of account, in which each and every transaction of the Company shall be entered fully and accurately, shall, unless otherwise designated by the Manager, be kept and maintained by the Manager. The accounting and taxable year of the Company shall be the calendar year unless changed by the Manager. The books of account of the Company shall be kept in accordance with generally accepted accounting principles consistently applied. All elections requested by any Member to be made by the Company under the Code or any future United States tax law shall be made by the Manager in its sole discretion. All determinations by the Manager with respect to the treatment of any item or its allocation for Federal, state or local tax purposes shall be binding upon all the Members unless the determination is inconsistent with any express provision of this Agreement. Any Member shall have the right from time to time at his, her or its own cost and expense to have his, her or its accountants and representatives examine and audit the books and records of the Company, and the Manager will make such books and records available during normal business hours for such examinations and audits (or at the request of any Member, provide copies thereof to the requesting party at the expense of such requesting party).

(b) The Manager shall provide, at the Company's expense, each of the Members with an annual report (and, following the Project Completion Date, a monthly report) of the Company which reports shall include, without limitation, unaudited financial statements (including balance sheet and an income statement); and, until the Project Completion Date,

monthly development reports and updates with respect to the Project (including with respect to any updates to construction progress and leasing activity). All monthly reports shall be due on the twentieth day of the following calendar month. All annual reports shall be due by April 30th of each year.

Section 15.2 Value of Company's Name. No value shall be placed for any purpose upon the Company's name or the right to its use, or upon the goodwill of the Company or its business. Upon termination or dissolution of the Company (without reconstitution thereof), neither the Company's name or the right to its use nor the goodwill of the Company shall be considered an asset of the Company.

Section 15.3 Copies upon Request. Copies of all financial statements and auditor's reports prepared for the Company, if any, including those given or required to be given to the holder of any loan secured by the Property or an interest in the Sole Member or any part thereof, shall be given upon request of any Member.

Section 15.4 Schedule K-1. The Manager shall, at the Company's expense, cause to be transmitted to each Member a Schedule K-1 or any other applicable form required by the Internal Revenue Service, upon completion of such by the Manager; *provided that* in all events, such K-1 shall be provided on or prior to July 15 of each calendar year.

ARTICLE XVI

MISCELLANEOUS

Section 16.1 Certificates or Affidavits. At any time or times, upon the request of the Manager, the Members shall execute, acknowledge and swear to any certificates or affidavits or certificates of fictitious firm name, trade name or the like (and any amendments or cancellations thereof) required by the laws of New York or any other jurisdiction in which the Company does or proposes to do business.

Section 16.2 Notices. All notices or other communications made in connection with this Agreement shall be in writing (it being agreed that, for purposes of this Agreement, emails shall constitute a writing) and, except as otherwise expressly provided herein, shall be sent by registered or certified mail, return receipt requested, postage prepaid; by reputable overnight delivery service (*e.g.*, FedEx); by hand delivery; or by email; *provided that* any notice of default provided hereunder or any notice for Capital Contributions hereunder may not be sent by email:

- (i) If to the Company, to it in care of the Manager.
- (ii) If to the Manager, to its addresses, or email addresses set forth on Exhibit B.
- (iii) If to a Member set forth on Exhibit A, to his, her or its respective address, or email address set forth on Exhibit A.

(iv) If to any other Member hereafter admitted, to him, her or it at his, her or its address, or email address provided to the Manager.

Any party hereto may designate a different address (or email address) for notices to such party by serving notice of such change in accordance with this section. All notices may be given by counsel on behalf of such counsel's client(s) with the same force and effect as if given by such parties. Notices shall be deemed delivered when delivered (or, if receipt is refused, when refused); provided, however, if the foregoing date of receipt or refusal is not a Business Day, then the date such notice is effective shall be the first Business Day thereafter.

Section 16.3 Complete Agreement. This Agreement contains a complete statement of all of the arrangements among the parties with respect to the Company and cannot be changed or terminated orally or in any manner other than (i) by a written agreement executed by all of the Members, or (ii) as provided in Article XIV. There are no representations, agreements, arrangements or understandings, oral or written, among the parties relating to the subject matter of this Agreement which are not fully expressed in this Agreement.

Section 16.4 Construction. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

Section 16.5 Severability. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations of the jurisdictions in which the Company does business. If any provision of this Agreement or the application thereof to any Person or circumstance shall for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and the application of that provision to other Persons or circumstances shall not be affected but rather shall be enforced to the extent permitted by law.

Section 16.6 Governing Law. Irrespective of its place of execution or performance, this Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware.

Section 16.7 Headings. The article titles in this Agreement are solely for convenience of reference and shall not affect its interpretation.

Section 16.8 Counterparts; Fax/PDF Signatures. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one instrument. This Agreement may be executed by facsimile signatures (or by copies of physically signed documents exchanged via email attachments in PDF format or equivalent).

Section 16.9 Gender; Number. All terms and words used in this Agreement, regardless of the number or gender in which they are used, shall be deemed to include any other number and any other gender (including neuter) as the context may require.

