07/06/2006 04:53 PM OFFICIAL RECORD Requested By: FELDMAN SHAW LLP

APN: 1418-34-202-001

Recorded at the request of and after recording please return to:

Hidden Woods Homeowners Association

Attn: Cary Sarnoff P. O. Box 11079

Zephyr Cove, NV 89448

Douglas County - NV Werner Christen - Recorder

Page:

30.00 0.00 PG- 1748 RPTT: BK-0706



Above Space Reserved for Recording Information

EASEMENT DEED

This Easement Deed ("Agreement") is entered into as of July 5, 2006 ("Effective Date") between Michael Greenstein ("Grantor"), and Hidden Woods Homeowners Association, a Nevada nonprofit cooperative corporation (the "Association").

RECITALS

- The Association is a homeowners association organized in Nevada for the purpose of Α. managing the Hidden Woods portion of the Lakeridge subdivision located in Douglas County, Nevada ("Hidden Woods").
- Grantor is the owner of certain real property within Hidden Woods located at 1244 В. Hidden Woods Drive, Zephyr Cove, Douglas County, Nevada, commonly known as APN 1418-34-202-001, and more particularly described in the attached Exhibit A (the "Property").
- C. The Association intends to undertake a water quality improvement project to address water quality issues within Hidden Woods to capture and treat storm water runoff prior to its entering the Highway 50 corridor. The project requires, in part, construction and maintenance of water quality improvements on the Property.
- The Association desires to acquire certain rights in the Property for the construction and D. maintenance of the water quality improvements, a deceleration lane from Highway 50, and to secure access to APN 1418-34-202-005, under the specific terms and conditions below.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Grantor hereby grants and conveys unto the Association and the owners of APN 1418-34-202-005 non-exclusive easements appurtenant and in perpetuity, and as more particularly described as follows:

Easements.

Water Quality Improvements. To the Association, a permanent easement in, A. under, along and through the Property, as described in the attached Exhibit B and depicted in the attached Exhibit C (the "Easement Area"), for construction and maintenance of water quality treatment basins and vaults, a waterfall feature, and other water quality improvements, and retaining walls and landscaping necessary for implementation of the water quality improvement project more particularly set forth in Hidden Woods Homeowners Association Water Quality Improvement Project-EIP # 678 (the "Water Quality Improvements").

B. Right-of-Way.

- (i) To the Association, a permanent right-of-way in, under, along and through that portion of the Easement Area lying South of Hidden Woods Road for expansion of Hidden Woods Road to connect Hidden Woods Road with the Highway 50 deceleration lane crossing a portion of APN 1418-34-202-005.
- (ii) To the Association, a permanent right-of-way in, under, along and through the Easement Area for ingress, egress, and access to and from the Water Quality Improvements.
- (iii) To the owners of APN 1418-34-202-005, a permanent right-of-way in, under, along and through the easterly-most twenty (20) feet of that portion of the Easement Area lying South of Hidden Woods Road, as described in the attached Exhibit D and depicted in the attached Exhibit E, for ingress, egress, and access to and from APN 1418-34-202-005 from Hidden Woods Road (the "Laughton Family Easement"), subject to the execution by each owner of APN 1418-34-202-005 and the recordation of a written agreement subjecting such owners to the provisions of Sections 4 through 7, 9 through 11, and 15 and 16 of this Agreement in respect to the Laughton Family Easement.
- C. Secondary Easements. The easements granted herein include incidental rights of construction, maintenance, repair, and replacement, necessary for the grantees' use and enjoyment of the easements.
- D. Character of Easements. The easements granted herein to the Association are appurtenant to all real property located within Hidden Woods, more particularly described in the Declaration of Covenants, Conditions and Restrictions recorded in the office of the Douglas County Recorder in Book 1177, Page 297, as Document No. 14715, on November 4, 1977 ("CC&Rs"). The easements granted herein to the Association are hereinafter referred to as the "Easements." The Easement Area may be entered upon and the Easements used by the Association and its agents and contractors solely for the purposes set forth above.
- E. Relocation of Easements. The parties hereto acknowledge and agree that the Easement Area described in Exhibit B and depicted in Exhibit C is the location the parties presently anticipate the Easements will be located upon completion of the Water Quality Improvements. The parties hereto further acknowledge and agree that the Easement Area may have to be relocated to satisfy conditions of approval of the Tahoe Regional Planning Agency ("TRPA"), Nevada Department of Transportation, and/or and other regulatory agencies with jurisdiction over the project. Any relocation of the Easement Area shall be subject to prior written approval of the parties hereto.

