

GRANT OF RECIPROCAL EASEMENT AGREEMENT

THIS GRANT OF RECIPROCAL EASEMENT AGREEMENT (the "Agreement") is made and executed as of this 18th day of February, 2000 by and between **CRESTMORE VILLAGE APARTMENTS LIMITED PARTNERSHIP**, a Nevada limited partnership, whose address is 247 North Westmonte Drive, Altamonte Springs, Florida 32714 ("Crestmore") and **CRESTMORE VILLAGE APARTMENTS PHASE II LIMITED PARTNERSHIP**, a Nevada limited partnership, whose address is 247 North Westmonte Drive, Altamonte Springs, Florida 32714 ("Crestmore II");

WITNESSETH:

WHEREAS, Crestmore is the owner in fee simple of certain real property located in Douglas County, Nevada being more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference (the "Phase I Property"); and

WHEREAS, Crestmore II is the owner in fee simple of certain real property located in Douglas County, Nevada, being more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference (the "Phase II Property"); and

WHEREAS, Crestmore intends to construct upon the Phase I Property three (3) apartment buildings containing forty (40) units, certain roadways and sidewalks related and appurtenant to the aforesaid apartment buildings, (the "Phase I Accessways"), certain amenities, including a recreational center/club house, with a swimming pool, a maintenance building and a mail kiosk (collectively, the "Amenities"), a certain retention area containing 1.05 acres (the "Retention Area"), and utility pipes, lines, conduits, connections, catch basins, outfalls, stormwater retention areas, various electric, telephone and cable communications lines and other utilities facilities (the "Phase I Utilities Facilities") (collectively the Phase I Accessways and the Phase I Utilities Facilities are called the "Phase I Improvements"), all as more particularly depicted on that certain Site Plan prepared by R. O. Anderson Engineering Inc. under Drawing No. 55810C3 and dated January 27, 2000 (the "Site Plan") attached hereto as Exhibit "C" and incorporated herein by this reference; and

WHEREAS, Crestmore II intends to construct on the Phase II Property three (3) apartment buildings containing forty (40) units together with certain roadways and sidewalks related and appurtenant to the aforesaid apartment buildings and Amenities, (the "Phase II Accessways"), and utility pipes, lines, conduits, connections, catch basins, outfalls, stormwater retention areas, various electric, telephone and cable communications lines and other utilities facilities (the "Phase II Utilities Facilities") (collectively the Phase II Accessways and the Phase II Utilities Facilities are called the "Phase II Improvements"), all as more particularly depicted on the Site Plan; and

WHEN RECORDED MAIL TO:
LOWNDES DROSDICK DOSTER KANTOR & REED, P.A.
ATTN: DAVID M. OWEN, JR.
P.O. BOX 2809
ORLANDO, FLORIDA 32802

WHEREAS, as reflected on the Site Plan, the system of roadways, sidewalks and utility facilities servicing the Phase I Property and the Phase II Property are intended to serve the entire parcel constituting the Phase I Property and the Phase II Property (collectively, the "Project"), and the Amenities are also intended to serve the entire Project; and

WHEREAS, in order to facilitate the orderly development and operation of the Project, in its entirety, and to insure that the owners and lessees of both Phase I and Phase II will have equal access to and enjoy the use and benefit of the Amenities, Crestmore and Crestmore II desire to grant and convey certain easements to each other for ingress and egress, and the use, operation and maintenance of all utilities facilities systems and Crestmore desires to grant to Crestmore II certain continuing rights for the use of the Amenities, all as hereinafter set forth.

NOW, THEREFORE, for and in consideration of the mutual covenants set forth herein, Crestmore and Crestmore II hereby stipulate, covenant and agree as follows:

1. Crestmore II, as owner of the Phase II Property, does hereby grant and convey to Crestmore, as the owner of the Phase I Property, a perpetual, non-exclusive easement for pedestrian and vehicular ingress, egress and passage over, upon and across the Phase II Accessways in the location as reflected on the Site Plan.

