
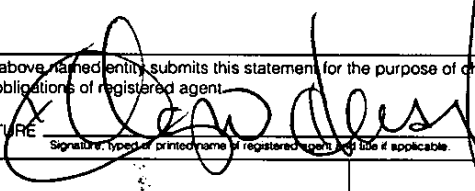
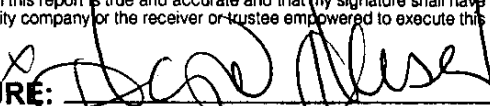


2006 LIMITED LIABILITY COMPANY ANNUAL REPORT

FILED
Jan 30, 2006 8:00 am
Secretary of State

01-30-2006 90152 023 ****50.00

DOCUMENT # L05000023305 1. Entity Name HAPPY TRAILS RANCH LLC																																																			
Principal Place of Business 500 WEST MADISON STREET SUITE 3630 CHICAGO, IL 60661 US		Mailing Address 500 WEST MADISON STREET SUITE 3630 CHICAGO, IL 60661 US																																																	
2. Principal Place of Business 560 VILLAGE BLVD.		3. Mailing Address 560 VILLAGE BLVD.																																																	
Suite, Apt. #, etc. # 335		Suite, Apt. #, etc. # 335																																																	
City & State WEST PALM BEACH, FL		City & State WEST PALM BEACH, FL																																																	
Zip FL 33409		Zip 33409																																																	
Country USA		Country USA																																																	
4. FEI Number 01272006		Chg-LLC CR2E083 (11/05)																																																	
5. Certificate of Status Desired <input type="checkbox"/> \$5.00 Additional Fee Required		Applied For <input checked="" type="checkbox"/> Not Applicable																																																	
6. Name and Address of Current Registered Agent CORPORATION SERVICE COMPANY 1201 HAYS STREET TALLAHASSEE, FL 32301		7. Name and Address of New Registered Agent Name HARRY W. HERSEY, JR. Street Address (P.O. Box Number is Not Acceptable) 560 VILLAGE BLVD, # 335 City WEST PALM BEACH FL Zip Code 33409																																																	
8. The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida. I am familiar with, and accept the obligations of registered agent. SIGNATURE  DATE _____ <small>Signature, typed or printed name of registered agent, and date if applicable. (NOTE: Registered Agent signature required when reinstating)</small>																																																			
Filing Fee is \$50.00 Due by May 1, 2006		Make check payable to Florida Department of State																																																	
9. MANAGING MEMBERS/MANAGERS <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">TITLE NAME STREET ADDRESS CITY-ST-ZIP</td> <td style="width:40%;"> MGRM NORTH STAR REALTY SERVICES, LLC 500 WEST MADISON STREET, SUITE 3630 CHICAGO, IL 60661 </td> <td style="width:30%; text-align: right;"> <input type="checkbox"/> Delete </td> </tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> </table>		TITLE NAME STREET ADDRESS CITY-ST-ZIP	MGRM NORTH STAR REALTY SERVICES, LLC 500 WEST MADISON STREET, SUITE 3630 CHICAGO, IL 60661	<input type="checkbox"/> Delete																						10. ADDITIONS/CHANGES <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">TITLE NAME STREET ADDRESS CITY-ST-ZIP</td> <td style="width:40%;"> MGRM GPR RANCHES, INC. 560 VILLAGE BLVD. #335 WEST PALM BEACH, FL 33409 </td> <td style="width:30%; text-align: right;"> <input checked="" type="checkbox"/> Change <input type="checkbox"/> Addition </td> </tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> <tr><td colspan="3"> </td></tr> </table>		TITLE NAME STREET ADDRESS CITY-ST-ZIP	MGRM GPR RANCHES, INC. 560 VILLAGE BLVD. #335 WEST PALM BEACH, FL 33409	<input checked="" type="checkbox"/> Change <input type="checkbox"/> Addition																					
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11. I hereby certify that the information supplied with this filing does not qualify for the exemptions contained in Chapter 119, Florida Statutes. I further certify that the information indicated on this report is true and accurate and that my signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 608, Florida Statutes. SIGNATURE:  DATE: _____ Daytime Phone # _____ <small>SIGNATURE AND TYPED OR PRINTED NAME OF SIGNING MANAGING MEMBER, MANAGER, OR AUTHORIZED REPRESENTATIVE</small>																																																			

ATTACHMENT
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LIMITED LIABILITY COMPANY
SALE AGREEMENT
(Replacement Property)

THIS LIMITED LIABILITY COMPANY SALE AGREEMENT (this "Agreement") is entered into between NORTH STAR REALTY SERVICES, LLC, 500 West Madison Street, Suite 3630, Chicago, Illinois ("Seller") and:

