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COUNTY

Douglas County - NV

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Page: 1 Of 19 Fee: 32.00

BK-0606 PG-11625 RPTT: # 0



APN: 1219-13-000-005

WHEN RECORDED MAIL TO:  
GEORGE M. KEELE, ESQ.  
1692 County Road, #A  
Minden, NV 89423

**NOTICE OF LAND PURCHASE AGREEMENT**

TO ALL INTERESTED PERSONS:

PLEASE TAKE NOTICE THAT we, DONALD E. THRAN and LOIS M. THRAN, are the sellers in the Land Purchase Agreement dated April 29, 2005, and the two addendums thereto, a true copy of which is attached thereto and incorporated herein by this reference.

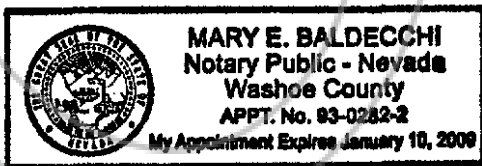
DATED this 6/29/06 day of June, 2006.

Donald E. Thran  
DONALD E. THRAN

Lois M. Thran  
LOIS M. THRAN

STATE OF NEVADA     )  
                                  : ss.  
COUNTY OF DOUGLAS )

This instrument was acknowledged before me on the 29th day of June, 2006, by DONALD E. THRAN and LOIS M. THRAN.



Mary E. Baldecchi  
NOTARY PUBLIC

LAND PURCHASE AGREEMENT

DEFINITIONS

BROKER includes cooperating brokers and all sales persons. DAYS means calendar days, midnight to midnight, unless otherwise specified. BUSINESS DAY excludes Saturdays, Sundays and legal holidays. DATE OF ACCEPTANCE means the date Seller accepts the offer or the Buyer accepts the counter offer. DELIVERED means personally delivered, transmitted by facsimile machine, by a nationally recognized over- night courier, or by first class mail, postage prepaid. In the event of mailing, the document will be deemed delivered three (3) business days after deposit; in the event of overnight courier, one (1) business day after deposit; and if by facsimile, at time of transmission provided that a transmission report is generated and retained by the sender reflecting the accurate transmission of the document. Unless otherwise provided in this Agreement or by law, delivery to the agent will constitute delivery to the principal. DATE OF CLOSING means the date title is transferred. TERMINATING THE AGREEMENT means that both parties are relieved of their obligations and all deposits will be returned to Buyer. PROPERTY means the real property and any personal property included in the sale.

AGENCY RELATIONSHIP CONFIRMATION. The following agency relationship is hereby confirmed for this transaction and supersedes any prior agency election:

LISTING AGENT: N/A is the agent of (check one):

[ ] the Seller exclusively; or [ ] both the Buyer and the Seller.

SELLING AGENT: Diane Bartsch Realty Affiliates is the agent of (check one):

[x] the Buyer exclusively; or [ ] the Seller exclusively; or [ ] both the Buyer and the Seller.

Note: This confirmation DOES NOT take the place of the AGENCY DISCLOSURE form required by law

Mike Hickey hereinafter designated as BUYER, offers to purchase the real property situated in Gardnerville, County of Douglas, State of Nevada

consisting of approximately 20 +/- acres, sq. ft. commonly known as a 20 acre portion of 745 Centerville Lane APN 1219-13-000-005 FOR THE PURCHASE PRICE OF \$ 575,000 (Five hundred seventy five thousand dollars) on the following terms and conditions:

1. FINANCING TERMS.

- A. \$ 10,000.00 DEPOSIT evidenced by [x] check, or [ ] other. held uncashed until acceptance and not later than three (3) business days thereafter deposited toward the purchase price with Stewart Title
B. \$ N/A ADDITIONAL CASH DEPOSIT to be placed in escrow [ ] within [ ] days after acceptance, [ ] upon removal of all conditions.
C. \$ 15,000.00 BALANCE OF CASH PAYMENT needed to close, not including closing costs.
D. \$ N/A BONDS OR ASSESSMENTS of record if assumed by buyer.
E. \$ 550,000.00 OTHER FINANCING TERMS: owner financing for a period to be determined at an interest rate of 8% per annum. Secured by subject property.