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- 2. **Consideration**. In consideration for the Easements granted to the Association herein:
- A. Assessments. Grantor shall be relieved, for a period of ten (10) years commencing on the Effective Date of this Agreement, of his obligation under the CC&Rs to pay any and all annual assessments, special assessments, or any other assessments or dues so long as Grantor is the legal owner of the Property. This assessment waiver shall apply only to Grantor and only for so long as Grantor owns the Property, and it shall terminate upon Grantor's transfer of title to the Property. Grantor shall have no right to transfer or assign this assessment waiver to any person, except that the assessment waiver shall be applicable to Barbara Fishman in the event she acquires title to the Property during the term of the assessment waiver.
- B. Screening. Subject to approval by the TRPA and other regulatory agencies with jurisdiction over the Property, the Association shall construct and maintain on the Property landscaping and other appropriate barriers for purposes of screening the Water Quality Improvements from Grantor's residence and for purposes of buffering Grantor's residence from sound emanating from Highway 50.
- C. Parking. The Association shall grant to Grantor the exclusive right for Grantor and his invitees to use the two (2) parking spaces identified in the Hidden Woods Homeowners Association Water Quality Improvement Project-EIP # 678. The right to use the parking spaces shall be available to Grantor and his invitees only for so long as Grantor owns the Property, and such rights shall terminate upon Grantor's transfer of title to the Property. Grantor shall have no right to transfer or assign the right to use the parking spaces to any person, and such rights shall not inure to the benefit of Grantor's successors in interest in the Property.
- 3. **Benefit and Burden**. The Easements shall run with and burden the land. All obligations, terms, conditions, and restrictions imposed herein shall be deemed to be covenants and restrictions running with the land, and shall bind the parties, and their successors, personal representatives and assigns.

4. Maintenance.

- A. The Association shall be obligated to landscape and maintain the Easement Area and the Water Quality Improvements (except the waterfall feature) at its cost, and maintain in good condition all portions of the Easements and all improvements thereto, in good and safe condition. If any repairs to the Easements or improvements thereto are required to be commenced by the Association from the surface of the Property, the Association shall provide written notice of such work to Grantor and shall describe the nature and scope and proposed schedule of such work. Within five (5) business days of Grantor's receipt of the written notice, the Association and Grantor shall meet and confer in good faith in an effort to reach a mutually-agreeable schedule for the repair work which results in the least disruption and interference with Grantor's use and enjoyment of the Property.
- B. Grantor and its successors and assigns shall, at their cost, be obligated to maintain the waterfall feature, including, without limitation, all water pumps and electrical mechanisms constructed by Grantor within the Easement Area in good and safe condition. Grantor acknowledges that the waterfall feature will be constructed so as to connect to and use water and electricity supplied to

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Grantor's Property. Grantor and its successors and assigns shall, at their cost, be obligated to operate the waterfall feature between May 1 and October 1 each year and to pay all water and electricity costs incurred in the use of the waterfall feature.

- 5. Liability and Indemnification. The Association hereby waives all right to recourse against Grantor, including the right to contribution or indemnification for any and all claims, demands, costs, reasonable expenses, liabilities, and losses arising out of any damage or injury to any person or persons, including Grantor, or property of any kind whatsoever and to whomsoever belonging, including Grantor, from any cause or causes reasonably related to the Association's presence or activities on the Easements, except for matters arising out of the sole negligence of Grantor. The Association shall indemnify, defend and hold Grantor, its successors and assigns, harmless from any and all claims, demands, costs, reasonable expenses, liabilities, and losses arising out of any damage or injury to any person or persons, including Grantor, or property of any kind whatsoever and to whomsoever belonging, including Grantor, from any cause or causes related to the Association's presence or activities on the Easements, except for matters arising out of the sole negligence of Grantor.
- 6. **Insurance**. The Association shall maintain comprehensive general liability insurance, including, but not limited to, bodily injury and property damage insurance, for liability assumed by the Association under this instrument with minimum limits of liability as follows:

Bodily injury and property damage liability:

\$1,000,000 / \$2,000,000 (per person/per occurrence)

Comprehensive general liability

\$1,000,000 / \$2,000,000 (per person/per occurrence)

Such insurance shall be obtained from a company or companies admitted to transact business in the State of Nevada and shall have an endorsement or certificate with such policy or policies specifying that:

- (a) The insurance is primary to any other insurance which may exist providing similar coverages;
- (b) Grantor is included as an additional insured for any liability resulting from, growing out of, or in any way connected with or incident to this agreement;
- (c) Grantor is not responsible for premiums and assessments on the insurance policy; and
- (d) The insurance company or companies will provide Grantor with thirty (30) days' prior written notice before canceling the insurance policy or policies acquired pursuant to this paragraph and before reducing any liability coverage thereunder.

