

De/DA
No Fee

Assessor's Parcel Number: 1320-23-02-017, *

Recording Requested By:

✓ Name: Douglas County District Attorney

Address: Post Office Box 218

City/State/Zip Minden, Nevada 89423

Real Property Transfer Tax: N/A

REQUESTED BY
DOUGLAS COUNTY

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2003 DEC 30 PM 12:59

WERNER CHRISTEN
RECORDER

KG
PAID DEPUTY

Agreement; Douglas County/Rolling J Ranch/Nevada LLC
(Title of Document)

*020, 021, 024, 025, 026, 029 through 048, inclusive, 050, 052
through 062, inclusive, 065 through 071, inclusive, 073 through
077, inclusive; 1320-24-02-008 and 009; 1320-26-01-003

This page added to provide additional information required by NRS 111.312 Sections 1-2. (Additional recording fee applies)

This cover page must be typed or legibly hand printed.

C:\bc docs\Cover page for recording

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When Recorded Return to:

Thomas E. Perkins
Deputy District Attorney
Office of the Douglas County
District Attorney
P.O. Box 218
Minden, NV 89423

APNS: 1320-23-02-017, 020, 021, 024, 025, 026, 029 through 048, inclusive, 050, 052 through 062, inclusive, 065 through 071, inclusive, 073 through 077, inclusive; 1320-24-02-008 and 009; 1320-26-01-003

AGREEMENT

This Agreement (hereafter this "Agreement") is entered into as of this 23rd day of December, 2003, by and between Rolling J Ranch/Nevada, LLC, a Nevada limited-liability company (hereafter "RJR") and Douglas County, a political subdivision of the State of Nevada (hereafter "Douglas") with regard to the following:

RECITALS:

WHEREAS, Douglas granted RJR a final map for Phase 1 of PD 99-12, recorded in the office of the Douglas County Recorder on January 6, 2003, in Book 0103, Page 0398, as Document No. 562908, for the development of approximately sixty-four (64) lots in conjunction with the "Grandview Estates Subdivision", as more particularly described on Exhibit "A" attached hereto and incorporated herein by reference, as well as Final Map No. 99-12;

WHEREAS, RJR posted an irrevocable letter of credit for the purpose of guarantying Douglas the construction of certain improvements in connection with said Phase 1 in the amount of \$149,658.75 on or about January 6, 2003;

WHEREAS, RJR and Douglas have agreed that no further financial security shall be required in connection with these improvements, provided that RJR agrees, warrants and represents to Douglas that it shall not proceed to either sell, develop, or further improve the lots described in the Phase 1 final map, unless and until certain conditions are met;

WHEREAS, this arrangement has been presented to and approved by the County Commissioners of Douglas and is intended to be formalized by this Agreement.

NOW, THEREFORE, in consideration of the mutual promises, the parties agree as follows:

1. **Agreement to Postpone Development and/or Sales.** RJR hereby irrevocably agrees, covenants and commits to Douglas that it shall not either continue to develop the approved Lots in Phase 1 of the Grandview Estates Subdivision, or sell any of the Lots within said Subdivision prior to the occurrence of either of the following:
 - i) RJR completing the improvements which are the conditions set forth in the approval for the final map of Phase 1 of the Grandview Estates Subdivision; or
 - ii) RJR providing to Douglas sufficient financial security (in the form of an irrevocable letter of credit, certificate of deposit, cash deposit or otherwise acceptable bond or security) pursuant to applicable state and local law.
2. **Waiver of Financial Security.** In consideration of RJR's agreement pursuant to Section 1 above, Douglas hereby agrees to waive the requirement that RJR post financial security with Douglas for the construction of the required improvements for Phase 1 of the Grandview Estates Subdivision (or to construct the same), which include the construction of a water storage tank, cluster mailboxes, and a reservoir spillway, which security was previously set at \$149,658.75, representing 150% of the engineer's estimated cost to construct the same in the amount of \$99,772.50.
3. **Recordation of Agreement.** RJR and Douglas hereby mutually agree to record this Agreement for the protection of Douglas such that any independent third party purchasers of any of the Lots created pursuant to Phase 1 of the Grandview Estates Subdivision cannot acquire the same without the commitment by RJR to construct these improvements. Any and all such purchasers are hereby put on notice that they must contact Douglas and RJR as to the status of the construction of these improvements prior to acquiring any of the Lots approved by Douglas in connection with said Phase 1.
4. **Agreement to Clear Title.** RJR and Douglas hereby acknowledge and agree that the purpose of this Agreement is to postpone construction of the required improvements prior to resolution of the existing litigation and ultimate disposition of the property constituting the Grandview Estates Subdivision. In no way shall this Agreement constitute or be construed as any form of waiver by Douglas of the development rights which have already been granted by Douglas with regard to the Grandview Estates Subdivision under Phase 1 of PD 99-12. Further, upon: (1) construction of the required improvements; or (2) the provision by RJR of appropriate financial security in accordance with state and local Nevada law, Douglas hereby irrevocably agrees to execute any and all documents lifting the restrictions imposed by this Agreement. RJR and Douglas hereby acknowledge

and agree that the purpose of this provision is to remove and eliminate any potential title exclusions and/or restrictions governing the Phase 1 Lots at such time as RJR has performed its obligations as set forth in this Agreement.