2. Crestmore II, as the owner of the Phase II Property, does hereby grant and convey to Crestmore, as the owner of the Phase I Property, a perpetual, non-exclusive easement for the use, operation, installation, maintenance, repair and replacement of the Phase II Utilities Facilities in the locations as reflected on the Site Plan.

3. Crestmore, as the owner of the Phase I Property, does hereby grant and convey unto Crestmore II, as the owner of the Phase II Property, a perpetual, non-exclusive easement for ingress, egress and passage over, upon and across the Phase I Accessways in the location as reflected on the Site Plan.

4. Crestmore, as the owner of the Phase I Property, does hereby grant and convey unto Crestmore II, as the owner of the Phase II Property, a perpetual, non-exclusive easement for the use, operation, installation, maintenance, repair and replacement of the Phase I Utilities Facilities in the locations as reflected on the Site Plan.

5. Notwithstanding anything herein to the contrary, either party shall have the right to specifically describe and locate the easement areas for the easements as set forth hereinabove, either on its property or the other party's property. In order to effectuate the specific location of easement areas, the party requesting the specific location and description of the various easements granted in Paragraphs 1 through 4 above, inclusive, shall engage a surveyor licensed in the State of Nevada to prepare a legal description and sketch of description, all as certified to Crestmore and Crestmore II (and their lenders), for the specific easement area to be described and in accordance with the Site Plan or actual field location, as appropriate (the "Description Documentation"). Upon preparation of the Description Documentation, the requesting party shall deliver the Description Documentation to the other party along with an amendment to this

Agreement reflecting the substitution of the specific legal description or descriptions for the general descriptions hereinabove set forth. The other party shall promptly review the Description Documentation and execute the amendment or, within ten (10) days after receipt, deliver specific objections to the requesting party. In the event specific objections are not received, the requesting party shall have the right to unilaterally execute the amendment document, as attorney-in-fact for the other party, and record such document in the office of the Douglas County Recorder. In the event the parties cannot agree on the Description Documentation, the decision of Crestmore as the Owner of the Phase I Property, shall control and govern and Crestmore is and shall be authorized to execute the amendment documentation for itself and as attorney in fact for Crestmore II, as aforesaid.

6. The easements set forth in Paragraphs 1 through 4 above shall be for the benefit of Crestmore and Crestmore II, respectively, as applicable, and their respective successors, assigns, mortgagees, lessees, licensees, contractors and invitees.

7. In addition to such other easements as are herein granted, Crestmore, as owner of the Phase I Property, does hereby grant and convey unto Crestmore II, as owner of the Phase II Property, a perpetual, non-exclusive easement for the shared use of the Amenities as depicted on the Site Plan, as, when and if constructed by Crestmore. Upon completion of the Phase I Improvements and the Phase II Improvements, or earlier upon request of either party, Crestmore and Crestmore II shall enter into a joint operating agreement with respect to the Amenities, which, among other things, shall set forth reasonable rules and regulations governing the shared use of the Amenities. The parties agree that Crestmore shall have sole authority to operate the Amenities, subject to the rights of Crestmore II and its lessees and invitees to use such facilities, and Crestmore II shall be responsible for payment of one half (1/2) of the operating costs of the Amenities.

8. Crestmore, as owner of the Phase I Property, does hereby grant and convey under Crestmore II, as the owner of the Phase II Property, a perpetual, non-exclusive easement for the transmission and detention of stormwaters upon, through and within the Retention Area. In connection therewith, Crestmore II shall reimburse Crestmore for one-half (1/2) of its annual maintenance costs related to the Retention Area.

9. Until such time as the Phase II Improvements are completed, in addition to the rights and easements set forth in Paragraph 1 and 2 above, Crestmore shall have the right to install and construct any and all Phase II Accessways and Phase II Utilities Facilities as may be necessary for the use and enjoyment of the Phase I Property.