The Association shall furnish Grantor with a copy of said endorsement(s) or certificate(s). The Association warrants that it will not cancel or reduce the insurance coverage without thirty (30) days

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prior written notice to Grantor, and that it will immediately notify Grantor in writing of any cancellation of coverage initiated by the insurer.

- 7. Liens. The Association shall keep the Easements free from any mechanic's or materialmen's liens claimed by any person, firm or corporation employed by or on behalf of the Association for any work or services performed under this instrument. In the event of the filing of any such liens, the Association shall cause such lien to be bonded or released within fifteen (15) days after The Association's written notice to do so. The Association shall indemnify and defend Grantor against any and all liability, cost and reasonable expense including attorney's fees incurred by Grantor as a result of any such lien.
- 8. **Prior Encumbrances**. This instrument is subject to all easements, leases, liens, conditions, restrictions, encumbrances and claims of title which may affect the Easements. The Association accepts the Easements in their present condition and without any representation or warranty by Grantor as to the condition of the Easements or improvements, any damage occurring thereto or for the existence of any violation of any municipal, county, state or federal law, order, rule, regulation or ordinance.
- 9. Casualty Loss. If any improvements to the Easements are totally or partially destroyed and render the Easements totally or partially inaccessible or unusable for the purposes set forth in this instrument, the Association may restore the improvements to substantially the same condition which existed immediately before destruction. If the Association elects not to restore the improvements, the Association shall restore the land to the condition existing immediately prior to the execution of this instrument, to the extent possible, and to the reasonable satisfaction of Grantor.
- 10. Compliance with Law. The Association shall comply with all laws, ordinances and governmental rules and regulations and shall furnish evidence of such compliance upon request. Any modifications or improvements to the Easements required by such laws shall be the responsibility of the Association. The Association shall comply with all required permits and approvals of Grantor or any other entity with jurisdiction over the Property. The Association agrees to indemnify the Grantor against any and all liability, cost, expense, fines or penalties which Grantor may incur due to the Association's failure to comply therewith.
- 11. Forbearance Not a Waiver. Any forbearance on the part of either party to this instrument, or their successors in interest and assigns, to enforce the terms and provisions of this instrument in the event of any violation or breach shall not be deemed a waiver of either party's legal rights regarding any subsequent violation or breach.
- 12. Severability. The provisions of this instrument are intended to be severable, separate, and distinct from each other. If any provision hereof is determined to be invalid or for any reason becomes unenforceable, no other provisions shall be thereby affected or impaired.
- 13. Captions. The captions on the paragraphs of this instrument are for convenience only and shall be of no force and effect whatsoever in interpreting the obligations or rights of the parties hereunder.

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- 14. **Entire Agreement**. This instrument contains the entire agreement between Grantor and the Association, relating to the rights granted and the obligations assumed herein. Any oral representations or modifications of this instrument shall be of no force and effect unless embodied in a subsequent modification in writing signed by the party to be charged.
- 15. Land Coverage. The Association shall not cause the reduction of any existing land coverage on the Property without replacing an equal amount of land coverage and shall not cause the Property to be covered in excess of its base allowable coverage without Grantor's prior written consent and without approval from TRPA.
- 16. **Dispute Resolution**. It is intended that all disputes related to this Agreement shall be resolved through reasonable business dispute resolution procedures, without resorting to litigation, as follows:
- A. Meet and Confer. The parties shall meet within five (5) business days of written notice by any party to attempt to resolve a dispute;
- B. Mediation. If the parties cannot resolve the dispute within five (5) business days of the notice in accordance with Section 16.A above, any party may send written notice to the other parties to initiate mediation. The parties shall mutually agree upon a mediator who shall conduct informal joint and private meetings with the parties to facilitate an examination of the respective interests, positions and risks involved arbitrating the dispute in an effort to assist the parties in resolving the dispute. Such mediation shall commence within thirty (30) days after the written notice to mediate. The parties shall bear their own attorney's fees and costs and shall share equally in the payment of the mediator's fees.
- C. Arbitration. If the dispute is not resolved within thirty (30) days after conclusion of the mediation proceeding, any party may initiate a binding arbitration proceeding by delivering written notice to the other parties. The binding arbitration proceeding shall be in accordance with the rules for arbitrators and consistent with the Uniform Arbitration Act, under the applicable Nevada Revised Statutes. An arbitrator shall be selected by mutual agreement, or the local District Court of Nevada if the parties cannot agree. The non-prevailing party shall bear all costs and expenses of the arbitration, including, but not limited to, the prevailing party's reasonable attorney's fees and costs, as determined by the arbitrator. All parties shall be bound by the award of the arbitrator.
- 17. Notices. All notices to be given under this Agreement shall be in writing and sent by (a) certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, (b) a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier, (c) hand delivery, in which case notice shall be deemed delivered upon receipt, or (d) facsimile, electronic mail or similar means if a copy of the notice is also sent by United States Certified Mail, in which case notice shall be deemed delivered on transmittal by facsimile, electronic mail or other similar means, provided that a transmission report is generated by reflecting the accurate transmission of the notices, as follows:

