

RECORDING REQUESTED BY:

Tahoe Regional Planning Agency
Post Office Box 1038
Zephyr Cove, Nevada 89448

THIS INSTRUMENT IS BEING RECORDED AS AN ACCOMMODATION ONLY. NO LIABILITY, EXPRESS OR IMPLIED, IS ASSUMED AS TO ITS REGULARITY OR SUFFICIENCY NOR AS TO ITS AFFECT, IF ANY, UPON TITLE TO ANY REAL PROPERTY DESCRIBED THEREIN. FIRST AMERICAN TITLE COMPANY OF NEVADA

WHEN RECORDED MAIL TO:

Tahoe Regional Planning Agency
Post Office Box 1038
Zephyr Cove, Nevada 89448
Attn.: Lyn Barnett, Chief
Project Review Division

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
THE TRANSFER OF EXISTING DEVELOPMENT CONSISTING OF
FIFTY-ONE TOURIST ACCOMMODATION UNITS OF USE FROM A
SENSITIVE SENDING PARCEL ("DEED RESTRICTION")**

This Deed Restriction is made this 9th day of MAY, 2001, by Falcon Capital, LLC, a Wyoming Limited Liability Company (hereinafter "Declarant").

RECITALS

1. Declarant is the owner of certain real property located in Douglas County, State of Nevada, described as follows:

Being a portion of Section 22, Township 13 North, Range 18 East, M.D.B. & M.

COMMENCING at the Northeast corner of Lot 16, in Block 3 of OLIVER PARK, as shown on the Map thereof, filed in the office of the County Recorder of Douglas County, Nevada, on February 2, 1959; thence along the Northeasterly line of MICHELE DRIVE the following distances and courses; North 18°23'35" East, a distance of 111.645 feet; thence on a curve to the right having a radius of 575.00 feet through a central angle of 10°25'14" for an arc distance of 104.58 feet; thence North 28°48'49" East, a distance of 257.22 feet to the point of intersection with the Southwesterly line of Kahle Drive extended Northwesterly; thence along the Southwesterly line of said Kahle Drive extended North 61°11'11" West, a distance of 486.87 feet to the TRUE POINT OF BEGINNING; thence continuing along said line North 61°11'11" West a distance 565.63 feet; thence along a curve to the left having a radius of 20.00 feet through a central angle of 90°00', an arc distance of 31.42 feet; thence South 28°48'49" West, a distance of 295.29 feet to a point; thence South 60.°40'41" East, a distance of 585.65 feet; thence North 28°48'49" East, a distance of 320.54 feet to the POINT OF BEGINNING.

Said parcel was recorded December 30, 1999, in Book 1299, Page 5441, as Document No. 0483582 in the Office of the Recorder of Douglas County, Nevada. Assessor's Parcel Number 007-100-01 (hereinafter "Sending Parcel").

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2. Declarant has received approval from the Tahoe Regional Planning Agency (hereinafter "TRPA") on January 10, 2001, to convert 51 banked residential units of use to 51 tourist accommodation units pursuant to Subsection 33.7.D of the TRPA Code of Ordinances (TRPA File No. 200805). Furthermore, the Declarant has received approval to transfer the 51 converted tourist accommodation units from the Sending Parcel to a receiving parcel, described as follows:

Douglas County Assessor's Parcel Number 005-230-11, as described in the attached Exhibit "A," recorded on December 3, 1996, in Book 1296, Page 0437, as Document No. 402208, in the Office of the Recorder of Douglas County, Nevada (hereinafter "Receiving Parcel").

3. Both the Sending Parcel and the Receiving Parcel are located in the Tahoe Region as described in the Tahoe Regional Planning Compact (P.L. 96-551, 94 Stat. 3233, 1980), which region is subject to the regional plan adopted by the TRPA pursuant to the Tahoe Regional Planning Compact.
4. As a condition of the above approval, Chapter 34 of the TRPA Code of Ordinances requires that the appropriate deed restriction be recorded documenting the transfer of the 51 converted tourist accommodation units of use from the Sending Parcel, and the requirement that the Sending Parcel, from which the tourist accommodation units of use have been transferred, be restricted or retired. The Deed Restriction must likewise document that the structures or facility accounting for the existing use on the Sending Parcel have been removed or modified and the land restored and maintained in as natural a state as possible (so as to eliminate the units transferred). Additionally, the Deed Restriction must document that the Sending Parcel shall be permanently restricted from transferring development back to the Sending Parcel.

