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1419-26-001-012

This instrument prepared by,
and after recording return to:

Joseph S. Rupkey, Esq.
Foley & Lardner LLP
777 E. Wisconsin Avenue
Milwaukee, Wisconsin 53202-5367

040701091 LH

REQUESTED BY
Stewart Title of Douglas County
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2004 AUG 12 PM 1:48

WERNER CHRISTEN
RECORDER

\$26.00 PAID *[Signature]* DEPUTY

Above Space Reserved for Recording Information

TEMPORARY SEPTIC SYSTEM EASEMENT AGREEMENT
(Easement MM-1)

THIS TEMPORARY SEPTIC SYSTEM EASEMENT AGREEMENT (this "Agreement") is made and effective as of August 10th, 2004, by and between **LITTLE MONDEAUX LIMOUSIN CORPORATION**, a Nevada corporation ("LMLC"), and **JAMES CANYON, LLC**, a Nevada limited liability company ("James Canyon").

WITNESSETH:

WHEREAS, LMLC is the owner of fee title to a certain tract of real property and the improvements thereon, if any, situated in the County of Douglas, State of Nevada, as such tract is more particularly described in **EXHIBIT A** attached hereto and incorporated herein (the "Burdened Parcel");

WHEREAS, LMLC is also the owner of fee title to certain additional tracts of real property and the improvements thereon, if any, situated in close proximity to the Burdened Parcel, as such tracts are more particularly described in **EXHIBIT B-1** ("Benefited Parcel 1") and **EXHIBIT B-2** ("Benefited Parcel 2") attached hereto and incorporated herein;

WHEREAS, James Canyon and its successors in interest are the owners of fee title to certain additional tracts of real property and the improvements thereon situated in close proximity to the Burdened Parcel, as such tracts are more particularly described in **EXHIBIT C** attached hereto and incorporated herein ("Benefited Parcel 3" and, together with Benefited Parcel 1 and Benefited Parcel 2, the "Benefited Properties"); and

WHEREAS, James Canyon desires to acquire for the benefit of Benefited Parcel 3, and LMLC desires to establish of record for Benefited Parcel 3 and the balance of the Benefited Properties, a temporary easement on, over, across and under that portion of the Burdened Parcel more particularly described in **EXHIBIT D** attached hereto and incorporated herein (the "Easement Area"), for the benefit of, and appurtenant to, the Benefited Properties to

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BK0804PG04808

allow for the construction, maintenance, operation, use and repair of an underground, onsite sewage disposal system and related facilities, including, without limitation, a septic tank, leach field(s), underground pipes and surface vents (collectively, the "Septic System"), in accordance with and subject to the terms, covenants and conditions herein contained. The location of the Septic System and the facilities which constitute the Septic System have been designed by R.O. Anderson Engineering, Inc. ("Anderson Engineering") and a permit from the County of Douglas (the "County") authorizing construction of the Septic System has been applied for.

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto acknowledge and agree as follows:

1. **Grant of Easement.** LMLC hereby grants to James Canyon, as owner and developer of Benefited Parcel 3, as well as to the successor owners of any, or any portion, of Benefited Parcel 3, and hereby declares and establishes of record for the balance of the Benefited Properties, a temporary, nonexclusive easement for the benefit of, and appurtenant to, the Benefited Properties, on, over, across and under the Easement Area for the construction, maintenance, operation, use and repair of the Septic System, including the right of ingress to and from the Easement Area and the right to deposit and dispose of domestic and recreational use non-industrial sewage, in common with LMLC, on and subject to the terms, covenants and conditions herein contained. LMLC shall have the right to relocate and improve the Easement Area as reasonably necessary to accommodate its use and development of the Burdened Parcel, provided that such relocation or improvement does not unreasonably interfere with the benefits derived from creation of the Easement Area and establishment of the Septic System.

2. **Maintenance of Easement Area.** The owner of a Benefited Parcel who first wishes to commence use of the Septic System shall, at its initial cost and expense but subject to reimbursement as hereinafter provided, construct and install, or cause to be constructed and installed, the Septic System within the Easement Area in conformity with all applicable laws, rules, orders and regulations, including the Permit issued by the County, and pursuant to design criteria specified by Anderson Engineering. Thereafter, the developers of the Benefited Parcels who use the Septic System shall jointly and cooperatively maintain and keep the Septic System in good order, operation, condition and repair. In connection with the foregoing, each developer of a Benefited Parcel who utilizes the Septic System shall keep accurate records (including invoices for costs incurred, cancelled checks, and the like) sufficient to substantiate the costs such developer incurs in connection with the installation and operation of the Septic System. At such time as the County of Douglas accepts dedication of the sanitary sewer system serving the Benefited Parcels, (A) the developers of the Benefited Parcels shall cease to use and shall close the Septic System and remove and/or seal Septic System facilities and restore the Easement Area as may be required by the County in order to permit the Easement Area to be used for residential purposes, and (B) the developers of the Benefited Parcels shall then apportion the sum of the costs which all said developers have incurred in connection with installation, operation, and closure of the Septic System in the proportion that the number of residential units which the party has connected to the Septic System bears to the total number of residential units connected to the

Septic System. Any such developer who has paid less than its apportioned share of said costs shall immediately reimburse the deficiency to the developer(s) who have paid more than its (their) apportioned share of said costs.