H. \$ 575,000.00 TOTAL PURCHASE PRICE (not including closing costs).

2. EXAMINATION OF TITLE. In addition to any encumbrances assumed or taken "subject to", Seller will convey title to the property subject only to: [1] real estate taxes not yet due; and [2] covenants, conditions, restrictions, rights of way and easements of record, if any, which do not materially affect the value or intended use of the property.

Within three (3) days after acceptance, Buyer will order a Preliminary Title Report and copies of CC&Rs and other documents of record if applicable. Within five (5) days after receipt, Buyer will report to Seller in writing any valid objections to title contained in such report (other than monetary liens to be paid upon close of escrow). If Buyer objects to any exceptions to the title, Seller will use due diligence to remove such exceptions at his or her own expense before close of escrow. If such exceptions cannot be removed before close of escrow, this Agreement will terminate, unless Buyer elects to purchase the property subject to such exceptions. If Seller concludes he or she is in good faith unable to remove such objections, Seller will notify Buyer within ten (10) days after receipt of said objections. In that event Buyer may terminate this Agreement.

3. OPTIONAL CONDITIONS. Provisions 3-A through 3-E, if Initialed below by Buyer, are included in this Agreement:

- [ ] A. SOIL TESTS. Upon acceptance of this Agreement, Buyer will have the right to go on the property to conduct soil tests, including percolation tests, to ascertain whether the property is suitable for the improvements which Buyer proposes to make. All expenses of such tests will be borne by the [ ] Buyer, [ ] Seller. Buyer will be responsible for the repair and restoration of any damage to the property which may be caused by such tests. If in the reasonable opinion of the soils engineer, employed by Buyer, the property is not suitable for the proposed development, Buyer may terminate this Agreement. Buyer will approve or disapprove the results of the tests in writing within [ ] days of acceptance.
[ ] B. SURVEY. Upon acceptance of this Agreement, the property will be surveyed by a licensed surveyor at the expense of the [ ] Buyer, [ ] Seller. The surveyor will set and flag all property lines, to be approved in writing by Buyer prior to close of escrow.

Buyer [ ] and Seller [ ] have read this page.

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Property Address: A 20 ac portion of APN# D-19, -000-005 Line

- C. **PRICE BASED ON AREA.** The purchase price is based upon \$ \_\_\_\_\_  per acre,  per square foot, and  will,  will not be adjusted in accordance with the area set forth in the survey under Provision 3-B.
  - D. **WELL REPORT.** Upon acceptance of this Agreement, Buyer will obtain a well report from a licensed well drilling contractor at the expense of  Buyer,  Seller. Buyer will approve or disapprove the results of the tests in writing within \_\_\_\_\_ days of acceptance. In the event of disapproval, Buyer may terminate this Agreement.
  - E. **TAX DEFERRED EXCHANGE (INVESTMENT PROPERTY).** In the event Seller wishes to enter into a tax deferred exchange for the property, or Buyer wishes to enter into a tax deferred exchange with respect to property owned by him or her in connection with this transaction, each of the parties agrees to cooperate with the other party in connection with such exchange, including the execution of such documents as maybe reasonably necessary to complete the exchange, provided that: (a) the other party will not be obligated to delay the closing; (b) all additional costs in connection with the exchange will be borne by the party requesting the exchange; (c) the other party will not be obligated to execute any note, contract, deed or other document providing for any personal liability which would survive the exchange; and (d) the other party will not take title to any property other than the property described in this Agreement. The other party will be indemnified and held harmless against any liability which arises or is claimed to have arisen on account of the exchange.
4. **BONDS AND ASSESSMENTS.** All bonds and assessments which are part of or paid with the property tax bill will be assumed by the Buyer. In the event there are other bonds or assessments which have an outstanding principal balance and are a lien upon the property, the current installment will be prorated between Buyer and Seller as of the date of closing. Future installments will be assumed by Buyer WITHOUT CREDIT toward the purchase price, EXCEPT AS FOLLOWS: Seller to pay any tax liens

This Agreement is conditioned upon both parties verifying and approving in writing the amount of any bond or assessment to be assumed or paid within ten (10) days after receipt of the preliminary title report or property tax bill, whichever is later. In the event of disapproval, the disapproving party may terminate this Agreement.