10. Until such time as the Phase I Improvements are completed, in addition the rights and easements set forth in Paragraphs 3, 4 and 8 above, Crestmore II shall have the right to install and construct any and all Phase I Accessways, Phase I Utilities Facilities and the Retention Area as may be necessary for the use and enjoyment of the Phase II Property.

11. Each party shall be required to maintain its own property and non-exclusive easement areas as located thereon consistent with the maintenance and repair of other similar apartment projects located in the Douglas County, Arizona area. In the event that either party does not maintain its property and non-exclusive easement areas as herein required (the "breaching party"), the other party shall deliver written notice to the breaching party (with a copy to all lenders (mortgagees) having a mortgage lien on the property owned by the breaching party and who have notified the noticing party of their lien on such property) specifying the conditions in violation of the terms hereof, whereupon the breaching party shall have thirty (30) days to correct such maintenance deficiencies and if not so corrected, the party delivering the notice shall have the right to perform the required maintenance and assess and charge the breaching party for the cost thereof, which shall be paid by the breaching party (or its lender) within ten (10) days of receipt of an invoice therefore. The parties hereto acknowledge and agree that the breaching party's lender shall have the concurrent right with the breaching party to cure the violations specified in the aforesaid notice to the breaching party.

12. The easements granted and conveyed herein include all incidental rights reasonably necessary for the use and enjoyment of the respective easements for their intended purposes, including, without limitation, the right of entry for the purpose of maintenance, operation, repair and construction related thereto and such incidental rights are hereby created, granted and declared. The rights granted herein for access to the Amenities shall likewise include all incidental rights reasonably necessary for the use and enjoyment of such rights and such incidental rights are hereby created, granted and declared.

13. The easements and rights granted and conveyed herein are intended to be and shall be construed as covenants running with the land, binding upon and inuring to the benefit of the owner(s) of the benefitted and burdened estates, their legal representatives, successors, assigns, mortgagees and lessees.

14. Nothing herein shall be created or be construed to create any rights in, to or for the benefit of the general public in or to any of the easements created, granted and conveyed herein or in or to any portion of the Phase I Property or the Phase II Property.

15. This Agreement shall not be changed, amended or modified, including by the execution of the joint operating agreement referenced in paragraph 7 hereof, except by an instrument in writing, executed by all of the then mortgagees of record of the Phase I Property and the Phase II Property, and, except as provided in paragraph 5 hereof, the then owners of record of the Phase I Property and the Phase II Property.

16. This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada.

IN WITNESS WHEREOF, Crestmore and Crestmore II have each executed this Agreement in manner and form sufficient to bind them as of the day and year first above written.

CRESTMORE VILLAGE APARTMENTS LIMITED PARTNERSHIP, a Nevada limited partnership

Signed, sealed and delivered in our presence:

By: Picerne Crestmore Village Apartments, L.L.C., a Nevada limited liability company, its managing general partner

Kelly V. Costantino
Name: Kelly V. Costantino

By: [Signature]
Robert M. Picerne, Manager

[Signature]
Name: W. T. Costello

CRESTMORE VILLAGE APARTMENTS PHASE II LIMITED PARTNERSHIP, a Nevada Limited partnership

Signed, sealed and delivered in our presence:

By: Picerne Crestmore Village Apartments Phase II, LLC, a Nevada limited liability company, its general partner

Kelly V. Costantino
Name: Kelly V. Costantino

By: [Signature]
Robert M. Picerne, Manager

[Signature]
Name: W. T. Costello

STATE OF Florida
COUNTY OF Seminole

The foregoing instrument was acknowledged before me this 18th day of February, 2000, by Robert M. Picerne as Manager of Picerne Crestmore Village Apartments, L.L.C., a Nevada limited liability company, the managing general partner of Crestmore Village Apartments Limited Partnership, a Nevada limited partnership, on behalf of the corporation, the limited liability company and the partnership. He is personally known to me, or he has produced _____ as identification.