3. **Real Estate Taxes.** The owners of the Benefited Properties shall not, by reason of this Agreement, be obligated to pay any real estate taxes or special assessments levied against the Easement Area or the Burdened Parcel.

4. **Termination of Easement.** The term of this Agreement shall commence on the date first set forth above and shall automatically terminate upon the dedication of a sanitary sewer system serving the Benefited Properties to the County of Douglas, Nevada (the "County") and the County's acceptance thereof.

5. **Covenants Running with the Land.** This Agreement shall be binding upon LMLC, its successors and assigns, acting in its capacity as owner of the Easement Area, and shall inure to the benefit of James Canyon and the other owners of the Benefited Properties, or portions thereof, in each case as owners of the Benefited Properties, it being the intent that the easement set forth herein shall be a "covenant running with the land" and, as such, shall run with, be binding upon and constitute an encumbrance upon the Easement Area and shall inure to the benefit of the Benefited Properties.

6. **Modification.** This Agreement may not be modified, amended or, except as provided in Paragraph 4 above, terminated except by a writing executed and delivered by each and all of the owners of the Easement Area and the Benefited Properties.

7. **Waiver.** No waiver of, acquiescence in or consent to any breach or default of any term or condition hereof shall constitute or be construed as a waiver of, acquiescence in or consent to any other, further or succeeding breach or default of the same or any other term or condition.

8. **Severability.** If any term or condition of this Agreement shall, in any case, be invalid or unenforceable under applicable law, then the same and all other terms and conditions of this Agreement shall, in all other cases, not be affected thereby, and all such terms and conditions shall be valid and enforceable to the fullest extent permitted by applicable law.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first set forth above.

LMLC:

LITTLE MONDEAUX LIMOUSIN
CORPORATION,
a Nevada corporation

By: *Ronald L. Simék*
Name: Ronald L. Simék
Title: President

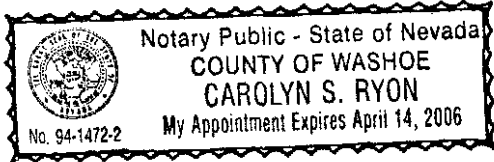
JAMES CANYON:

JAMES CANYON, LLC,
a Nevada limited liability company

By: *Ronald L. Simék*
Name: Ronald L. Simék
Title: Manager

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on August 10th, 2004, by Ronald L. Simek as President of Little Mondeaux Limousin Corporation, a Nevada corporation.



Carolyn S. Ryon
Notary Public
My Commission Expires: 4/14/06

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on August 10th, 2004, by Ronald L. Simek as Manager of James Canyon, LLC, a Nevada limited liability company.



Carolyn S. Ryon
Notary Public
My Commission Expires: 4/14/06

EXHIBIT A

Legal Description of the Burdened Parcel

All that real property located within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian, Douglas County, Nevada, described as follows:

Remainder Parcel 1 as shown on the Final Subdivision Map and Planned Development PD 00-16/LDA 02-008 for Canyon Creek Meadows, Phase 1 recorded February 11, 2004 in the office of Recorder, Douglas County, Nevada as Document No. 604356.

EXHIBIT B-1

Legal Description of Benefited Parcel 1

**LOTS 1 – 44, OPEN SPACE, COMMON AREAS, AND ROADWAYS
CANYON CREEK MEADOWS**

All that real property situate within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian, County of Douglas, State of Nevada, described as follows:

Lots 1 – 9, Common Area 1, Block 'A',
Lots 10, 11, Block 'B',
Lots 12 – 27, Common Area 2, Block 'C',
Lots 28, 29, Block 'D',
Lots 30 – 44, Open Space 'A', 'B', Block 'E', and
Common Area 3 and roadways known as Mountain Meadow Drive, Voight Canyon Drive, Cloudburst Canyon Drive, Daggett Creek Road, Daggett Creek Loop, Antelope Valley Court, and Acorn Canyon Drive of the Final Subdivision Map and Planned Development PD 00-16/LDA 02-008 for Canyon Creek Meadows, Phase 1 recorded February 11, 2004 in the office of Recorder, Douglas County, Nevada as Document No. 604356.

