

MAR 28 2005

U.S. BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA**

1 2 3 4 5 6 7	In re:  LEROY MARTIN HEILE and WANDA LEE HEILE,  _____ Debtors.	) Chapter 11 ) ) No. 0:04-bk-01055-JMM ) ) <b>MEMORANDUM DECISION</b> )
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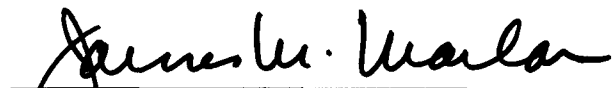
In regards to the parties' most recent dispute over the option contract, the court has reviewed and considered the applicable law, law of the case, and arguments of the parties, and rules as follows:

1. Paragraph 18 is an option to renew the lease(s) for an additional three years.
2. Griffin timely exercised the option.
3. The option contract provides an unambiguous formula for establishing the new rental rate, being "the then fair rental value" in the existing market.
4. A court-appointed examiner or expert can determine that rate if the parties cannot agree.
5. Paragraph 6 has been found to be a separate agreement contained within the parties' agreement. (See September 15, 2004 Memorandum Decision.)

1                   6.       Griffin may renew the ground lease(s) for the additional option period for the  
2 current fair market rental value of such land(s), without any corresponding obligation to hire the Debtors  
3 to farm such acreage.

4                   A separate order shall issue.

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6                   DATED: March 28, 2005.

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9                   \_\_\_\_\_  
10                  JAMES M. MARLAR  
11                  UNITED STATES BANKRUPTCY JUDGE

10 COPIES served as indicated below this 28  
11 day of March, 2005, upon:

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