Kelly V. Costantino
MY COMMISSION # CC847573 EXPIRES
October 12, 2003
BONDED THRU TROY FAIN INSURANCE, INC.

Kelly V. Costantino
Signature
Print Name: Kelly V. Costantino
My Commission Expires: 10/12/03

STATE OF Florida
COUNTY OF Seminole

The foregoing instrument was acknowledged before me this 18th day of February, 2000, by Robert M. Picerne as Manager of Picerne Crestmore Village Apartments Phase II, LLC, a Nevada limited liability company, the general partner of Crestmore Village Apartments Phase II Limited Partnership, a Nevada limited partnership, on behalf of the corporation, the limited liability company and the partnership. He is personally known to me, or he has produced _____ as identification.



Kelly V. Costantino
MY COMMISSION # CC847573 EXPIRES
October 12, 2003
BONDED THRU TROY FAIN INSURANCE, INC.

Kelly V. Costantino
Signature
Print Name: Kelly V. Costantino
My Commission Expires: 10/12/03

EXHIBIT "A"

All that real property situate in the County of Douglas, State of Nevada, described as follows:

A parcel of land located within a portion of the Northwest 1/4 of Section 3, Township 12 North, Range 20 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at the Northeast corner of Parcel 1, as shown on the Parcel Map for Herbig Properties Limited, recorded September 14, 1999, in the office of the Recorder, Douglas County, Nevada, as Document No. 476559;

thence along the North line of said Parcel 1, North $89^{\circ}19'44''$ West, 332.71 feet to THE POINT OF BEGINNING;

thence South $00^{\circ}21'36''$ West, 331.01 feet;

thence South $54^{\circ}40'31''$ West, 122.57 feet;

thence South $35^{\circ}19'29''$ East, 67.00 feet;

thence North $54^{\circ}40'31''$ East, 16.61 feet;

thence South $31^{\circ}08'54''$ East, 164.75 feet to a point on the Westerly right-of-way of Waterloo Lane;

thence along said right-of-way, along the arc of a curve to the right having a radius of 807.50 feet, central angle of $10^{\circ}12'42''$ and an arc length of 143.92 feet;

thence continuing along said right-of-way, South $61^{\circ}07'36''$ West, 407.02 feet to a point on the East right-of-way of Elges Avenue;

thence along said East right-of-way, North $00^{\circ}21'36''$ East, 869.91 feet;

thence South $89^{\circ}19'44''$ East, 434.75 feet to THE POINT OF BEGINNING.

Assessor's Parcel Number: 1220-03-000-021

EXHIBIT "B"

All that real property situate in the County of Douglas, State of Nevada, described as follows:

A parcel of land located within a portion of the Northwest 1/4 of Section 3, Township 12 North, Range 20 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at the Northeast corner of Parcel 1, as shown on the Parcel Map for Herbig Properties Limited, recorded September 14, 1999, in the office of the Recorder, Douglas County, Nevada, as Document No. 476559, the POINT OF BEGINNING;

thence along the Westerly right-of-way of Waterloo Lane, along the arc of a curve to the right having a radius of 807.50 feet, central angle of $47^{\circ}52'49''$, an arc length of 674.80 feet and a chord bearing and length of South $26^{\circ}58'30''$ West, 655.34 feet;

thence North $31^{\circ}08'54''$ West, 164.75 feet;

thence South $54^{\circ}40'31''$ West, 16.61 feet;

thence North $35^{\circ}19'29''$ West, 67.00 feet;

thence North $54^{\circ}40'31''$ East, 122.57 feet;

thence North $00^{\circ}21'36''$ East, 331.01 feet to a point on the North line of said Parcel 1;

thence along said North line, South $89^{\circ}19'44''$ East, 332.71 feet to THE POINT OF BEGINNING.

Assessor's Parcel Number: Adjusted Parcel 1 1220-03-000-020

COPY

REQUESTED BY
WESTERN TITLE COMPANY, INC.

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2000 MAR 24 PM 3: 22

LINDA SLATER
RECORDER

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