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To Grantor:

Michael Greenstein

P.O. Box 10492

Zephyr Cove, NV 89448 Fax No. 775-588-5044

Email: michael.greenstein@gmail.com

To the Association:

Hidden Woods Homeowners Association

Attn: Cary Sarnoff P. O. Box 11079

Zephyr Cove, NV 89448 Fax No. 775-588-6595

Email: csarnoff@sarnoffcourtreporters.com

or to such other address as Grantor or the Association may respectively designate by written notice to the other.

19. In the event the owners of APN 1418-34-202-005 execute and record the written agreement required by Section 1(B)(iii) of this Agreement, then the Association shall be relieved of its obligations under Sections 4 through 7, 9 through 11, and 15 and 16 of this Agreement in respect to that portion of the Easement Area comprising the Laughton Family Easement.

IN WITNESS WHEREOF, this instrument has been executed by the parties hereto on the date first set forth above.

GRANTOR:

Michael Greenstein

THE ASSOCIATION:

HIDDEN WOODS HOMEOWNERS ASSOCIATION, a Nevada nonprofit

cooperative corporation

By:

Cary Sarhoff

President, Board of Directors

Easement Deed (APN 1418-34-202-001)

State of Nevada }	
State of Nevace } SS. County of Douglas }	
Cary Sarnoff, pers	Linda L. Hardman, personally appeared onally known to me (or proved to me on the basis of ose name(s) is/axe subscribed to the within instrument and
acknowledged to me that he/ske executed the	same in his/fier/their authorized capacity(ies), and that by erson(s), or the entity upon behalf of which the person(s)
acted, executed the mistrument.	
WITNESS my hand and official seal.	Single & Hardran Notary's Signature
	Notary's Signature
	LINDA L. HARDMAN
	Notary Public - State of Nevada
	Appointment Recorded in Douglas County No: 05-95445-5 - Expires December1, 2008
gravita Abarra Abarra	general transferration and commission and an arrangement that the second transferration and transfer
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State of Nevaba } County of Douglas }	
	Linda L. Hardman personally appeared
Michael Green stein, pers	onally known to me (or proved to me on the basis of
satisfactory evidence) to be the person(s) who	ose name(s) is/are subscribed to the within instrument and
	same in his/her/their authorized capacity(ies), and that by rson(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.	rson(s), or the entity upon behan of which the person(s)
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WITNESS my hand and official seal.	Line & Handress
	Notary's Signature
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	LINDA L. HARDMAN Notary Public - State of Nevada
^	Appointment Recorded in Douglas County
	No: 05-95445-5 - Expires December1, 2008
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Easement Deed (APN 1418-34-202-001)