Name and address of taxpayer ("Purchaser"):

GPR Ranches, Inc.
560 Village Blvd, Suite 335
West Palm Beach, FL 33409

Seller shall sell to Purchaser and Purchaser shall purchase from Seller (upon the terms and conditions set forth in the STANDARD TERMS attached hereto and made a part hereof) all of Seller's right, title and interest in the limited liability company described below that owns the real estate described below:

Name of new North Star owned LLC ("LLC"):

Happy Trails Ranch, LLC

Address of real estate owned by LLC ("Property"):

See Exhibit B-1 Attached

The closing of the transactions contemplated by this Agreement (the "Closing") shall occur on or before the 180th day following the date of this Agreement or on such earlier date as Purchaser may specify to Seller with at least five days prior notice (the "Closing Date"), at the offices of Seller. Purchaser shall pay Seller the Purchase price specified below.

Date of Agreement:

March 16, 2005

Purchase Price:

\$ 2,129,080.00

IN WITNESS WHEREOF, the undersigned have set their hands as of the date written above.

SELLER:

NORTH STAR REALTY SERVICES, LLC

By: Martin S. Edman

Its: President

PURCHASER:

Print Name: GPR Ranches, Inc.

Signature: [Signature]

Title (if any): President

STANDARD TERMS BEGIN ON THE NEXT PAGE

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STANDARD TERMS

Section 1. Sale and Purchase

1.01 Seller shall sell to Purchaser and Purchaser shall purchase from Seller, at the price and upon the terms and conditions set forth in this Agreement, all of Seller's right, title and interest in the membership interests in the LLC.

1.02 The LLC owns the Property. The Property has the common address or identification set forth above and is comprised of LLC's interest (such as it is) in (a) the land, (b) all buildings and improvements, if any, situated on the land and (c) all appurtenances thereto, including, without limitation, all leases and contracts; in each case subject to all mortgages, liens, encumbrances, covenants, conditions, restrictions and easements.

1.03 The LLC is indebted to one or more lenders and/or to Purchaser or its affiliates in respect of loans (secured or unsecured) incurred in connection with the acquisition, improvement, repair, maintenance and operation of the Property by LLC. The Property may also be subject to one or more leases, with independent lessees and/or with Purchaser or its affiliates. Such obligations and leases shall remain with LLC, and Seller shall have no obligations whatsoever with respect thereto.

Section 2. The Closing and Purchase Price

2.01 The Closing shall take place at Seller's office on the Closing Date. Seller agrees to execute and deliver to Seller at the Closing all of the closing documents contemplated by this Agreement.

2.02 The net Purchase Price shall be payable by Purchaser in immediately available funds at Closing; Seller may for its convenience direct the payment of funds elsewhere, and Purchaser shall comply with such direction.

Section 3. Representations and Warranties of Seller

Seller represents and warrants to Purchaser as follows:

3.01 Seller has not entered into any agreement of sale or any option or other right of third parties to purchase any interest in the LLC.

3.02 Except for pledges of interests in LLC to secure indebtedness described in Section 1.03, above, Seller has no knowledge of any liens or encumbrances upon its interests in LLC.

3.03 Seller is duly organized, validly existing and in good standing.

3.04 Seller has all requisite power and authority, has taken all actions required by its organizational documents and applicable law and has obtained all consents which are necessary to authorize or enable it to execute and deliver this Agreement and to consummate the transactions contemplated in this Agreement. The individuals executing on Seller's behalf this Agreement and all documents contemplated by this Agreement have been duly authorized and are empowered to bind Seller to this Agreement and any other such documents contemplated by this Agreement.

3.05 Under penalties of perjury, Seller certifies that (a) Seller's Federal taxpayer identification number is 36-4265691; (b) Seller's true address is the address set forth on the first page of this Agreement; (c) Seller is not a foreign person and withholding of tax is not required pursuant to Internal Revenue Code Section 1445; and (d) there are no assessed but unpaid taxes, penalties or interest due under Section 902(d) of the Illinois Income Tax Act or Section 444(j) of the Retailer's Occupation Tax Act in connection with the conveyance of the LLC by Seller to Purchaser.

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Seller hereby agrees to indemnify, defend and hold Purchaser harmless from and against any and all loss, cost liability, damage and expense (including reasonable attorneys' fees and any litigation expenses) which Purchaser may suffer, sustain or incur as a result of any misrepresentation or breach of warranty or agreement by Seller under this Agreement or any document executed by Seller pursuant to this Agreement.