5. **EVIDENCE OF TITLE** will be in the form of a policy of Title Insurance, issued by Stewart Title paid by Split 50/50
6. **VESTED TITLE.** The manner of taking title may have significant legal and tax consequences. Buyer should obtain advice from his or her legal or tax counsel regarding this matter.
7. **PROPERTY INVESTIGATIONS.** This Agreement is contingent upon Buyer's independent investigation of the following conditions relating to the property.
- A. Zoning and land use designations and requirements.
  - B. Availability of utilities and costs of development.
  - C. Toxic contamination.
- Buyer will approve or disapprove in writing all inspection reports within fifteen (15) (or  \_\_\_\_\_ ) days after acceptance. In the event of Buyer's disapproval, Buyer may, within the time stated or mutually agreed upon extension, elect to terminate this Agreement.
8. **DEFAULT** - In the event Buyer defaults in the performance of this Agreement (unless Buyer and Seller have agreed to liquidated damages), Seller may, subject to any rights of the Broker, retain Buyer's deposit to the extent of damages sustained and may take such actions as he or she deems appropriate to collect such additional damages as may have been actually sustained. Buyer will have the right to take such action as he or she deems appropriate to recover such portion of the deposit as may be allowed by law. In the event that Buyer defaults (unless Buyer and Seller have agreed to liquidated damages) Buyer agrees to pay the Broker(s) any commission that would be payable by Seller in the absence of such default.
9. **ATTORNEY FEES.** in any action, arbitration, or other proceeding involving a dispute between Buyer and Seller arising out of the execution of this Agreement or the sale, whether for tort or for breach of contract, and whether or not brought to trial or final judgment, the prevailing party will be entitled to receive from the other party a reasonable attorney fee, expert witness fees, and costs to be determined by the court or arbitrator(s).
10. **CLOSING.** Full purchase price to be paid, deed to be recorded, and physical possession of property to be delivered  on or before \_\_\_\_\_ or  within 90 days of acceptance. Both parties will deposit with an authorized escrow holder, to be selected by Buyer, all funds and instruments necessary to complete the sale in accordance with the terms of this Agreement.  Where customary, signed escrow instructions will be delivered to escrow holder within \_\_\_\_\_ days of acceptance. Escrow fee to be paid by 50/50 Split County/City Transfer Tax(es), if any, to be paid by Split 50/50. **THIS PURCHASE AGREEMENT TOGETHER WITH ANY ADDENDA WILL CONSTITUTE JOINT ESCROW INSTRUCTIONS TO THE ESCROW HOLDER.**
11. **SURVIVAL.** The omission from escrow instructions of any provision in this Agreement will not waive the right of any party. All representations or warranties will survive the close of escrow.
12. **EXPIRATION OF OFFER.** This offer will expire unless acceptance is delivered to Buyer or to \_\_\_\_\_ (Buyer's Broker) on or before (date) \_\_\_\_\_ (time) \_\_\_\_\_  a.m.,  p.m..
13. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which is deemed to be an original.
14. **TIME.** Time is of the essence of this Agreement; provided, however, that if either party fails to comply with any contingency in this Agreement within the time limit specified, this Agreement will not terminate until the other party delivers written notice to the defaulting party requiring compliance within 24 hours after receipt of notice. If the party receiving the notice fails to comply within the 24 hours, the non-defaulting party may terminate this Agreement without further notice.
15. **CONDITIONS SATISFIED/WAIVED IN WRITING.** Each condition or contingency, covenant, approval or disapproval will be satisfied according to its terms or waived by written notice delivered to the other party or his or her Broker.
16. **ENTIRE AGREEMENT/ASSIGNMENT PROHIBITED.** This document contains the entire agreement of the parties and supersedes all prior agreements or representations with respect to the property which are not expressly set forth. This Agreement may be modified only in writing signed and dated by both parties. Both parties acknowledge that they have not relied on any statements of the real estate

Buyer [Signature] and Seller [Signature] have read this page.

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Property Address: A 20 ac - portion of APN # 121 13-000-005 Lane

Agent or Broker which are not expressed in this Agreement. Buyer may not assign any right under this agreement without the prior written consent of Seller. Any such assignment will be void and unenforceable.

17. ADDITIONAL TERMS AND CONDITIONS.

See addendum # one

18. ADDENDA. The following addenda are attached and made a part of this Agreement:

- Form 101-LA.11, ADDENDUM TO LAND PURCHASE AGREEMENT (Subordination, Partial Reconveyances)
- OTHER: Addendum # one

Both parties acknowledge that they have not relied on any statements of the real estate Agent or Broker which are not expressed in this Agreement.