EXHIBIT B-2

Legal Description of Benefited Parcel 2

**REMAINDER PARCEL 2
CANYON CREEK MEADOWS**

All that real property situate within portions of Sections 26 and 35, Township 14 North, Range 19 East, Mount Diablo Meridian, County of Douglas, State of Nevada, described as follows:

Remainder Parcel 2 of the Final Subdivision Map and Planned Development PD 00-16/LDA 02-008 for Canyon Creek Meadows, Phase 1 recorded February 11, 2004 in the office of Recorder, Douglas County, Nevada as Document No. 604356.

EXHIBIT C

Legal Description of Benefited Parcel 3

**LOTS 1 - 38, OPEN SPACE, REMAINDER AND ROADWAYS
CANYON CREEK ESTATES**

All that real property situate within portions of Sections 26 and 27, Township 14 North, Range 19 East, Mount Diablo Meridian, County of Douglas, State of Nevada, described as follows:

Lots 1, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, Open Space A, D, E, F, and G, Block 'A',
Lots 23, 24, 25, 26, Block 'B',
Lots 28, 29, Block 'C',
Lots 35, 36, 37, Block 'D', and
roadways known as James Canyon Loop and Childs Canyon Drive of the Final Subdivision Map and Planned Development PD 00-16 for Mountain Meadow Estates Phase 1 recorded March 6, 2002 in the office of Recorder, Douglas County, Nevada as Document No. 536360;

Adjusted Lots 2, 3, 4, 5, 6, Open Space B and C, Block 'A',
Adjusted Lot 22, Block 'B' and
Adjusted Lot 34, Block 'D', of the Record of Survey to Support a Boundary Line Adjustment for James Canyon, LLC recorded December 6, 2002 in the office of Recorder, Douglas County, Nevada as Document No. 560049;

Adjusted Lots 27, 30, 31, 32, Block 'C',
Adjusted Lots 33, 38, Block 'D', and
Adjusted Remainder of the Record of Survey to Support a Boundary Line Adjustment for James Canyon, LLC recorded December 9, 2003 in the office of Recorder, Douglas County, Nevada as Document No. 599028.

EXHIBIT D

Legal Description of the Easement Area

Easement MM1, Temporary Septic System Easement, as set forth in the Declaration Establishing Reciprocal Covenants and Easements (Irrigation and Domestic Water & Sanitary Sewer Systems) as recorded August 6, 2004 in the office of Recorder, Douglas County, Nevada in Book 0804, at Page 2248, as Document No. 620761.

[see attached description]

**EASEMENT 'MM1'
TEMPORARY SEPTIC SYSTEM EASEMENT
(Over Remainder Parcel 1, A.P.N. 1419-26-001-012)**

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

A strip of land for temporary septic system purposes located within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at the southwesterly corner of Remainder Parcel 1 as shown on the Final Subdivision Map PD 00-16/LDA 02-008 for Canyon Creek Meadows, Phase 1, recorded February 11, 2004 in the office of Recorder, Douglas County, Nevada as Document No. 604356;

thence along the southerly boundary of said Remainder Parcel 1, South 81°39'12" East, 45.00 feet to the POINT OF BEGINNING;
thence North 08°19'06" East, 47.05 feet;
thence South 81°40'54" East, 247.44 feet;
thence North 32°00'00" East, 143.04 feet;
thence South 58°00'00" East, 152.00 feet;
thence South 32°00'00" West, 193.13 feet to a point on said southerly boundary of Remainder Parcel 1, also being a point on the northerly line of Mountain Meadow Drive;
thence along said northerly line of Mountain Meadow Drive the following courses:
North 51°25'17" West, 26.85 feet;
Along the arc of a curve to the left, having a radius of 230.00 feet, central angle of 30°15'37", arc length of 121.47 feet, and chord bearing and distance of North 66°33'06" West, 120.07 feet;
North 81°40'54" West, 182.42 feet;
Along the arc of a curve to the right, having a radius of 15.00 feet, central angle of 90°00'00", arc length of 23.56 feet, and chord bearing and distance of North 36°40'54" West, 21.21 feet;
North 81°40'54" West, 30.00 feet to the POINT OF BEGINNING, containing 43,486 square feet, more or less.

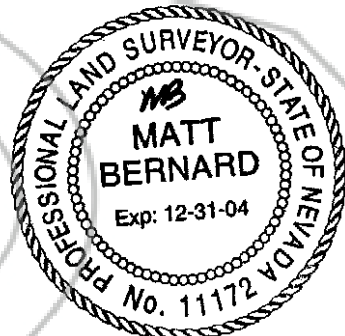
The intent of this Description is to provide a temporary septic system easement over Remainder Parcel 1 to be abandoned upon operation of the Canyon Creek Meadows sewer lift station.