DECLARATIONS

1. Declarant hereby declares that for the purpose of transferring 51 existing tourist accommodation units of use, and apply TRPA ordinances relating to the transfer of existing development, the Sending Parcel shall be deemed by TRPA to have transferred 51 existing tourist accommodation units of use to the Receiving Parcel, and to now contain no banked tourist accommodation units of use (where there once were 51 banked tourist accommodation units of use). No new tourist accommodation units of use shall be hereinafter allowed on the Sending Parcel without prior written approval by TRPA. Likewise, the Sending Parcel, from which the tourist accommodation unit of use is transferred, shall be hereinafter restricted to reflect 209.43 square feet of banked commercial floor area and various existing residential units of use remaining thereon, unless or until TRPA approves additional development on the Sending Parcel pursuant to TRPA's ordinances in effect at the time of such development.

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APPROVED AS TO FORM:


Tahoe Regional Planning Agency

STATE OF NEVADA)
) SS.
COUNTY OF DOUGLAS)

On this 9th day of May, 2001, before me, personally appeared Jordan Kahn personally known to me, or proved to me to be on the basis of satisfactory evidence to be the person whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon their behalf of which the person(s) acted) executed the instrument.


NOTARY PUBLIC

 LINDA ALLEN
Notary Public - State of Nevada
Appointment Recorded in Douglas County
No: 99-56327-5 - Expires June 11, 2003

WHEN RECORDED MAIL TO:
FALCON CAPITAL, L.L.C.
P.O. BOX 25177
JACKSON, WY 83001

Order No.
Escrow No. 861735JB
R.P.T.T. 1,495.00
xx Based on full value
Based on full value
less liens

INDIVIDUAL GRANT DEED

THIS INDENTURE WITNESSETH:

That for a valuable consideration, receipt of which is hereby acknowledged

STEPHEN H. BOURNE and NELGENE H. BOURNE, Trustees of the S.H. BOURNE -
1994 TRUST u/i/d November 16, 1994

(GRANTOR),
does hereby grant, bargain, sell, and convey to FALCON CAPITAL, L.L.C., A
WYOMING LIMITED LIABILITY COMPANY

(GRANTEE),
all that real property in the County of DOUGLAS, State of Nevada,
being Assessor's Parcel Number 05-230-11, specifically described as:

All that certain parcel of land situated in and being a portion of the
Southwest 1/4 of Section 15 in Township 13 North, Range 18 East, M.D.B. &
M., Douglas County, Nevada described as follows: Parcel "D" as set forth
in that certain parcel map for ROUND HILL, LTD., filed for record in the
office of the County Recorder of Douglas County, State of Nevada, on
September 20, 1979 in Book 979, at Page 1667, as Document No. 36918.
A.P.N. 05-230-11

Together with all and singular the tenements, hereditaments and
appurtenances thereunto belonging or in anywise appertaining, and any
reversions, remainders, rents, issues or profits thereof.

Dated November 22, 1996

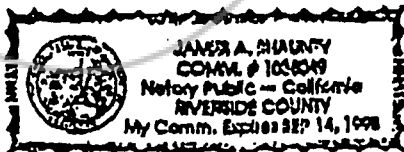
~~STATE OF CALIFORNIA~~
STATE OF ~~NEVADA~~)
County of ~~RIVERSIDE~~) SS.

Stephen H. Bourne, Trustee
STEPHEN H. BOURNE, TRUSTEE
Nelgene H. Bourne, Trustee
NELGENE H. BOURNE, TRUSTEE

This instrument was acknowledged
before me on *12-2-96*
by STEPHEN H. BOURNE AND NELGENE
H. BOURNE, TRUSTEES

MAIL TAX STATEMENT TO:
SAME AS ABOVE

James A. Slattery
Notary Public



FOR RECORDER'S USE

RECEIVED BY
WESTERN TITLE COMPANY, INC.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'96 DEC -3 P4:30

LINDA SIMLER
RECORDER
PAID 7.00

EXHIBIT "A"

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COPY

REQUESTED BY
FIRST AMERICAN TITLE CO.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2001 MAY 10 AM 11:53

LINDA SLATER
RECORDER

\$ 12.00 PAID KD DEPUTY

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