**LIMITATION OF AGENCY:** A real estate broker or agent is qualified to advise on real estate. If you have any questions concerning the legal sufficiency, legal affect, insurance, or tax consequences of this document or the related transactions, consult with your attorney, accountant, or insurance broker.

The undersigned Buyer acknowledges that he or she has thoroughly read and approved each of the provisions of this offer and agrees to purchase the property for the price and on the terms and conditions specified. Buyer acknowledges receipt of a copy of this Offer.

Buyer [Signature] Date 4-29-05 Time 4:00 PM

Buyer \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_

Address 401 Mattsilledore Indenerville IN 89460

**ACCEPTANCE**

Seller accepts the foregoing Offer and agrees to sell the property for the price and on the terms and conditions specified.

**NOTICE:** The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between the Seller and Broker.

19. COMMISSION. Seller agrees to pay in cash the following real estate commission for services rendered, which commission Seller hereby irrevocably assigns to Broker(s) from escrow:

N/A % of the accepted price, or \$ \_\_\_\_\_, to the listing Broker: N/A, and

0 % of the accepted price, or \$ \_\_\_\_\_, to the selling Broker: Remax Realty Affiliates

without regard to the agency relationship. Escrow instructions with respect to commissions may not be amended or revoked without the written consent of the Broker(s).

If Seller receives liquidated or other damages upon default by Buyer, Seller agrees to pay Broker(s) the lesser of the amount provided for above or one half of the damages after deducting any costs of collection, including reasonable attorney fees.

Commission will also be payable upon any default by Seller, or the mutual rescission by Buyer and Seller without the written consent of the Broker(s), which prevents completion of the purchase. This Agreement will not limit the rights of Broker and Seller provided for in any existing listing agreement.

In any action for commission the prevailing party will be entitled to reasonable attorney fees whether or not the action is brought to trial or final judgment.

Seller acknowledges receipt of a copy of this Agreement. Authorization is hereby given the Broker(s) in this transaction to deliver a signed copy to Buyer and to disclose the terms of purchase to members of a Multiple Listing Service, Board or Association of REALTORS® at close of escrow.

20. IF CHECKED  ACCEPTANCE IS SUBJECT TO ATTACHED COUNTER OFFER DATED \_\_\_\_\_

Seller [Signature]

(Please Print Name)

Seller [Signature]

(Please Print Name)

Date 4-29-05 Time 4:00

Address 745 Centerville Lane  
Indenerville IN 89460

Date \_\_\_\_\_ Time \_\_\_\_\_

Rev. by \_\_\_\_\_

Date \_\_\_\_\_

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ADDENDUM NO. ONE

To Agreement dated April 29, 2005, between Nike Hickey,  
and Dor and Lois Thron, concerning property located at  
A 20-acre portion of APN # 1219-13-000-005 745 Centimeter Lane

The parties agree as follows:

1. Subject parcel to be created by Sellers.
2. Purchase price to include surface water rights; Allocation to be agreed upon by Buyer and Seller.
3. Purchase price to include ground water rights, approx. (2.02 acre feet)
4. Easement to access subject property to be included with new parcel. Seller to fence and enclose.
5. Power to be brought to corner of subject property by Seller and shall be underground.
6. Any tax liens, if any, to be paid by Seller before close of escrow.
7. Seller to install fencing along south and west property lines of remaining parcel # 1219-13-000-005. Fencing to be of a metal post and wire type.

This Addendum, upon its execution by both parties, is made a part of the above Agreement.

If checked  this Addendum is of no force or effect unless executed by all parties and delivered prior to (date) \_\_\_\_\_ (time) \_\_\_\_\_  a.m.  p.m., to \_\_\_\_\_

(Name of Party)

Seller/Lessor Donald E. Thron

Date 4-29-05

Seller/Lessor Tracy Ann Thron

Date 4/29/05

Buyer/Lessee [Signature]

Date 4-29-05

Buyer/Lessee \_\_\_\_\_

Date \_\_\_\_\_

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Rev. by \_\_\_\_\_  
Date \_\_\_\_\_



## DUTIES OWED BY A NEVADA REAL ESTATE LICENSEE

This form does not constitute a contract for services.

