

Douglas County
APN 05-150-14

RECORDING REQUESTED BY:

Falcon Capital, LLC
P.O. Box 456
Zephyr Cove, Nevada 89448

First American Title Company – Carson City, NV
Escrow No. 2002-62282-GB

WHEN RECORDED MAIL TO:

Nevada Division of State Lands
Nevada-Tahoe Resource Team
333 S Carson Meadows Drive, Suite 44
Carson City, Nevada 89701

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR COVERAGE CALCULATION AND COVERAGE ASSIGNMENT
("DEED RESTRICTION")**

This Deed Restriction is made this 23rd day of April, 2002, by Falcon Capital, LLC, (hereinafter "Declarant").

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

Douglas County Assessor Parcel Number 05-150-14 (hereinafter "Sending Parcel"). For a complete legal description see Exhibit "A" attached hereto and incorporated herein by this reference. The legal description for APN 05-150-14 appeared previously in that certain document recorded on May 27, 1999, Book 599, Page 5549, as Instrument No. 468987.
2. WHEREAS, the Sending parcel is 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 and ordinances adopted by the Tahoe Regional Planning Agency (hereinafter "TRPA") pursuant to the Tahoe Regional Planning Compact;
3. WHEREAS, the "Nevada Land Bank" was established per the Memorandum of Understanding dated July 10, 2000, between the TRPA and the Department of Conservation and Natural Resources, Nevada Division of State Lands (hereinafter "NDSL"), wherein said MOU allows, in part, the Nevada Land Bank to utilize Excess Coverage Mitigation Fees to purchase and retire land coverage to offset existing excess land coverage within the Tahoe Region;
4. WHEREAS, pursuant to a purchase agreement executed on May 14, 2002, between Declarant and the State of Nevada, Declarant desires to transfer from the Sending Parcel to the "Nevada Land Bank", 17,000 square feet of potential land coverage, classified by the TRPA as land capability 4 (hereinafter the "Coverage");

5. WHEREAS, as a condition of the transfer approval, Chapter 20 of the TRPA Code of Ordinances Subsection 20.3.C (7) (a) (iii) requires that the appropriate deed restriction be recorded against the Sending Parcel documenting both the transfer of coverage and the requirement that the area of the transferred land coverage on the Sending Parcel be maintained in a natural or near-natural state. The deed restriction must likewise provide for future maintenance and protection of the area from further soil disturbance.

DECLARATIONS

NOWHEREFORE, for a valuable consideration the receipt and sufficiency of which is hereby acknowledged, Declarant hereby declares:

6. For the purpose of calculating land coverage and applying TRPA ordinances relating to land coverage, the Sending Parcel described above hereby transfers to the Nevada Land Bank, 17,000 square feet of potential land coverage, classified by the TRPA as land capability 4; and that

After the coverage transfer, the Sending Parcel will contain 18,715 square feet of unused base allowable IPES coverage (under IPES Score 926); 89 square feet of Class 4 potential land coverage and 1,927 square feet of Class 2, potential land coverage.

7. Upon recordation of this Deed Restriction, the transfer of the Coverage to the Nevada Land Bank shall be deemed to have occurred and the Coverage located within Hydrologic Zone 3 shall be deemed permanently retired and extinguished.
8. Declarant hereby declares that the area of the retired land coverage on the Sending Parcel shall be maintained now and in the future, in a natural or near-natural state and that Declarant shall make provisions to protect the area from future disturbance.
9. This Deed Restriction shall be deemed a covenant running with the land, or an equitable servitude, as the case may be, and shall constitute benefits and burdens to the Sending Parcel and shall be binding on the Declarant and Declarant's assigns and all persons acquiring or owning any interest in the Sending Parcel.
10. This Deed Restriction may not be modified or revoked without the prior express written and recorded consent of the TRPA or its successor agency, if any, and NDSL. TRPA is deemed and agreed to be a third party beneficiary of this Deed Restriction and as such can enforce the provisions of this Deed Restriction.

IN WITNESS WHEREOF, Declarant has executed this Deed Restriction this the day and year written above.

