

When recorded please return to:

✓ Minden-Gardnerville Sanitation District
P. O. Box 568
Minden, Nevada 89423

AGREEMENT FOR ANNEXATION

This Agreement is made on the 4th day of November, 1997,
between ROY KEMPLEY and MARGARET M. KEMPLEY, Trustees of the
KEMPLEY FAMILY 1994 TRUST dated September 12, 1994,
(hereinafter referred to as "OWNER") and the Minden-Gardnerville
Sanitation District, a governmental body organized under the laws
of the State of Nevada, (hereinafter referred to as "DISTRICT").

W I T N E S S E T H

WHEREAS, the OWNER has real property situate in the County of
Douglas, State of Nevada, described as follows:

A parcel of land located within a portion of
Section 32, Township 13 North, Range 20 East, Mount
Diablo Meridian, more particularly described as
follows:

Beginning at the southeast corner of Lot 1,
Block A, as shown on the subdivision map of
Wildrose No. 3, Unit 1, filed for record in
the office of Recorder, Douglas County,
Nevada, on October 22, 1971, as Document No.
55071;

thence South 26°35'00" West, 15.00 feet;
thence North 63°25'00" West, 100.00 feet;
thence North 26°35'00" East, 15.00 feet;
thence South 63°25'00" East, 100.00 feet to
the POINT OF BEGINNING, containing 1,500
square feet, more or less.

The Basis of Bearing of this description is
South 63°25'00" East, the southerly line of
Lot 1, Block A, as shown on the subdivision
map of Wildrose No. 3, Unit 1, filed for

record in the office of Recorder, Douglas County, Nevada on October 22, 1971, as Document No. 55071.

1,500 square feet more or less.

Assessor's Parcel No. 25-222-09.

WHEREAS, OWNER is not requesting sewer capacity;

WHEREAS, OWNER desires to extend their lot to match an adjacent lot and to be annexed into DISTRICT; and

WHEREAS, DISTRICT is willing to annex OWNER's property and to provide sewer capacity and service;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

SECTION ONE

In consideration of DISTRICT providing sewer capacity and sewer service to OWNER and thereby allowing OWNER to deposit sewage in DISTRICT's system, OWNER agrees to pay the following fees:

a. An annexation application fee has previously been paid. This fee will be applied to the DISTRICT's expenses incurred in reviewing OWNER's application and plans. Any balance remaining will be refunded to OWNER. In the event the DISTRICT's expenses incurred in reviewing OWNER's application and plans exceed the fee, the OWNER agrees to pay to the DISTRICT the amount of the additional expenses.

b. An acreage fee totalling Twenty Dollars and 66/100 (\$20.66) which represents payment for the applicable acreage fee of SIX HUNDRED AND NO/100 DOLLARS (\$600.00) per acre prorated at 0.034 acreage. Such amount is due and payable and must be returned with the executed original to this Agreement within the time constraints

set forth in Part One, Section IX, paragraph J of the DISTRICT's ordinances.

c. At the time of this contract, OWNER is not requesting any capacity. If and when OWNER requests capacity, and assuming capacity is available, OWNER will pay such rate and fee for capacity as exists at the time capacity is actually allocated by the DISTRICT.

d. A connection fee is due and payable by OWNER immediately on issuance of a connection permit. The amount of the fee shall be the comparable rate within the DISTRICT for each Equivalent Dwelling Unit at the time of connection. This fee is subject to revision by the DISTRICT.

e. A monthly fee will be due and payable upon the annexation of OWNER's property to the sewer system. The OWNER and/or OWNERS of record at the time the charge is assessed will be responsible for payment of the fee. The monthly fee will be in such amount as is being assessed by the DISTRICT for equivalent dwelling units, and for the particular use or type of use or uses for which the service is devoted. This fee is subject to increase from time to time in accordance with the DISTRICT's revised rate regulations and schedules.

f. Payments of fees pursuant to Paragraph (e) above are due and payable at the DISTRICT's office on or before the tenth (10th) day after the statement has been mailed. A basic penalty in the amount of ten percent (10%) of the fee due, for non-payment of fees when due, shall be charged for the first month's delinquency. Thereafter, a penalty of one and one-half percent (1-1/2%) per

month of the amount of the fee due plus the basic penalty amount, shall be imposed for non-payment of the fee and basic penalty, on the first day of the calendar month following the due date. Said penalty shall continue to be assessed for each additional month the account remains unpaid.