In Nevada, a real estate licensee can (1) act for only one party to a real estate transaction, (2) act for more than one party to a real estate transaction with written consent of each party, or (3) if licensed as a broker, assign different licensees affiliated with the broker's company to separate parties to a real estate transaction. A licensee, acting as an agent, must act in one of these capacities in every real estate transaction. If this form is used for a lease, the term Seller shall mean Landlord/Lessor and the term Buyer shall mean Tenant/Lessee.

**LICENSEE.** The licensee in the real estate transaction is Diane Butcher ("Licensee")  
 whose license number is 24801. The Licensee is acting for Duke Hickey  
**BROKER.** The broker in the real estate transaction is John Fisher ("Broker"),  
 whose company is Penaf Realty Associates ("Company").

**A NEVADA REAL ESTATE LICENSEE IN A REAL ESTATE TRANSACTION SHALL:**

1. Disclose to each party to the real estate transaction as soon as is practicable:
  - a. Any material and relevant facts, data or information which Licensee knows, or which by the exercise of reasonable care and diligence licensee should have known, relating to the property which is the subject of the real estate transaction.
  - b. Each source from which Licensee will receive compensation as a result of the transaction.
  - c. That Licensee is a principal to the transaction or has an interest in a principal to the transaction.
  - d. Any changes in Licensee's relationship to a party to the real estate transaction.
2. Disclose, if applicable, that Licensee is acting for more than one party to the transaction. Upon making such a disclosure the Licensee must obtain the written consent of each party to the transaction for whom Licensee is acting before Licensee may continue to act in Licensee's capacity as an agent.
3. Exercise reasonable skill and care with respect to all parties to the real estate transaction.
4. Provide this form to each party to the real estate transaction.
5. Not disclose, except to the Broker, confidential information relating to a client.
6. Exercise reasonable skill and care to carry out the terms of the brokerage agreement and to carry out Licensee's duties pursuant to the terms of the brokerage agreement.
7. Not disclose confidential information relating to a client for 1 year after the revocation or termination of the brokerage agreement, unless Licensee is required to do so by order of the court. Confidential information includes, but is not limited to the client's motivation to purchase, sell or trade and other information of a personal nature.
8. Promote the interest of his client by:
  - a. Seeking a sale, lease or property at the price and terms stated in the brokerage agreement or at a price acceptable to the client.
  - b. Presenting all offers made to or by the client as soon as is practicable.
  - c. Disclosing material facts of which the licensee has knowledge concerning the transaction.
  - d. Advising the client to obtain advice from an expert relating to matters which are beyond the expertise of the licensee.
  - e. Accounting for all money and property Licensee receives (in which the client may have an interest) as soon as is practicable.
9. Not deal with any party to a real estate transaction in a manner which is deceitful, fraudulent or dishonest.
10. Abide by all duties, responsibilities and obligations required of Licensee in chapters 119, 119A, 119B, 645, 645A, and 645C of the NRS.

I/We acknowledge receipt of a copy of this list of licensee duties, and have read and understand this disclosure.			
<u>Diane Butcher</u> Seller/Landlord	<u>4-29-05</u> Date/Time	<u>[Signature]</u> Buyer/Tenant	<u>4-29-05 4:00 PM</u> Date/Time
<u>[Signature]</u> Seller/Landlord	<u>4/29/05</u> Date/Time	<u>[Signature]</u> Buyer/Tenant	<u>4:00 P.M.</u> Date/Time

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**ADDENDUM NO. TWO TO PURCHASE AGREEMENT**

THIS AGREEMENT is entered into this 1<sup>st</sup> day of July 2006, by and between JAMES MICHAEL HICKEY DBA MIKE HICKEY CONSTRUCTION (hereinafter referred to as "Buyer"), and DONALD E. THRAN and LOIS M. THRAN, as Trustees of the THRAN REVOCABLE FAMILY TRUST dated March 2, 1988, as Amended and Restated (hereinafter collectively referred to as "Seller").

On July 19, 2005, Buyer and Seller entered into a Land Purchase Agreement (hereinafter referred to as the "Agreement"), consisting of six (6) pages, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference.

The parties reaffirm, as set forth in the Agreement, that the Seller will sell and the Buyer will purchase from the Seller the real property described as a 20-acre, more or less (actual: 19.13 acres including the 20-foot-wide easterly portion of the 40-foot wide roadway that provides ingress and egress between the balance of the subject parcel and Centerville Lane), portion of Douglas County Assessor's Parcel Number 1219-13-000-005, and further described as a portion of the parcel of real property currently known as 745 Centerville Lane, Gardnerville, Nevada (the said portion of the said parcel being hereinafter referred to as "the Parcel"), as more specifically described in the Agreement; however, the parties are executing this Addendum to



amend and to add certain provisions to the Agreement. This Addendum is being made in consideration of the mutual promises of the parties and the additional consideration set forth in this Addendum.