Section 4. Purchaser's Representations and Warranties

4.01. Neither the execution of this Agreement nor the consummation by Purchaser of the transactions contemplated by this Agreement will (a) conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default, or result in a termination of, any agreement or instrument to which Purchaser is a party; (b) violate any restriction to which Purchaser is subject; (c) constitute a violation of any applicable code, resolution, law, statute, regulation, ordinance, judgment, rule, decree or order of which Purchaser is aware; or (d) result in the creation of any lien, charge or encumbrance upon the Property or any part thereof. Purchaser is not in default under any agreement or instrument where the liability thereunder might adversely affect Purchaser's ability to perform its obligations under this Agreement.

4.02. Purchaser, if an entity, is duly organized, validly existing and in good standing.

4.03. Purchaser has all requisite power and authority, has taken all actions required by its organizational documents and applicable law and has obtained all consents which are necessary to authorize or enable it to execute and deliver this Agreement and to consummate the transactions contemplated in this Agreement. The individuals executing on Purchaser's behalf this Agreement and all documents contemplated by this Agreement have been duly authorized and are empowered to bind Purchaser to this Agreement and any other such documents contemplated by this Agreement.

4.04. As-Is Purchase and Sale. Except for Seller's representations and warranties in Section 3, above, Purchaser acknowledges and agrees that Seller has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to (a) the value, nature, quality or condition of the LLC or the Property, (b) the income to be derived from the LLC or the Property, (c) the suitability of the LLC or the Property for any and all activities and uses which purchaser may conduct thereon, (d) the compliance of or by the LLC or the Property with any legal requirements, (e) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property, (f) the manner or quality of the construction or materials, if any, incorporated into the Property, (g) the manner, quality, state of repair or lack of repair of the Property, or (h) any other matter with respect to the LLC or the Property. Specifically, Purchaser acknowledges that Seller has not made, does not make and specifically disclaims any representations regarding compliance with the Americans with Disabilities Act of 1990 or any environmental protection, pollution or land use laws, rules, regulations, orders or requirements, including solid waste, as defined by the U.S. environmental protection agency regulations at 40 C.F.R. part 261, or the disposal or existence, in or on the property, of any hazardous substance, as defined by the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, and regulations promulgated thereunder. Purchaser further acknowledges and agrees that having been given the opportunity to inspect the Property, Purchaser is relying solely on its own investigation of the Property and not on any information provided or to be provided by Seller. Purchaser further acknowledges and agrees that any information provided or to be provided with respect to the LLC or the Property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information. Seller is not liable or bound in any manner by any verbal or written statements, representations or information pertaining to the LLC or the Property, or the operation thereof, furnished by any broker, agent, employee or other person. Purchaser further acknowledges and agrees that to the maximum extent permitted by law, the interests in the LLC are conveyed (and the Property is thus indirectly conveyed) in its "as is" condition and basis, with all faults. It is understood and agreed that the Purchase Price has been adjusted by prior negotiation to reflect that all of the LLC and the Property is sold by Seller and purchased by Purchaser subject to the foregoing.

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Section 5. Destruction, Damage or Condemnation

If, prior to the Closing Date, the improvements on the Property are destroyed or damaged by fire or other casualty or any condemnation proceedings are initiated which may result in the taking of any part of the Property, Seller shall promptly notify Purchaser of same and then Seller shall have the right (but not the obligation) to terminate this Agreement by giving prompt written notice to Purchaser. If this Agreement is so terminated, the parties shall be released from all further obligations hereunder, other than those obligations that are expressly stated herein as surviving termination of this Agreement. If Seller does not terminate this Agreement, the Closing shall proceed as scheduled, and all insurance proceeds or condemnation awards, as the case may be, shall be payable to LLC and applicable law.

Section 6. Conditions Precedent

6.01. Purchaser's obligation to consummate the acquisition of the LLC pursuant to the terms of this Agreement is subject to and conditioned upon the following:

(a) Each of the representations and warranties made by Seller in this Agreement being true and complete in all material respects on the Closing Date as if made on and as of such date. Such representations and warranties and all indemnifications shall survive the Closing and shall be deemed remade as of the Closing Date.

(b) Seller shall have performed all obligations which it is required to perform pursuant to the provisions of this Agreement.

6.02. Seller's obligation to consummate the sale of the LLC pursuant to the terms of this Agreement is subject to and conditioned upon the following:

(a) Each of the representations and warranties made by Purchaser in this Agreement being true and complete on the Closing Date as if made on and as of such date.

(b) Purchaser shall have performed all obligations which it is required to perform pursuant to the provisions of this Agreement.

