

AGREEMENT REGARDING IRRIGATION
AND DEVELOPMENT RIGHTS

THIS AGREEMENT is entered into this 11th day of August 1998 by and between LITTLE MONDEAUX LIMOUSIN CORPORATION, a Nevada corporation, hereinafter referred to as Seller and the CHARNEY 1996 TRUST by and through its Trustee HOWARD CHARNEY, hereinafter referred to as Purchaser.

WITNESSETH:

A. Seller is the owner of that certain real property in Douglas County, Nevada identified as Douglas County Assessor's Parcel Numbers 15-130-22 (Parcel 6) consisting of 100.04 acres, and 15-130-23 (Parcel 7) consisting of 136.89 acres, and has entered into agreement with Purchaser for the purchase and sale of said property ("the Property").

B. As part of said purchase and sale transaction, Purchaser and Seller have entered into agreements regarding irrigation practices for the 1998 irrigation year, and regarding the ownership and transfer of Development Rights appurtenant to the Property, and desire to memorialize and set forth said agreements.

NOW THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, Seller and Purchaser agree as follows:

1. Seller agrees to plant those certain fields more particularly identified on Exhibit A attached hereto with pasture seed prior to or within ten (10) days of close of escrow, at Seller's cost. Seller further agrees to irrigate such pastures, and all other irrigated pastures within the Property,

through the 1998 irrigation season. Seller shall be entitled to the use and shall have the right to graze all existing pastures through the 1998 grazing season.

2. The escrow instructions contain an agreement by Purchaser and Seller to retain Ten Thousand Dollars (\$10,000) of the purchase price in escrow pending completion by Seller of a driveway between Lot 7 and Lot 8, serving the Property, at Seller's expense, within sixty (60) days of close of escrow. Purchaser shall have the right to review and approve construction plans prepared by Seller's engineer, which approval shall not be unreasonably withheld. Completion of the construction of the driveway according to said plans, as certified by Seller's engineer, shall be deemed completion of the project, and said engineer's certification shall constitute direction by both Purchaser and Seller to the escrow holder to release the withheld funds to Seller. Said funds in escrow shall also be security for performance by Seller of the planting obligation in Paragraph 1 above, and completion thereof shall be a further condition to the release of such funds.

3. Seller is the owner and developer of properties, including Little Mondeaux Meadows, Little Mondeaux Limousin Ranch, and the Sierra Nevada Golf Ranch. Seller has by Development Agreement with Douglas County previously transferred Development Rights from the Property and other properties owned by Seller to the development properties for use thereon. Seller is modifying said development plan, and the Development Agreement with Douglas County may be amended or terminated.

Notwithstanding, Seller reserves all Development Rights on the Property and transfers to the purchaser only three (3) Development Rights, as follows: One (1) Development Right appurtenant to APN 15-130-22 (Parcel 6), and two (2) Development Rights appurtenant to APN 15-130-23 (Parcel 7). Purchaser agrees to said reservation and withholding of Development Rights and

acknowledges the limitation of the Property to a total of three (3) Development Rights as set forth herein. Purchaser and Seller agree that the deed to the Property from Seller to Purchaser will contain the Development Right restriction and reservation.

Purchaser agrees to cooperate with Seller and execute such documents as may be necessary and appropriate in connection with the utilization of said reserved Development Rights on property owned by Seller or on property owned by third parties, or elsewhere. Purchaser waives any and all claims or interest now or in the future to any Development Right or building right in or on the Property in excess of the three (3) such Development Rights appurtenant to the Property at the time of purchaser's purchase, as set forth herein, and confirms ownership of any and all other Development Rights associated with the Property to Seller.

4. Except as otherwise provided herein, this Agreement shall be binding upon, and shall inure to the benefit of, the heirs, successors and assigns of the parties.

5. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which he may be entitled.

6. The parties hereto acknowledge that both parties have been represented in negotiations for and in preparation of this Agreement by counsel of their own choosing; that both of the parties hereto have read this Agreement and are fully aware of its contents; and, that they enter into this Agreement voluntarily by their own accord and without force, duress or undue influence.

7. This Agreement, including all exhibits referenced herein and attached hereto, constitutes the entire agreement between the parties hereto, pertaining to the subject matters hereof, and it supersedes all negotiations, preliminary agreements, and all prior and contemporaneous discussions and understandings of the parties in connection with the subject matters hereof and rescinds any prior agreements between the parties hereto. Except as otherwise expressly provided herein, no covenant, representation, promise or condition not expressed in this Agreement, or in an amendment hereto made and executed in accordance with this Agreement, shall be binding upon the parties hereto or shall affect or be effective to interpret, change or restrict the provisions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first set forth above.

LITTLE MONDEAUX LIMOUSIN CORPORATION

By: 

Ronald L. Simek, President

CHARNEY 1996 TRUST

By: _____

Howard Charney, Trustee

7. This Agreement, including all exhibits referenced herein and attached hereto, constitutes the entire agreement between the parties hereto, pertaining to the subject matters hereof, and it supersedes all negotiations, preliminary agreements, and all prior and contemporaneous discussions and understandings of the parties in connection with the subject matters hereof and rescinds any prior agreements between the parties hereto. Except as otherwise expressly provided herein, no covenant, representation, promise or condition not expressed in this Agreement, or in an amendment hereto made and executed in accordance with this Agreement, shall be binding upon the parties hereto or shall affect or be effective to interpret, change or restrict the provisions of this Agreement.