FALCON CAPITAL, LLC:

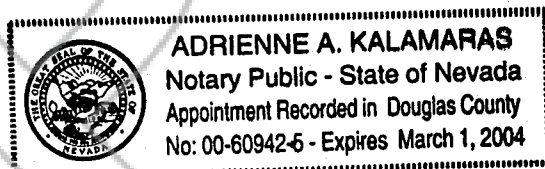
By: G. Randy Lane
G. Randy Lane, Managing Member

Dated: 4-23-02

STATE OF NEVADA)
COUNTY OF Douglas) ss.

On this 23RD day of April, 2002, before me, the undersigned, a Notary Public in and for said State, personally appeared G. Randy Lane, personally known to me, or proved on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon their behalf of which the person acted, executed the instrument.

Adrienne A. Kalamaras
NOTARY PUBLIC



APPROVED AS TO FORM:

Tahoe Regional Planning Agency

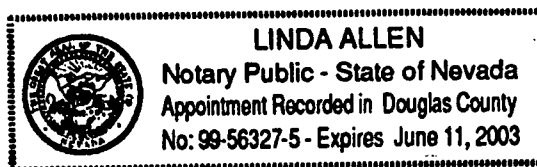
By: Jordan Kahn
Jordan Kahn, Assistant Legal Counsel

Dated: 4/2/02

STATE OF NEVADA)
COUNTY OF DOUGLAS) ss

On this 2nd day of April, 2002, before me, the undersigned, a Notary Public in and for said State, personally appeared Jordan Kahn, personally known to me, or proved on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon their behalf of which the person acted, executed the instrument.

Linda Allen
NOTARY PUBLIC



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EXHIBIT "A"

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada, described as follows:

That portion of the Southwest ¼ Section 10, Township 13 North, Range 18 East, M.D.B.&M., that is more particularly described as follows:

Beginning at a point on the Southerly right-of-way line of U.S. Highway 50, said point being the most Westerly corner of Lot 44, as shown on the Amended Plat of Zephyr Knolls, Unit No. 2, Subdivision, filed in the office of the County Recorder on July 5, 1957; thence South $34^{\circ}55'$ East, along the Southwesterly line of Lots 43 and 44, as shown on said Amended Plat of Zephyr Knolls, and along said line extended a distance of 473.19 feet; thence South $40^{\circ}27'$ West, a distance of 150.35 feet; thence South $82^{\circ}08'$ West, a distance of 623.92 feet to a point on the Northeasterly right-of-way line of North Martin Drive, as shown on the map of Zephyr Heights, No. 3 Subdivision, filed in the office of the County Recorder on October 5, 1953; thence along said line of North Martin Drive the following courses and distances; North $24^{\circ}06'$ West, 69.95 feet; thence on a curve to the left having a radius of 320 feet through a central angle of $31^{\circ}09'$ an arc distance of 173.97 feet; thence North $55^{\circ}15'$ West, a distance of 58.68 feet; thence leaving said line of North Martin Drive, North $20^{\circ}42'$ East, a distance of 321.23 feet to a point on the Southerly right-of-way line of U.S. Highway No. 50; thence along the Southerly line of said U.S. Highway No. 50, the following courses and distances; South $84^{\circ}24'40''$ East, 169.54 feet; thence on a curve to the left having a radius of 500 feet through a central angle of $35^{\circ}13'30''$, an arc distance of 362.73 feet to the Point of Beginning.

NOTE: The above metes and bounds description appeared previously in that certain document recorded May 27, 1999, in Book 599, Page 5549, as Instrument No. 468987.

APN 05-150-14

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A... for Assessment and other purposes only. It does not represent a survey of the Premises. No liability is assumed as to the sufficiency or accuracy of the Data delineated hereon.

