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NF  
Comm  
Dev  
John Doughty

**IMPROVEMENT AGREEMENT**

BARBARA REED  
CLERK  
BY *[Signature]* DEPUTY

On February 11, 1999, Douglas County, a political subdivision of the State of Nevada ("COUNTY"), and DGD Development Limited Partnership, a Nevada limited partnership ("DEVELOPER"), entered into this Improvement Agreement (this "Agreement") to ensure the orderly construction of improvements as set forth herein.

**RECITALS**

- A. The DEVELOPER is the owner of real property described in Exhibit A ("Developer's Property").
- B. The COUNTY is obligated to construct certain improvements for the Douglas County Redevelopment Agency pursuant to a Public Works Agreement ("PW Agreement") attached as Exhibit B.
- C. As a requirement for the COUNTY to complete a portion of the improvements defined in the PW Agreement, the COUNTY must obtain from DEVELOPER certain dedications of real property and certain access rights.
- D. The DEVELOPER desires to assist the COUNTY pursuant to the conditions set forth below.
- E. The COUNTY acknowledges and agrees that substantial benefits will accrue to the COUNTY as a result of DEVELOPER and the COUNTY entering into this Agreement.

Therefore, the COUNTY and the DEVELOPER agree as follows:

**1. COUNTY IMPROVEMENTS**

- 1.1. A portion of the improvements set forth in the PW Agreement require cooperation from the DEVELOPER (herein referred to as "Improvements"). Those Improvements include, but are not limited to: 1) public improvements to enhance traffic capacity on and off of Jacks Valley Road and Highway 395, 2) traffic control enhancements including widening of Jacks Valley Road, 3) additional turning lanes and construction of Vista Grande, 4) addition and relocation of utilities, and 5) landscaping.

- 1.2. The COUNTY agrees to bid the Improvements on or before March 18, 1999. In addition, the COUNTY agrees to use all commercially reasonable efforts to complete the construction Improvements within the time frames described in Exhibit C. Failure to timely complete the Improvements could impair DEVELOPER's ability to complete development activities on the Developer's Property.
- 1.3. The cost of Improvements provided herein shall be borne by the COUNTY or others as may be required or negotiated by the COUNTY.
- 1.4. Prior to the commencement of construction upon the Improvements by the COUNTY, COUNTY shall secure, or cause to be secured, any and all permits, which may be required by Douglas County or any other governmental agency, affected by such construction.

## 2. DEVELOPER OBLIGATIONS

- 2.1. The DEVELOPER agrees to provide access to Developer's Property, at no cost to COUNTY, as may be required by the COUNTY in order to enable the completion of the Improvements.
- 2.2. At request of COUNTY, DEVELOPER will cause to be transferred to COUNTY, at no cost to COUNTY, the right of way, easements, and dedication of property, as COUNTY requires to complete the Improvements as specifically set forth in Exhibit D and any other property reasonably requested by COUNTY to complete the Improvements.
- 2.3. The COUNTY shall have the reasonable right of access to the Improvements across Developer's Property without charges or fees, at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in rehabilitating and/or constructing the Improvements.

## 3. DEFAULT

- 3.1. Failure or delay by either party to perform any term or provision of this Agreement constitutes default under this Agreement. The nondefaulting party shall notify the defaulting party that a default exists and that the defaulting party must cure same within thirty (30) days of receipt of the notice of default. The party who so fails or delays must immediately commence to cure, correct or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence and during any period of curing shall not be in default.
- 3.2. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to recover damages for any default or to obtain any

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other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Ninth District Court of the State of Nevada, or in any other appropriate court in Douglas County.

- 3.3. The nondefaulting party may also, at its option, cure the breach and sue in any court of proper jurisdiction to collect the reasonable costs incurred by virtue of curing or correcting the defaulting party's breach. Further, the nondefaulting party may file legal action to require the defaulting party to specifically perform the terms and conditions of this Agreement.
- 3.4. In consideration for the matters set forth in paragraph 2.1 through 2.3, the COUNTY hereby waives its legal right to acquire the Developer's Property by eminent domain for purposes of completing the Improvements.