THEREFORE, the parties agree as follows:

1. **Closing.** Unless hereafter otherwise agreed in writing between Buyer and Seller, the closing of escrow will occur on or before June 1, 2006. This paragraph amends paragraph 10 of the Agreement.

2. **Purchase Price and Down Payment.** Buyer agrees to pay Seller the total sum of Five Hundred Seventy-five Thousand Dollars (\$575,000) for the Parcel. Buyer agrees to pay to Seller through escrow an initial deposit in the sum of Ten Thousand Dollars (\$10,000), together with an additional deposit of Fifteen Thousand Dollars (\$15,000) to close escrow, bringing to Twenty-Five Thousand Dollars (\$25,000) cash, United States currency, the amount of the down payment on the purchase of the Parcel. This paragraph clarifies and supplements paragraph 1 (Financing Terms) of the Agreement.

3. **Promissory Note Secured by First Deed of Trust; Release of One Subparcel; Due-in-Three-Years Provision.** The balance of the purchase price, namely FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$550,000) will be secured, and paid to Seller, as follows:

a. Buyer shall provide Seller a promissory note ("Note") in the amount of FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$550,000), bearing interest at the rate of eight percent (8%) per annum, with the Note being secured by a first deed of trust on the Parcel. Buyer shall make monthly installment payments to Seller in the amount of THREE THOUSAND SIX HUNDRED SIXTY-SIX DOLLARS AND SIXTY-SIX CENTS (\$3,666.66) each, commencing exactly thirty days after the closing of escrow, and continuing on the same day of each month thereafter until paid in full, including principal and interest.

b. Irrespective of all other considerations, the entire balance of the Note secured by first deed of trust described in this Addendum and the Agreement shall be due and payable by Buyer to Seller, including principal and all accrued interest, not later than July 19, 2008.

c. Upon terms agreed upon by both parties in writing at any time before the maturity of the Note secured by first deed of trust described in paragraph 3.b., above, the parties may agree for the Buyer to make principal reductions or for the Seller to carry the financing beyond the maturity date, in sums and at interest rates to be determined by the parties.

This paragraph further clarifies and supplements paragraph 1 (Financing Terms) of the Agreement.

4. **Due-on-Sale Provision.** If Buyer sells, conveys, leases, transfers, or otherwise disposes of or further encumbers the Parcel, or any part of the Parcel, or any subparcel created from the Parcel, or any interest in the Parcel or in the subparcels created therefrom, or agrees so to do without the written consent of Seller being first obtained, Seller shall have the right, at their option, to declare the entire balance of the unpaid principal, together with all unpaid interest due thereon, if any, immediately due and payable. Failure to exercise such option shall not constitute a waiver by Seller of their right to exercise such option in the event of any subsequent default by Buyer. Seller reserves the right, but is not required to exercise the right, to renegotiate the note and the security therefor with Buyer at any time.

5. **Construction of Roadway.** Pending closing of escrow, Buyer may immediately commence construction of and construct the roadway described in Exhibit A, the easterly half of which is currently owned by Seller and constitutes an integral portion of the Parcel, and the westerly half of which is owned by Mike Hickey Construction, Inc. Buyer agrees to keep the Parcel and any subparcels eventually created therefrom lien free and further covenants to indemnify and hold Seller harmless from any

and all liens or other encumbrances that may be recorded against the Parcel or any subparcel created therefrom from the date of execution of the original Agreement (Exhibit A) until the entire balance of principal and all interest thereon due and owing to Seller by Buyer under the Agreement, the promissory note, and this Addendum thereto is paid in full.