EXHIBIT A

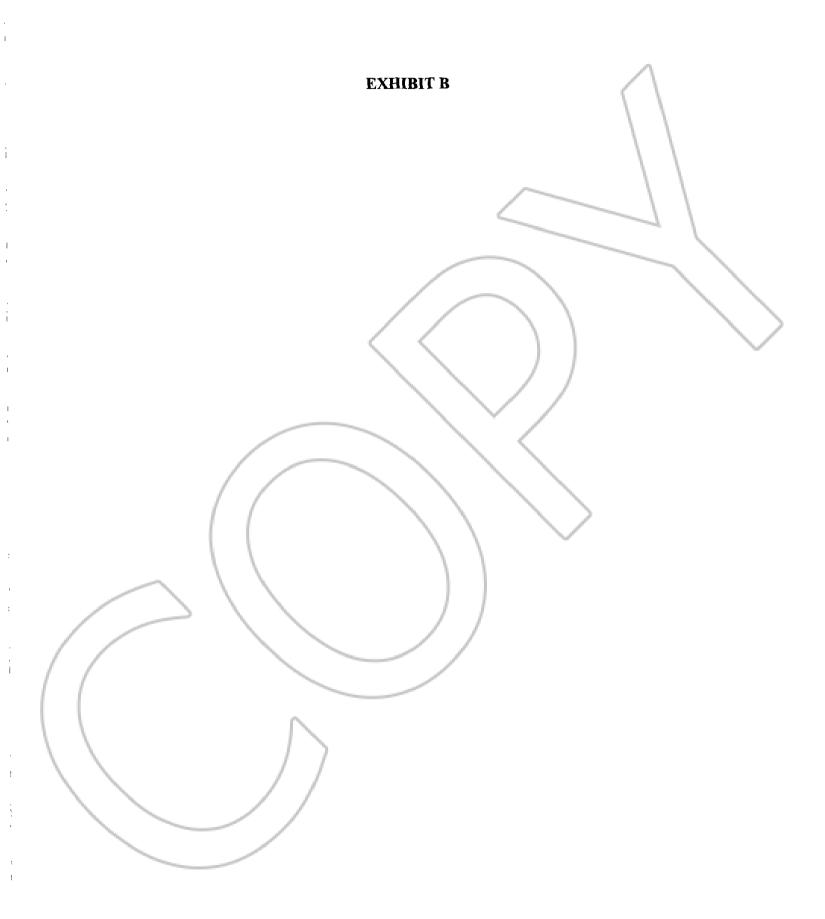
Easement Deed [Legal Description - APN 1418-34-202-001]

All that real property situated in the unincorporated area County of Douglas, State of Nevada, bounded and described as follows: Being a portion of Lot 2 of Section 34, Township 14 North, Range 18 East, M.D.B.&M., more particularly described as follows:

Parcel A as set forth on Parcel Map for Richard Doud and Roland Adams, recorded February 14, 1979, Book 279, Page 928, as Document No. 29957, Douglas County, Official Records AP#03-192-240, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and any revisions, remainders, rents, issues or profits thereof.



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PARCEL A EASEMENT DESCRIPTION

All that portion of Parcel A of the Parcel Map for Richard Doud and Roland Adams filed in Book 279 of Parcel Maps at Page 928 as Document No. 29957, Douglas County Records and being a portion of Section 34, Township 14 North, Range 18 East, M.D.M., in Douglas County, Nevada, described as follows:

Beginning at the Northwest corner of said Parcel A; thence, along the Northerly line of said Parcel 1 South 89°04'42" East 101.48 feet; thence, Southeasterly and parallel with the Easterly right-of-way of U.S. Highway 50 as shown on said Parcel Map, along the arc of a non-tangent curve, concave to the Southwest, having a radius of 965.00 feet, a central angle of 14°13'21", an arc length of 239.54 feet, and being subtended by a chord of South 32°14'47" East 238.93 feet, to the Southerly line of said Lot 1; thence, along the Southerly line of said Parcel 1, North 89°04'42" West 84.34 feet to the Southwest corner of said Parcel 1, also being a point on the Easterly right-of-way of U.S. Highway 50 as shown on said Parcel Map; thence, Northwesterly, along said Easterly right-of-way, along the arc of a non-tangent curve, concave to the Southwest, having a radius of 890.00 feet, a central angle of 16°03'51", an arc length of 249.53 feet, and being subtended by a chord of North 35°33'12" West 248.72 feet, to the point of beginning.