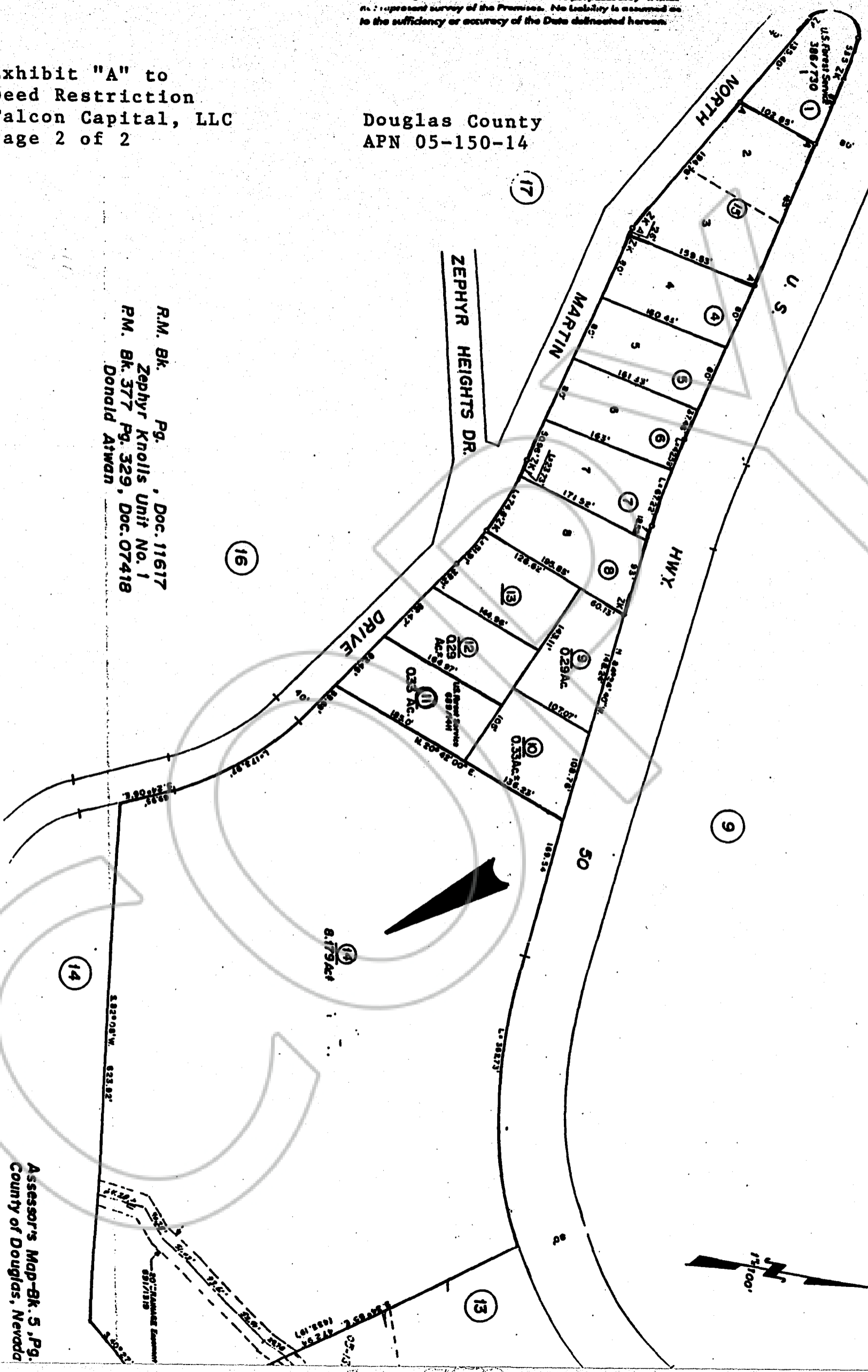
Exhibit "A" to
Deed Restriction
Falcon Capital, LLC
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Douglas County
APN 05-150-14

PTN. SEC. 10, T13N., R18E. M.D.B.&M.

TRA 62-170

05-15



R.M. Bk. Pg. Doc. 11617
Zephyr Knolls Unit No. 1
P.M. Bk. 377 Pg. 329, Doc. 07418
Donald Atwan

BK 0502PG07954
0543073

Assessor's Map-Bk. 5, Pg.
County of Douglas, Nevada

COPY

REQUESTED BY
FIRST AMERICAN TITLE CO.

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2002 MAY 24 PM 3: 37

LINDA SLATER
RECORDER

\$ 19⁰⁰ PAID *K2* DEPUTY

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