5. **Acknowledgment of Increased Financial Security.** RJR further agrees that in the event the cost of constructing the improvements has escalated from and after the date of the original estimate by the engineers (as set forth in the materials attached to the Action Sheet presented to the Douglas County Commissioners on December 18, 2003) the amount of financial security RJR shall be required to provide to Douglas shall include and reflect any such increased cost.
6. **Time.** Time is of the essence of this Agreement. All modifications and extensions shall be in writing and signed by all parties.
7. **Entire Agreement.** This Agreement sets forth all the promises, agreements, conditions, understandings, warranties and representations among the parties hereto, with respect to the matters set forth herein, and there are no promises, agreements, conditions, understandings, warranties or representations, oral or written, express or implied, among the parties hereto with respect to such matters, except as set forth herein. This Agreement is, and is intended by the parties to be, an integration of any and all prior agreements or understandings, oral or written, with respect to the transactions set forth herein.
8. **Construction of Agreement.** The parties hereby acknowledge having the opportunity to be represented by counsel of their choice with respect to the preparation, negotiation and execution of this Agreement, and each party hereby agrees that the doctrine construing contractual terms against the drafting party shall not apply to this Agreement.
9. **Notices.** All notices or other documents under this Agreement shall be in writing and delivered personally or mailed by registered or certified mail, return receipt requested, addressed to the parties at their last known addresses.
10. **Changes and Waiver.** No change or modification of this Agreement shall be valid unless it is contained in a writing signed by the parties hereto. No waiver of any provision of this Agreement shall be valid unless contained in a writing signed by the person or entity against whom it is sought to be enforced. The failure of any party at any time to insist upon strict performance of any condition, promise, agreement, or understanding set forth herein shall not be construed as a waiver or relinquishment of the right to insist upon strict performance of the same of any other condition, promise, agreement or understanding at a future time.

11. **Governing Law/Venue.** This Agreement shall be construed in accordance with and governed by the laws of the State of Nevada. RJR and Douglas hereby acknowledge and agree that the proper venue and jurisdiction for any and all actions or disputes arising from or relating, in any way, to this Agreement, shall be in Douglas County, Nevada, regardless of the residence or citizenship of any party hereto, and the parties hereby irrevocably consent to the same.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

ROLLING J RANCH/NEVADA, LLC,
a Nevada limited liability company,

DOUGLAS COUNTY,
a political subdivision of The State of Nevada,

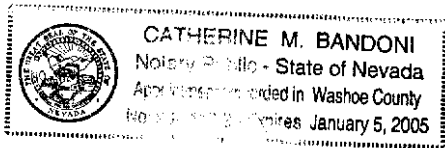
By: James G. Sanford
Title: Manager
James G Sanford

By: Kelly D. Kite
Title: Chair, Bd. of Commissioners
Kelly Kite

CERTIFICATE OF ACKNOWLEDGEMENT BY NOTARY PUBLIC

STATE OF NEVADA)
 : ss.
COUNTY OF WASHOE)

On this 22 day of December, 2003, before me, a Notary Public, personally appeared, JAMES G. SANFORD, personally known (or proved) to me to be the Manager of ROLLING J RANCH/NEVADA, LLC, and who acknowledged that he executed it. I declare under penalty of perjury that the person whose name is ascribed to this instrument appears to be of sound mind and under no duress, fraud, or undue influence.



Catherine M. Bandoni
NOTARY PUBLIC

CERTIFICATE OF ACKNOWLEDGEMENT BY NOTARY PUBLIC

STATE OF NEVADA)
 : ss.
COUNTY OF DOUGLAS)

On this 24th day of December, 2003, before me, a Notary Public, personally appeared, Kelly Rife, personally known (or proved) to me to be the Board Chair of DOUGLAS COUNTY, and who acknowledged that he executed it. I declare under penalty of perjury that the person whose name is ascribed to this instrument appears to be of sound mind and under no duress, fraud, or undue influence.

Jan M. Budden
NOTARY PUBLIC

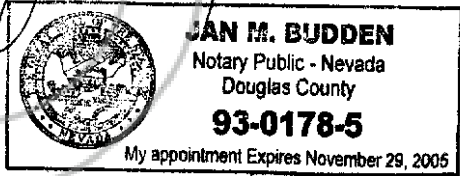


Exhibit "A"
Legal Description

All that real property located in Douglas County, Nevada, as defined on that certain Final Map No. PD 99-12 for Grandview Estates, Phase 1, Lots 1 through 64, filed in the official records of the Douglas County Recorder's office, January 6, 2003, in Book 0103 at Page 1398, as Document No. 562908.