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LITTLE MONDEAUX LIMOUSIN CORPORATION

By: _____
Ronald L. Simek, President

CHARNEY 1996 TRUST

By: _____
Howard Charney, Trustee

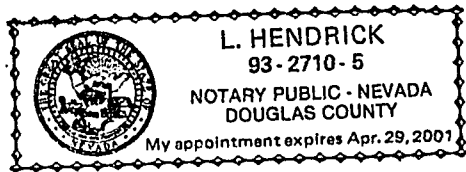
STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

On August 11, 1998, before me, a notary public, personally appeared

RONALD L. SIMEK, as the President of LITTLE MONDEAUX LIMOUSIN CORPORATION

personally known (or proved) to me to be the person whose name is subscribed to the above

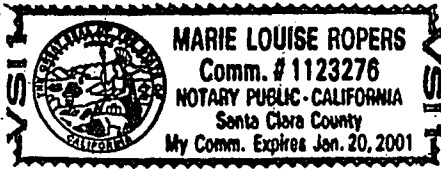
instrument who acknowledged that he executed the instrument.



L. Hendrick
Notary Public

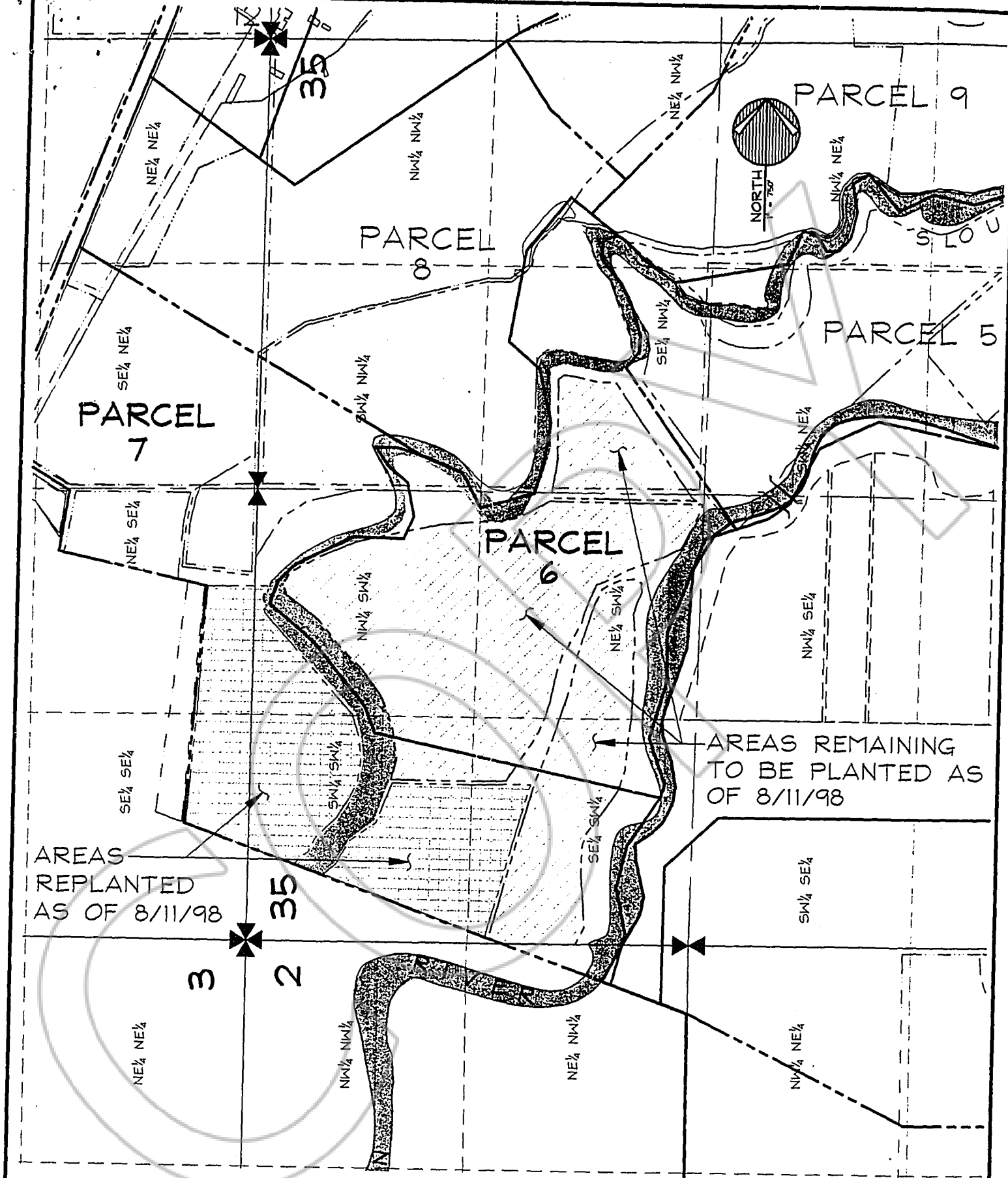
STATE OF CALIFORNIA)
) ss.
COUNTY OF Santa Clara

On Aug 10, 1998, before me, a notary public, personally appeared HOWARD CHARNEY, as Trustee of the CHARNEY 1996 TRUST, personally known (or proved) to me to be the person whose name is subscribed to the above instrument who acknowledged that he executed the instrument.



Marie Louise Ropers
Notary Public

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**R.O. ANDERSON
ENGINEERING, INC.**

1624 10th STREET • P.O. BOX 2294 • MINDEN, NEVADA 89423
(702) 782-2322 • FAX (702) 782-7084

212-23

08/11/98

LITTLE MONDEAUX LIMOUSIN
0446980 FIELD PLANTING
EXHIBIT "A"

BK0898PG2696

REQUESTED BY
STEWART TITLE of DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'98 AUG 12 P4:14

0446980

BK0898PG2697

LINDA SLATER
RECORDER

\$ 15.00 PAID KJ DEPUTY