Section 16.10 Consent to Jurisdiction. Any action, suit or proceeding in connection with this Agreement may be brought against any Member or the Company in a court of record of the State of New York, County of New York, or of the United States District Court for the Southern District of New York, each Member and the Company hereby consenting and submitting to the jurisdiction thereof; and service of process may be made upon any Member or the Company, by certified or registered mail or by FedEx, at the address to be used for the giving of notice to such Member under Section 16.2. Nothing herein shall affect the right of any Member to serve process in any manner permitted by applicable law. **IN ANY ACTION, SUIT OR PROCEEDING IN CONNECTION WITH THIS AGREEMENT, EACH MEMBER AND THE COMPANY HEREBY WAIVES TRIAL BY JURY, AND ANY CLAIM THAT NEW YORK COUNTY OR THE SOUTHERN DISTRICT OF NEW YORK IS AN INCONVENIENT FORUM.**

Section 16.11 Attorneys' Fees. If the Company or any Member retains counsel for the purpose of enforcing or preventing the breach of any provision of this Agreement, or for any other remedy related to it, then the prevailing party shall be entitled to be reimbursed by the non-prevailing party for all reasonable Attorneys' Fees.

Section 16.12 No Third Party Beneficiaries. Notwithstanding anything to the contrary contained herein, none of the provisions of this Agreement shall be for the benefit of or enforceable by any of the creditors of the Company or any other Person not a party to this Agreement; provided, however, that (i) an Indemnified Party and a Member (but no creditor of such party) shall be entitled to enforce his, her or its rights under Article VI hereof, and (ii) any Manager or Authorized Person (but no creditors of such parties) shall be entitled to enforce his, her or its rights under Section 5.9 hereof.

Section 16.13 Certification of Non-Foreign Status. Each of the Members shall provide such certifications as may be requested by any Manager from time to time as to whether the Member is a foreign person within the meaning of the Code, including Sections 897, 1445 and 1446 thereof. The form of such certification may include, but not be limited to, (a) a statement as to whether the Member is a foreign person, the Member's name, U.S. identification number, and home address (in the case of an individual) or office address (in the case of an entity), (b) a representation that the Member will notify the Company within no more than 60 days of a change in foreign status, and (c) a signature under penalties of perjury. If the Company is required to withhold tax as a result of the status of any Member as a foreign person, the amount of such withholding shall be treated as a distribution from the Company to such Member.

Section 16.14 Investment by the Members. Each Member represents and warrants to the Company that it has acquired its Interest for its own account, for investment only and not with a view to the sale or distribution thereof. Each Member further represents and warrants that neither the Company nor any Manager has made any guaranty or representation upon which such Member has relied concerning the possibility or probability of profit or loss or the realization of any tax benefits as a result of its acquisition of its Interest. Each Member recognizes that (a) the Interests have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**"), in reliance upon an exemption from such registration, and agrees that it will not sell, offer for sale, transfer, pledge or hypothecate its Interest in the

absence of an effective registration statement covering such Interest under the Securities Act, unless such sale, offer of sale, transfer, pledge or hypothecation is exempt from registration for any proposed sale and (b) the restrictions on transfer may severely affect the liquidity of his investment.

Section 16.15 Waiver of Jury Trial. **FOR THE PURPOSES OF ANY SUIT, ACTION OR PROCEEDING, EACH MEMBER IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING (i) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH OR RELATING TO THIS AGREEMENT, AND AGREES THAT ANY SUCH SUIT, ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.**

Section 16.16 No Consequential Damages. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH MEMBER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LEGAL ACTION OR PROCEEDING ANY SPECIAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES.**

[End of Page; Signatures on Following Pages]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

DMG BUFFALO LLC, a Delaware limited liability company

By: _____
Name:
Title:

SAHARA ENERGY LTD., an Alberta Canada corporation

By: _____
Name:
Title:

[signatures continued on following page(s)]

The undersigned is executing this Agreement solely to evidence its agreement to its obligations set forth in Section 8.4 and 12.4 hereof:

GUARANTOR

DMG INVESTMENTS LLC, a Delaware limited liability company

By: _____
Name:
Title:

EXHIBIT A
MEMBERS

<u>Name and Contact Information</u>	<u>Initial Capital Contributions</u>	<u>Initial Capital Percentages</u>
<p>DMG Buffalo LLC 100 Wall Street, Suite 2203 New York, New York 10005 Attention: Jacky He Email: jackyhe@dmg-investments.com</p> <p><u>With a required copy to:</u></p> <p>Tannenbaum Helporn Syracuse & Hirschtritt LLP 900 Third Avenue New York, New York 10022-4775 Attention: Eric S. Schoenfeld Email: schoenfeld@thsh.com</p>	<p>\$ _____ _____</p>	<p>_____%</p>
<p>[Sahara Entity] 370 Lexington Avenue #2010 New York, New York 10017 Email: : _____</p> <p><u>With a required copy to:</u> Peter L. Nurzia, Esq. 2 Overhill Road, Suite 400 Scarsdale, New York 10583 Email: :pnurzia@nurzialaw.com</p>	<p>\$3,000,000</p>	<p>_____%</p>
<p>TOTAL</p>	<p>\$ _____00</p>	<p>100%</p>

EXHIBIT B

Contact Information of Manager

DMG Buffalo LLC
100 Wall Street, Suite 2203
New York, New York 10005
Attention: Jacky He
Email: jackyhe@dmg-investments.com

Exhibit B

Property Owner's Organization Chart

Auden Buffalo

Current Organizational Chart

Names of members redacted for privacy reasons

Offshore

Onshore