SECTION TWO

OWNER agrees to construct all facilities in accordance with the DISTRICT's applicable rules, regulations and ordinances. The OWNER will give the DISTRICT five (5) days' written notice prior to commencing construction.

SECTION THREE

The terms and conditions of this Annexation Agreement are deemed covenants which run with the land and are binding upon the heirs, devisees, transferees and/or assignees of the OWNER. A copy of this Annexation Agreement shall be recorded to give subsequent parties notice and to bind subsequent parties to the terms and conditions of this Agreement.

SECTION FOUR

In the event that the DISTRICT is legally unable to provide sewer service, or sewer capacity, or is prevented from further providing the same, this Annexation Agreement shall terminate and become of no force and effect and the DISTRICT shall have no further obligation to provide sewer service or capacity to OWNER, his heirs, devisees, transferees, and/or assignees.

SECTION FIVE

This Annexation Agreement inures to the benefit of and is binding upon the executors, administrators, assignees and successors of the parties to this Agreement.

SECTION SIX

This Annexation Agreement contains all of the agreements of the parties hereto with respect to the matters contained herein. No prior agreement or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Annexation Agreement shall be modified or canceled except if made in writing and signed by all parties to this Annexation Agreement.

SECTION SEVEN

This Agreement must be executed and returned unchanged and unmodified within sixty (60) days of delivery. Failure to comply with this requirement results in revocation of the DISTRICT'S offer to annex and OWNER must wait six (6) months to reapply.

EXECUTED at Minden, Nevada, on the date first above written.

DISTRICT

By: *Daniel R. Hellwinkel*
DANIEL R. HELLWINKEL
Chairman, Board of Trustees
Minden-Gardnerville
Sanitation District

OWNER

KEMPLEY FAMILY 1994 TRUST

Roy Kempley
ROY KEMPLEY, Trustee
Margaret M. Kempley
MARGARET M. KEMPLEY, Trustee

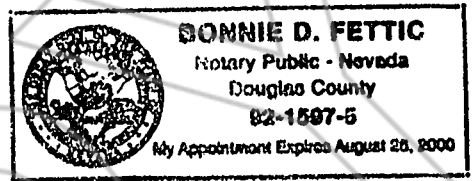
STATE OF NEVADA)
)ss:
COUNTY OF DOUGLAS)

On this 4th day of November, 1997, personally appeared before me, a Notary Public, DANIEL R. HELLWINKEL, known to me to be the person whose name is subscribed to the within instrument, as authorized officer of MINDEN-GARDNERVILLE SANITATION DISTRICT, and who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

SUBSCRIBED and SWORN to before me
this 4th day of November, 1997.

Bonnie D. Feticc

Bonnie D. Feticc
Notary Public



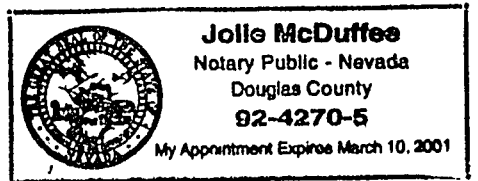
STATE OF NEVADA)
)ss:
COUNTY OF DOUGLAS)

On this 14th day of October, 1997, personally appeared before me, a Notary Public, ROY KEMPLEY, known to me to be the person whose name is subscribed to the within instrument, as Trustee of the KEMPLEY FAMILY 1994 TRUST dated 9/12/94, and who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

SUBSCRIBED and SWORN to before me
this 14th day of October, 1997.

Jolie McDuffee

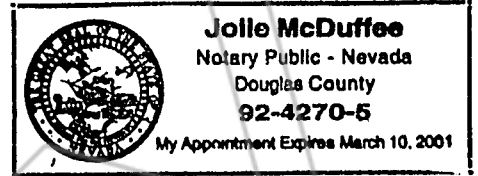
Jolie McDuffee
Notary Public



STATE OF NEVADA)
)ss:
COUNTY OF DOUGLAS)

On this 14th day of October, 1997, personally appeared before me, a Notary Public, MARGARET M. KEMPLEY, known to me to be the person whose name is subscribed to the within instrument, as Trustee of the KEMPLEY FAMILY 1994 TRUST dated 9/12/94, and who acknowledged to me that she executed the same freely and voluntarily and for the uses and purposes therein mentioned.

SUBSCRIBED and SWORN to before me
this 14th day of October, 1997.



Jolie McDuffee
Notary Public

COPIES

REQUESTED BY
M G S D
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

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LINDA SLATER
RECORDER
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