The Basis of Bearing of this description is North 89°23'01" East, the north line of the Northeast one-quarter (NE¼) of Section 26, T.14N., R.19E., M.D.M. per Map of Division

Into Large Parcels for Little Mondeaux Limousin Corporation recorded July 31, 1992 as Document No. 284936.

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

Prepared By: R.O. ANDERSON ENGINEERING, INC.
P.O. Box 2229
Minden, Nevada 89423

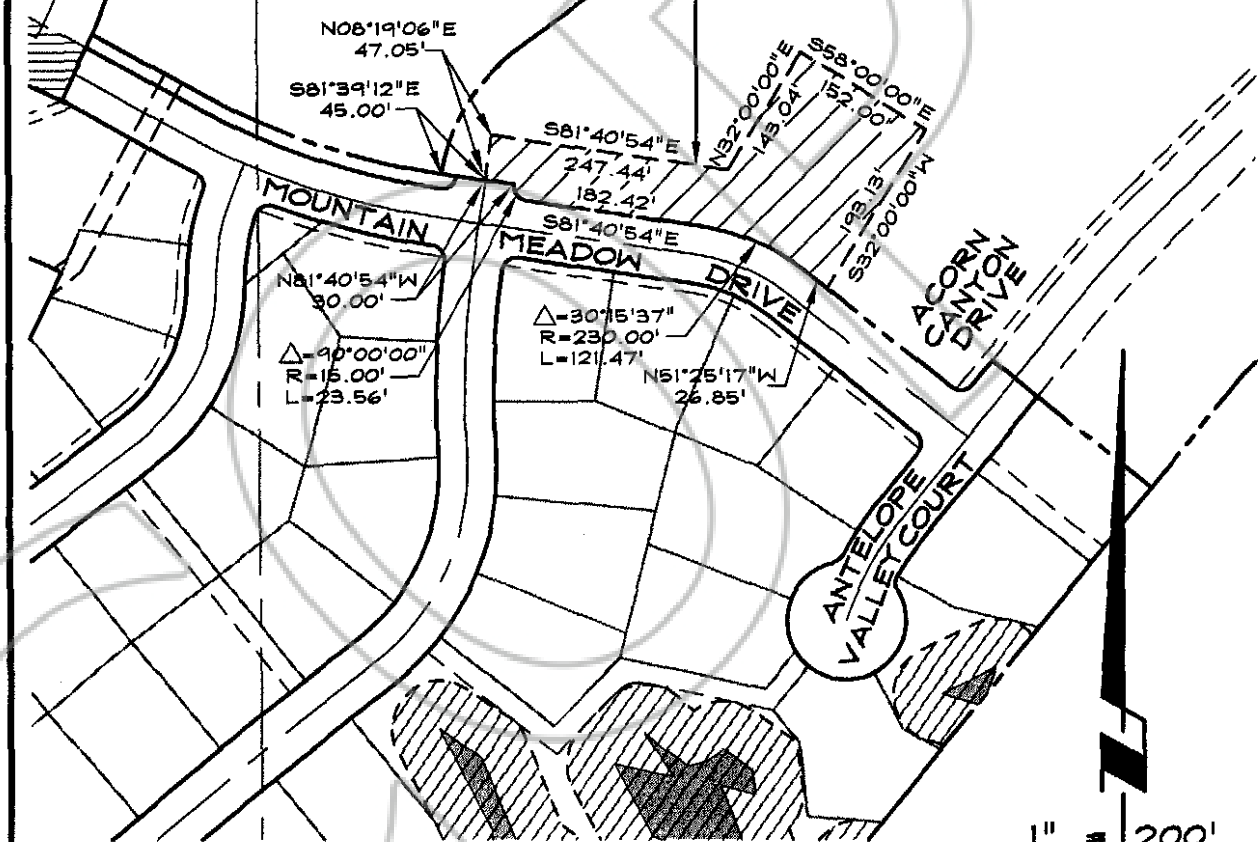


7-12-04

PARCEL 13
1419-26-001-011
(GOLF)
210.24 ACRES

TEMPORARY SEPTIC SYSTEM
EASEMENT TO BE ABANDONED
UPON OPERATION OF CANYON
CREEK MEADOWS LIFT
STATION (MM1)

REMAINDER PARCEL 1
1419-26-001-012
82.12 ACRES



1" = 200'

EXHIBIT
EASEMENT 'MM1'
TEMPORARY
SEPTIC SYSTEM EASEMENT
(Over Remainder Parcel 1
A.P.N. 1419-26-001-012)

Roanderson
ENGINEERING INC
1605 ESMERALDA AVENUE / POST OFFICE BOX 2229
MINDEN, NEVADA 89428
PHONE: (775) 782-2322 / FAX: (775) 782-7084
WEB SITE: WWW.ROANDERSON.COM

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SHEET 1 OF 1

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