Section 7. Seller's Closing Obligations

Seller shall deliver the following on or before the Closing Date:

7.01. An assignment of its membership interests in the LLC in such form as Seller shall find satisfactory.

7.02. Such other documents as may be required by or useful in connection with this Agreement.

Section 8. Purchaser's Closing Obligations

Purchaser shall deliver the following on or before the Closing Date:

8.01 The Purchase Price (as provided in Section 2.02, above).

8.02 Such other documents as may be required by or useful in connection with this Agreement.

Section 9. Apportionments and Other Payments

9.01. The parties hereto have expressly agreed that there will be no prorations with respect to this transaction.

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9.02. Purchaser shall pay all closing costs and expenses in connection with this Agreement, including without limitation any applicable real estate transfer taxes.

Section 10. Termination and Remedies

10.01. In the event Seller is in default under this Agreement, Purchaser may either terminate or seek specific performance of this Agreement.

10.02. In the event Purchaser is in default under this Agreement, Seller may either terminate or seek specific performance of this Agreement.

10.03. In no event shall a party hereto be held to account for any punitive, exemplary, consequential or other special damages, the remedies of the parties hereto being limited to their actual out-of-pocket costs (including reasonable attorney's fees) incurred in seeking specific performance of this Agreement. If the non-defaulting party shall elect to terminate this Agreement, the parties shall have no further obligations to one another hereunder.

Section 11. Brokers

Seller and Purchaser represent and warrant to each other that they have not dealt with any broker in connection with this transaction. Each party hereby indemnifies and agrees to save the other harmless of and from all loss, cost, liability and expense, including reasonable attorney's fees, arising out of the breach by the other of the foregoing representation and warranty. This Section shall survive the Closing or, if the Closing does not occur for any reason, shall survive the termination of this Agreement.

Section 12. Acknowledgement

Purchaser acknowledges that Purchaser has not relied and shall not rely upon Seller or Seller's attorney for legal or tax advice relating to the transactions comprising the transactions contemplated by this Agreement and all ancillary agreements, but has obtained independent legal counsel and tax advice.

Section 13. Notices

All notices hereunder shall be in writing and may be and shall be deemed given and received upon (a) receipt, if hand-delivered; (b) transmission if delivered by facsimile transmission during regular business hours, or the next business day, if transmitted outside regular business hours; (c) the next business day, if delivered by express delivery or overnight courier service; or (d) the third business day following the day of deposit of such notice in registered or certified mail, return receipt requested. Notices shall be provided to the addresses as set forth in the first paragraph of this Agreement.

Section 14. Miscellaneous

14.01. This Agreement may be executed in any number of counterparts which together shall constitute the agreement of the parties. Signatures transmitted by facsimile or other electronic transmission shall be considered authentic and binding.

14.02. Neither Purchaser nor Seller may assign this Agreement or the rights and obligations hereunder without the consent of the other except that Purchaser may assign this Agreement to a qualified intermediary as part of a like-kind exchange.

14.03. This Agreement embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provisions hereof may be waived, modified, amended, discharged or terminated except by an instrument signed by the party against whom the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

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14.04. This Agreement and the terms and provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, personal representatives, successors and permitted assigns.

14.05. In the event any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be deemed severed from this Agreement and the remaining parts hereof shall remain in full force and effect, as fully as though such invalid, illegal or unenforceable portion had never been part of this Agreement.

14.06. The parties agree that this Agreement shall be governed by the laws of the State of Illinois.

14.07. The Section headings herein contained are for purposes of identification only and shall not be considered in construing this Agreement.

14.08. Time shall be of the essence of the performance of all covenants, agreements and obligations under this Agreement. If the time for the performance of any obligations or the giving of any notice hereunder shall fall on a Saturday, Sunday or legal holiday in the State of Illinois, such performance shall ipso facto be extended to the next business day.

14.09. Nothing herein shall be construed to supercede any other agreement to which Seller and Purchaser are parties, including any applicable exchange or accommodation agreements.

14.10. If this Agreement is executed by a trustee, said execution shall solely be in the trustee's capacity as trustee, pursuant to the power and authority conferred upon and vested in it as such trustee. It is expressly understood and agreed that nothing herein contained shall be construed as creating any liability whatsoever, express or implied, against said trustee or the beneficiary of the trust or to perform any covenant or agreement, either expressed or implied therein contained, and that all personal liability of the aforesaid of any sort is hereby expressly waived by the other party hereto, and by any person now or hereafter claiming any right through or under such other party.

[END OF LIMITED LIABILITY COMPANY SALE AGREEMENT]