6. **Inspection and Assurances.** The parties have agreed that Dan Jenkins, planner, shall serve as the inspector of the roadway and to ensure that the roadway is constructed on schedule and to workmanlike standards for Douglas County, Nevada, and that there are no liens or encumbrances recorded against the roadway. In fulfilling these duties, Dan Jenkins shall provide ongoing assurances to Seller and their successors and assigns that the roadway will be, and is being, constructed as set forth in this Agreement. Buyer agrees to pay Mr. Jenkins for all of his services and to hold Seller harmless therefrom and to indemnify Seller as to all such obligations. The parties also agree that it will be the duty of Buyer, through Mr. Jenkins, to provide continuing assurances to Seller that (1) the roadway and all attendant features including without limitation accesses, approaches, and drainage, are designed and constructed properly; (2) the roadway and all attendant improvements are being constructed in accordance with the law and Douglas County, State of Nevada, and federal policy; and (3) no liens or





encumbrances are being filed, or allowed, against Seller's Parcel, or against any subparcel created therefrom, as a result of such construction.

**7. Water Rights.**

a. The purchase price includes 2.02 acre feet of groundwater rights.

b. The purchase price also includes up to 2.0 acre feet of surface water rights, provided that such water rights (1) are currently owned by Seller; and (2) can legally be transferred to Buyer.

c. This paragraph 7 amends paragraphs 2 and 3 of Addendum No. One to the Agreement.

**8. Easement to Access Parcel; Fencing.** When the Agreement was made, the Buyer and the Seller were not aware that Myldred Hoover, the owner of the parcel to the west (the "Hoover Parcel") of the Parcel, would later agree to and sell that parcel to Buyer herein. When Buyer herein acquired the Hoover Parcel, Buyer and Seller orally agreed that Buyer would dedicate a half roadway (i.e. the easterly one-half) and that Seller would sell to Buyer the westerly one-half (as an integral portion of the Parcel being sold herein) of a roadway 1209.67 feet in length (hereinafter: "the Roadway") that connects the balance of the Parcel with Centerville Lane, Douglas County, Nevada, and provides ingress and egress between Centerville Lane

and the entire Parcel. Now, the Seller and the Buyer agree that the easterly 20-foot portion of the Roadway (that runs North 02°49'67" West from the balance of the Parcel a distance of 1209.67 feet, more or less, to said Centerville Lane) is the only access necessary for the entire Parcel in this purchase agreement; therefore, no additional access is necessary, and the culvert has been installed by Buyer at Buyer's sole expense. Seller and Buyer further agree that Seller is not required to construct a metal post-and-wire fence along the first 40 feet of the Roadway along Seller's retained parcel (i.e. Parcel A-1, APN 1219-13-000-005, 745 Centerville Lane; hereinafter: "Retained Parcel") because Buyer, instead, shall, at Buyer's sole expense, install a 40-foot-long vinyl fence along the westerly border of Seller's Retained Parcel as part of a vinyl gateway to the Roadway. Seller agrees to install a metal post-and-wire fence along the edge of the Roadway adjacent to the balance of the North 02°49'34" West alignment of the Roadway (approximately 1169.67 feet) and to install an electric fence along the North 44°29'41" West southerly boundary of the Retained Parcel a distance of 1219.90 feet, more or less. This paragraph 8 amends paragraphs 4 and 7 of Addendum No. One to the Agreement.

9. **Power.** Buyer and Seller agree to share between them 2/3-1/3 the cost of bringing power underground from Centerville Lane a distance of 1209.67 feet, more or less, to the southerly

end of the Roadway, with Buyer hereby agreeing to pay promptly when due, hold harmless and indemnify Seller as to 2/3 of such cost and with Seller hereby agreeing to pay promptly when due, hold harmless, and indemnify Seller as to 1/3 of such cost. This paragraph amends paragraph 5 of Addendum No. One to the Agreement.

10. **Construction of the Agreement and this Addendum.** The parties agree that each party and its counsel have reviewed and revised the Agreement and this Addendum and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of the Agreement, this Addendum, or any amendments or exhibits thereto.

11. **Interpretation.** In the Agreement and this Addendum, the neuter gender includes the feminine and masculine, the singular number includes the plural, and the words "person" and "party" include corporation, partnership, limited-liability company, firm, trust, or association as the context requires.

12. **Recitals and Captions.** The recitals and captions of the paragraphs and subparagraphs of the Agreement and this Addendum thereto are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction, or meaning of the provisions of the Agreement or this Addendum.



13. **Amendments.** The Agreement and this Addendum may only be amended by the unanimous, written consent of the parties hereto; all remaining parts, terms, and provisions hereof not affected by any such future amendments, shall remain in full force and effect and shall in no way be invalidated, impaired, or affected by amendments to other portions of the Agreement or of this Addendum.