#### 4. GENERAL

- 4.1. DEVELOPER shall have the right, without the COUNTY's consent, to assign this Agreement to a third party so long as the assignee holds legal title to a portion of the Developer's Property.
- 4.2. The terms of this Agreement bind the parties to the Agreement and their successors in interest and assigns.
- 4.3. All notices under this Agreement shall be sent, via first class certified return receipt mail, to the following addresses;

COUNTY:  
Director  
Community Development Department  
Post Office Box 218  
Minden, Nevada 89423

with a copy to:

Douglas County District Attorney  
Post Office Box 218  
Minden, Nevada 89423

OWNER:

DGD Development Limited Partnership  
3579 Highway 50 East, Suite 303  
Carson City, Nevada 89701

with a copy to:

Rick Gardner, Esq.  
Box 2194  
Stateline, NV 89449

- 4.4. No official or employee of the COUNTY shall be personally liable to the DEVELOPER in the event of any default or breach by the COUNTY or for any amount which may become due to the DEVELOPER or on any obligations under the terms of this Agreement.
- 4.5. COUNTY agrees to indemnify, defend, protect and hold DEVELOPER, its assignees, agents, and employees harmless from any and all claims, causes of action or liability arising from construction of the Improvements or the performance of this Agreement by the COUNTY or the COUNTY's agents or employees. In addition, COUNTY agrees to indemnify, defend, protect and hold DEVELOPER, its assignees, agents, and employees harmless from any damages resulting from a COUNTY default under this Agreement.
- 4.6. DEVELOPER agrees to indemnify, defend, protect and hold COUNTY, its agents and employees harmless from any and all claims, causes of action or liability arising from construction of the Improvements or the performance of this Agreement by the DEVELOPER or the DEVELOPER's agents or employees. In addition, DEVELOPER agrees to indemnify, defend, protect and hold COUNTY, its agents and employees harmless from any damages resulting from a DEVELOPER default under this Agreement.
- 4.7. This Agreement constitutes the entire understanding and agreement of the parties with respect to construction of the public improvements identified herein.
- 4.8. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof with respect to construction of the public improvements identified herein.
- 4.9. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the COUNTY and the DEVELOPER, and all amendments hereto must be in writing and signed by the appropriate authorities of the COUNTY and the DEVELOPER.
- 4.10. This Agreement constitutes the entire understanding of the parties. This Agreement does not, however, modify any past, present, or future conditions of approval for the Developer's Property.
- 4.11. The Agreement is effective on the date stated above.

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4.12. The laws of Nevada shall govern the interpretation and enforcement of this Agreement.

COUNTY:

Jacques Etchegoyhen  
Jacques Etchegoyhen  
Chairman, Douglas County  
Board of Commissioners

Attest:

Barbara J. Reed  
Barbara J. Reed  
County Clerk  
BY: L. Lynch, DEPUTY

DEVELOPER:

DGD Development Limited Partnership,  
a Nevada limited partnership

By: SSS Investments, LLC,  
a Nevada limited liability company

By: John C. Serpa, Jr.  
Its Managing Member

**EXHIBIT A**

**Developer's Property Description**

COPY

**DESCRIPTION**

A parcel of land located within portions of the Southeast one-quarter of Section 6 and the Northeast one-quarter of Section 7, Township 14 North, Range 20 East, Mount Diablo Meridian, Douglas County, Nevada, described as follows:

Commencing at the one-quarter corner common to Sections 6 and 7, T.14N., R20E., M.D.M., a found 1963 B.L.M. brass cap;

thence along the center section line of said Section 6, North  $00^{\circ}16'50''$  East, 279.82 feet to a point on the southerly line of Jacks Valley Road;

thence along said southerly line of Jacks Valley Road, North  $66^{\circ}54'20''$  East, 182.41 feet to the northeasterly return of Vista Grande Boulevard as per proposed realignment, the POINT OF BEGINNING;

thence continuing along said southerly line of Jacks Valley Road, North  $66^{\circ}54'20''$  East, 1023.75 feet to the southerly return of said Jacks Valley Road;

