

OFFICIAL RECORD  
Requested By:  
STEWART TITLE OF DOUGLAS  
COUNTY

Douglas County - NV  
Werner Christen - Recorder

Page: 1 Of 5 Fee: 18.00  
BK-1005 PG-10788 RPTT: 0.00



Recorded at the request of, &  
after recording please return to:

MDG Nevada, Inc.  
6900 South McCarran Boulevard  
Suite 1010  
Reno, Nevada 89509  
Attention: Sherry Wagner

Above Space Reserved for Recording Information

## MODIFICATION OF

### MEMBERSHIP CONTRIBUTION MEMORANDUM

**THIS MODIFICATION OF MEMBERSHIP CONTRIBUTION MEMORANDUM** (“**this Modification**”) is made and is effective as of October 18, 2005 by **GENOA NATIONAL, LLC**, a Nevada limited liability company (“**Buyer**”) in favor and for the benefit of **GENOA DEVELOPER ASSOCIATES**, a Nevada limited liability company (“**GDA**”), **GENOA LAND INVESTORS, LLC**, a Nevada limited liability company (“**GLI**”), and **GENOA GOLF INVESTORS**, a Nevada limited liability company (“**GGI**”) and their respective successors and assigns. GDA, GLI and GGI are sometimes collectively called “**Seller**” herein.

This Modification is executed with reference to the document entitled *MEMBERSHIP CONTRIBUTION MEMORANDUM* dated as of March 18, 2005 (the “**Memorandum**”) which was recorded in the Official Records of Douglas County on March 31, 2005 as Document Number 0640532.

### RECITALS

A. Buyer has executed this Modification in partial fulfillment of the obligations of Buyer under the written agreement entitled *Seventh Amendment* dated as of June 8, 2005 (the “**Seventh Amendment**”) to the written purchase agreement entitled *Real Property Purchase and Sale Agreement & Grant of Options (Sierra Nevada Golf Ranch and Parcel 14)* dated as of March 16, 2005 (the “**Original Purchase Agreement**”) between Seller and Buyer. The Original Purchase Agreement, as amended by the First through Seventh Amendments thereto, is hereinafter called the “**Purchase Agreement**”). Terms which are defined in the Purchase Agreement shall, when used in this Modification, have the same meaning as in the Purchase

Agreement. This Modification is the modification to which the Section 10.B of the Seventh Amendment refers.

B. MDA is the owner of the Genoa Lakes Golf Resort, formerly the Sierra Nevada Golf Ranch (“GLGR”), which MDA purchased from Buyer. The GLGR includes a clubhouse (the “Clubhouse”).

C. GLI owns real property which MDA, GLI and Buyer commonly refer to as Parcel 16, Parcel 17 and Remainder Parcel 1 (collectively the “Land”). The Land is described on Exhibit A to this Modification. The Land is adjacent to the GLGR. Pursuant to the tentative subdivision map which governs development of the Land, the Land may be subdivided into 175 lots (each a “Lot” and collectively the “Lots”).

D. Buyer acknowledge that GLI wishes to sell the Land and may hereafter enter into a contract with a third party to whom GLI will sell the Land and that the provisions of this Certificate are intended to run in favor of such a third party as well as in favor of GLI.

E. The purposes of this Modification are to memorialize and to make a public record of the provisions of Section 11 of the Sixth Amendment to the Purchase Agreement which modify and reduce Seller’s obligations under the Memorandum with respect to the Land and to affirm understandings of Buyer with respect to the operation of GLGR.

F. The provisions of these Recitals constitute an integral part of this Modification and any covenants and obligations set forth in the Recitals shall be enforceable as though set forth below under the caption “Agreements.”

**NOW, THEREFORE**, in consideration of the premises, promises and covenants contained herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which Buyer hereby acknowledges, Buyer hereby agrees in favor of Seller and Seller’s successors and assigns as follows:

#### AGREEMENT

1. **Elimination of Certain Membership Contributions.** The obligation of Seller under Section 12(i)(A) of the Original Purchase Agreement (the “**Option Properties Contribution Obligation**”) to make or pay any Membership Contribution to Buyer, MDA or to any other party on account of the 175 lots to be located on the Land has been extinguished and has ceased to be enforceable against Seller and Buyer waives and releases any claim thereto.

2. **Representations Regarding Prepayment of Membership Contributions.** Buyer hereby represents and warrants to Seller that: (A) Buyer has heretofore paid or otherwise given value to MDA for the Options Properties Contribution Obligation for the 175 lots which are planned for the Option Properties in the amount of Seven Thousand Five



Hundred Dollars (\$7,500) per lot; (B) the Option Properties Contribution Obligation has thereby been satisfied in full with respect to said 175 lots; (C) accordingly GLI (including GLI's successors and assigns in ownership of said 175 lots) is therefore entitled to the benefits of the consideration which Buyer has heretofore delivered to MDA as said benefits are described in Section 12(i)(A) of the Original Purchase Agreement, without any repetition of payment to MDA and/or to Buyer, whether in whole or in part, of the Option Properties Contribution Obligation; (D) Seller has no obligation whatsoever to pay any amount to Buyer on account of the Option Properties Contribution Obligation; and (E) the benefits referenced in clause (C) above include, without limitation, a convertible membership which runs with each of said 175 lots with the right to convert the convertible membership into a full membership within five (5) years after issuance of the convertible membership and to receive a credit against the cost of the full membership which credit shall be equal to the greater of (a) Seven Thousand Five Hundred Dollars (\$7,500) and (b) thirty percent (30%) of such cost. Buyer hereby irrevocably transfers, assigns, conveys and sets over unto GLI any and all right, title and interest which Buyer may have or claim in or to the benefits referenced in clause (C) above.

3. **Counterparts.** This Modification may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

4. **Successors and Assigns.** This Modification and the provisions it contains shall inure to the benefit of GLI and its successors and assigns in ownership of the Land and shall be binding upon MDA and its successors and assigns.

5. **Continuing Effect.** Except as modified by this Modification, the Memorandum and the rights of Seller and the obligations of Buyer under the Purchase Agreement remain in full force and effect.

**IN WITNESS WHEREOF**, Buyer and MDA have entered into, executed and delivered this Modification to Seller as of the date first set forth above.

BUYER

GENOA NATIONAL, LLC, a Nevada limited liability company,

By: \_\_\_\_\_

  
Jeffrey Dingman  
Managing Member



State of Nevada  
County of Washoe

This instrument was acknowledged before me on 10/24/05, 2005 by  
Jeff Dunsman as manager for Genoa National, LLC.



Heather Matheus  
Signature of notary. 06/15/09

COPY



EXHIBIT A

DESCRIPTION OF THE LAND

*[insert legal description of Parcels 16, 17 and Remainder Parcel 1]*

Adjusted Remainder Parcels 1, 16 & 17 as set forth on that certain Record of Survey to Support a Boundary Line Adjustment for GENOA LAND INVESTORS, LLC., GENOA DEVELOPER ASSOCIATES, LLC, MDA ENTERPRISES, INC., and INCOMPARABLE HOLDING CO., et al filed for record in the office of the Douglas County Recorder on June 30, 2005, in Book 0605, Page 14555, Document No. 0648319, Official Records.

APN 1419-26-001-013  
1419-26-001-014  
1419-26-001-016