14. **Further Documents.** Each party will, whenever and as often as it shall be requested to do so by the other party, execute, acknowledge, and deliver, or cause to be executed, acknowledged and delivered, such further instruments or documents and to do any and all other acts as may be requested in order to carry out the intents and purposes of the Agreement and this Addendum thereto.

15. **Severability.** Should any part, term, or provision of the Agreement or this Addendum or any document required herein to be executed or delivered at the closing of escrow be declared invalid, void, or unenforceable, all remaining parts, terms, and provisions thereof shall remain in full force and effect, and they shall in no way be invalidated, impaired, or adversely affected thereby.

16. **Choice of Law.** The Agreement and this Addendum shall be construed and interpreted under, and governed and enforced according to the laws of the State of Nevada.



17. **Venue.** Venue of any action pertaining to the Agreement and this Addendum thereto shall lie in the Ninth Judicial District Court of the State of Nevada, in and for the County of Douglas or, as applicable, the United States District Court for the District of Nevada, Northern (Reno) Division.

18. **NOTICES.** The following, until notice in writing of any change shall be given as provided herein, shall be deemed the addresses of the parties hereto for the purpose of any notice hereunder, and any notice mailed, postage fully prepaid and properly addressed to the other party, shall be deemed delivered as of the date of mailing:

SELLER: DON AND LOIS M. THRAN, Trustees  
Thran Revocable Family Trust  
745 Centerville Lane  
Gardnerville, NV 89460

BUYER: JAMES MICHAEL HICKEY  
DBA MIKE HICKEY CONSTRUCTION  
401 Mottsville Lane  
Gardnerville, NV 89460

The parties shall notify each other in writing in the manner set forth in this paragraph of all changes of address by either.

19. **Miscellaneous Terms and Conditions.**

A. The Agreement and this Addendum are not intended and shall not be construed to create a partnership, agency, or joint venture between the parties.

B. The Agreement and this Addendum may not be assigned by either party in whole or in part without the prior written consent of the other party.

C. In the event of any dispute arising out of or relating to the Agreement or this Addendum, either party may initiate arbitration by an impartial arbitrator, not associated with either party, licensed by the State of Nevada, and conducted in accordance with the Nevada Arbitration Rules.

20. **Continuing Effectiveness of Purchase Agreement and Deposit Receipt.** Except as amended in this Addendum to Purchase Agreement, the Agreement (Exhibit A) shall remain unchanged and in full force and effect.

DATE: 5-1-06

Donald E. Thran  
DONALD E. THRAN, as Trustee  
of the THRAN REVOCABLE FAMILY  
TRUST dated March 2, 1988,  
as amended and restated

DATE: 5/1/06

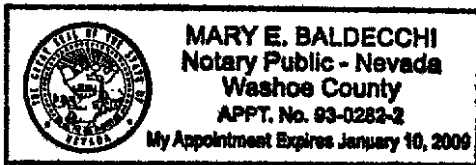
Lois M. Thran  
LOIS M. THRAN, as Trustee  
of the THRAN REVOCABLE FAMILY  
TRUST dated March 2, 1988,  
as amended and restated

DATE: 5-1-06

James Michael Hickey  
JAMES MICHAEL HICKEY DBA MIKE  
HICKEY CONSTRUCTION, Buyer

STATE OF NEVADA        )  
                                  ) SS.  
COUNTY OF DOUGLAS    )

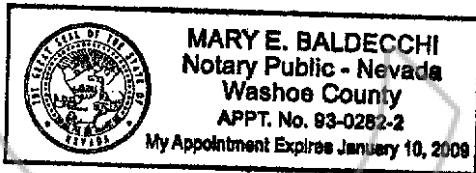
This instrument was acknowledged before me on the 1st  
day of May, 2006, by DONALD E. THRAN and LOIS M. THRAN, Trustees  
of the THRAN REVOCABLE FAMILY TRUST dated March 2, 1988, as  
Amended and Restated.



*Mary E. Baldecchi*  
\_\_\_\_\_  
NOTARY PUBLIC

STATE OF NEVADA        )  
                                  ) SS.  
COUNTY OF DOUGLAS    )

This instrument was acknowledged before me on the 1st  
day of May, 2006, by JAMES MICHAEL HICKEY dba MIKE HICKEY  
CONSTRUCTION.



*Mary E. Baldecchi*  
\_\_\_\_\_  
NOTARY PUBLIC