thence along said southerly return, along the arc of a curve to the right, tangent to the preceding course, having a radius of 75.00 feet, central angle of  $114^{\circ}12'10''$ , arc length of 149.49 feet, chord bearing of South  $55^{\circ}59'35''$  East, and chord length of 125.95 feet to a point on the west line of U.S. Highway 395;

thence along said west line of U.S. Highway 395, South  $01^{\circ}06'30''$  West, 1999.86 feet to the northeast corner of Highland Estates Unit 2 recorded January 27, 1978 in the office of Recorder, Douglas County, Nevada as Document No. 17090;

thence along the north line of said Highland Estates Unit 2, South  $89^{\circ}36'23''$  West, 369.54 feet to a point on the easterly line of Vista Grande Boulevard as shown on the Parcel Map for Jack Bay #1 recorded May 22, 1980 in the office of Recorder, Douglas County, Nevada as Document No. 44686;

thence along said easterly line of Vista Grande Boulevard the following four courses:

thence along the arc of a curve to the left, nontangent to the preceding course, having a radius of 220.00 feet, central angle of  $44^{\circ}01'11''$ , arc length of 169.02 feet, chord bearing of North  $22^{\circ}20'45''$  West, and chord length of 164.90 feet;

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thence North 44°21'20" West, 465.00 feet;  
thence along the arc of a curve to the right, tangent to the preceding course, having a radius of 270.00 feet, central angle of 69°00'00", arc length of 325.15 feet, chord bearing of North 09°51'20" West, and chord length of 305.86 feet;

thence North 24°38'40" East, 139.77 feet;  
thence along the easterly line of said proposed realigned Vista Grande Boulevard the following five courses:

thence along the arc of a curve to the left, tangent to the preceding course, having a radius of 305.00 feet, central angle of 58°44'55", arc length of 312.73 feet, chord bearing of North 04°43'48" West, chord distance of 299.21 feet;

thence North 34°06'15" West, 308.98 feet;  
thence along the arc of a curve to the right, tangent to the preceding course, having a radius of 470.00 feet, central angle of 11°00'35", arc length of 90.31 feet, chord bearing of North 28°35'58" West, and chord length of 90.17 feet;

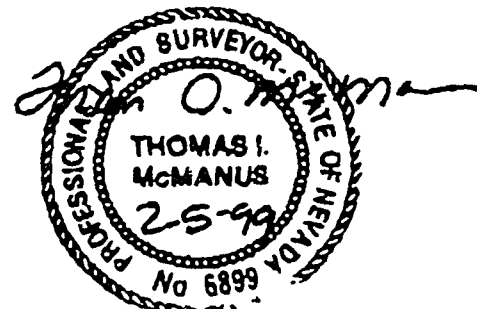
thence North 23°05'40" West, 85.22 feet;  
thence along the arc of a curve to the right, tangent to the preceding course, having a radius of 35.00 feet, central angle of 90°00'00", arc length of 54.98 feet, chord bearing of North 21°54'20" East, and chord length of 49.50 feet to the POINT OF BEGINNING, containing 34.47 acres, more or less.

The above described parcel of land represents a portion of A.P.N. 13-106-01, 13-104-02, 13-104-07, 13-110-04, 13-110-05 and 13-110-11 and is not intended for inclusion in a document conveying fee ownership. To do so is a violation of state law and/or local ordinance.

This description utilizes information from an as yet unrecorded Record of Survey to Support a Boundary Line Adjustment for John C. Serpa, et al.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared By: R.O. ANDERSON ENGINEERING, INC.  
P.O. Box 2294  
Minden, Nevada 89423



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**EXHIBIT B**

**Public Works Agreement**

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## EXHIBIT C

### Improvements Construction Schedule

#### Timeline for County Public Improvements:

- 1) Substantial Completion – On or before September 6, 1999. Includes operational aspects of the improvements including paving and grading.
- 2) Full Completion – On or before August 3, 1999. Includes County acceptance and all punch list items.

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**EXHIBIT D**

**Vista Grande Property Dedication – Legal Description**

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110-12-98

11/09/98

Revised 12/11/98

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**DESCRIPTION**

A parcel of land located within portions of the Southeast one-quarter of Section 6 and the Northeast one-quarter of Section 7, Township 14 North, Range 20 East, Mount Diablo Meridian, Douglas County, Nevada, more particularly described as follows:

Commencing at the one-quarter corner common to Sections 6 and 7, T.14N., R.20E., M.D.M., a found 1963 B.L.M. brass cap;

thence along the center section line of said Section 6, North  $00^{\circ}16'50''$  East, 279.82 feet to a point on the southerly line of Jacks Valley Road;

thence along said southerly line of Jacks Valley Road, North  $66^{\circ}54'20''$  East, 52.41 feet to the POINT OF BEGINNING;

thence continuing along said southerly line, North  $66^{\circ}54'20''$  East, 130.00 feet;

thence along the arc of a curve to the left, nontangent to the preceding course, having a radius of 35.00 feet, central angle of  $90^{\circ}00'00''$ , arc length of 54.98 feet, chord bearing of South  $21^{\circ}54'20''$  West, and chord distance of 49.50 feet;

thence South  $23^{\circ}05'40''$  East, 85.22 feet;

thence along the arc of a curve to the left, tangent to the preceding course, having a radius of 470.00 feet, central angle of  $11^{\circ}00'35''$ , arc length of 90.31 feet, chord bearing of South  $28^{\circ}35'58''$  East, and chord distance of 90.17 feet;

thence South  $34^{\circ}06'15''$  East, 308.98 feet;

thence along the arc of a curve to the right, tangent to the preceding course, having a radius of 305.00 feet, central angle of  $58^{\circ}44'55''$ , arc length of 312.73 feet, chord bearing of South  $04^{\circ}43'48''$  East, and chord distance of 299.21 feet to a point on the existing easterly line of Vista Grande Boulevard;

thence North  $65^{\circ}21'20''$  West, 60.00 feet to a point on the existing westerly line of Vista Grande Boulevard;

thence along the arc of a curve to the left, nontangent to the preceding course, having a radius of 245.00 feet, central angle of  $58^{\circ}44'55''$ , arc length of 251.21 feet, chord bearing North  $04^{\circ}43'48''$  West, and chord distance of 240.35 feet;

thence North  $34^{\circ}06'15''$  West, 308.98 feet;

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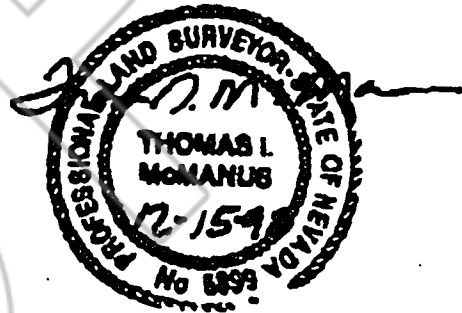
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thence along the arc of a curve to the right, tangent to the preceding course, having a radius of 530.00 feet, central angle of 11°00'35", arc length of 101.84 feet, chord bearing of North 28°35'58" West, and chord distance of 101.68 feet;  
thence North 23°05'40" West, 85.22 feet;  
thence along the arc of a curve to the left, having a radius of 35.00 feet, central angle of 90°00'00", arc length of 54.98 feet, chord bearing of North 68°05'40" West, and chord length of 49.50 feet to the POINT OF BEGINNING, containing 1.12 acres, more or less.

The purpose of this description is to describe the realigned portion of Vista Grande Boulevard.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared By: R.O. ANDERSON ENGINEERING, INC.  
P.O. Box 2294  
Minden, Nevada 89423



REQUESTED BY  
**DOUGLAS COUNTY**  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

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LINDA SLATER  
RECORDER

PAID *KP* DEPUTY

**CERTIFIED COPY**

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office.

DATE: July 23, 1999  
B. REED Clerk of the 9th Judicial District Court  
of the State of Nevada, in and for the County of Douglas.

By *Carol M. Mullock* Deputy

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