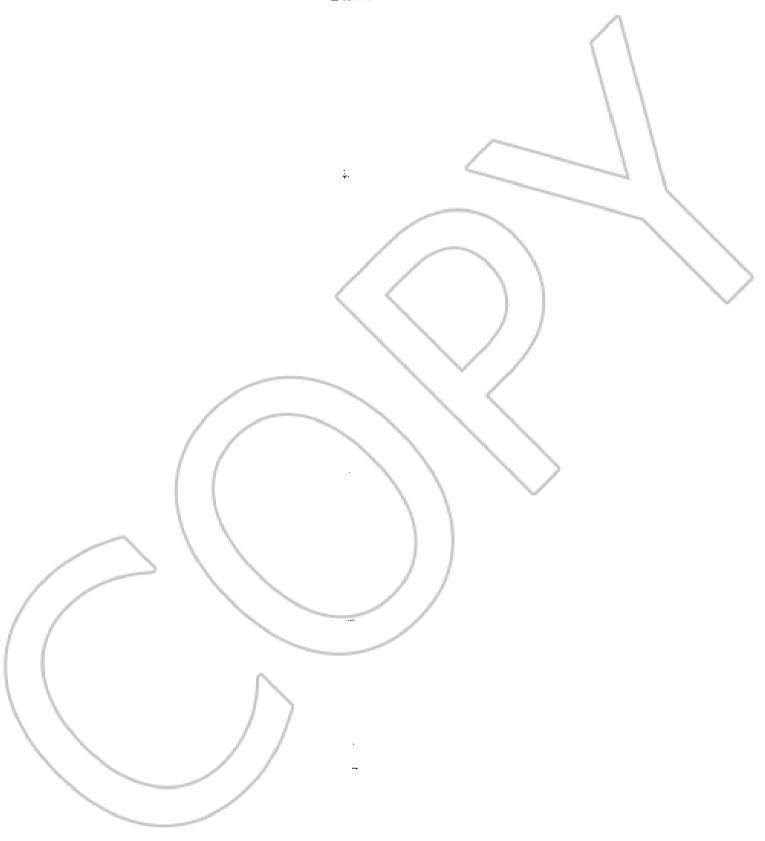
Containing 18,317 square feet, more or less.

The basis of bearings for this description in Nevada State Plane, West zone taken from the adjacent State Highway.



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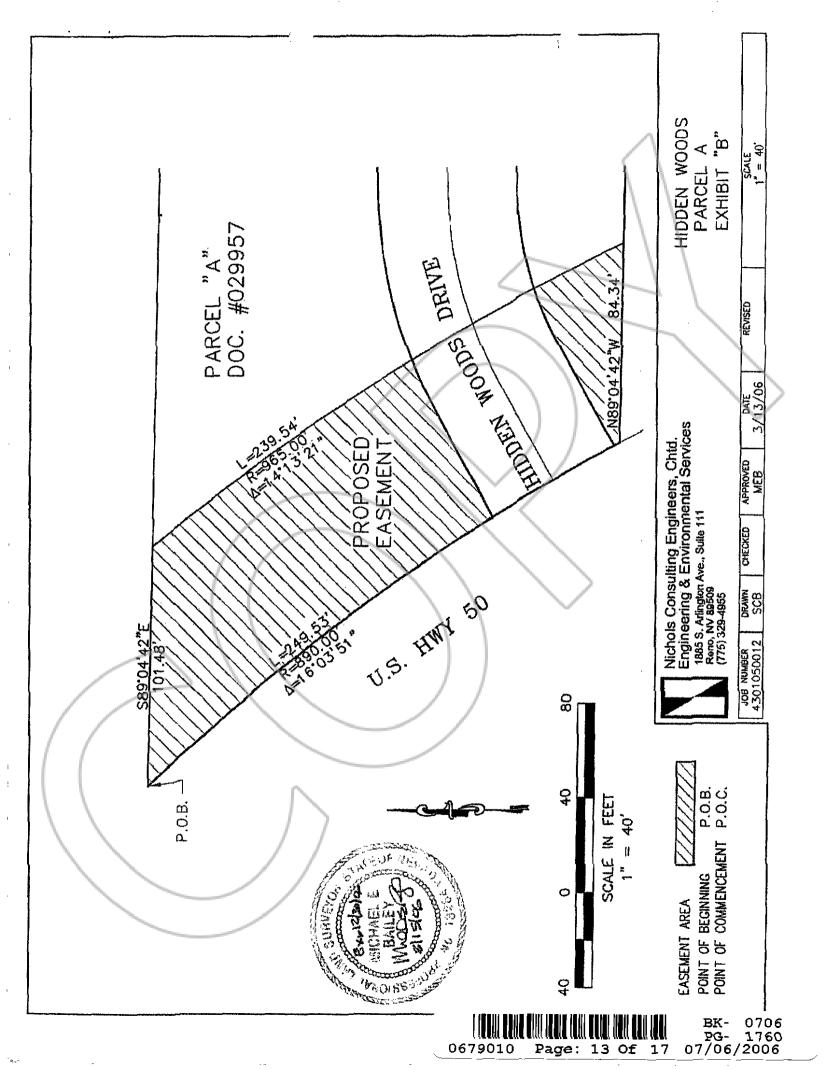
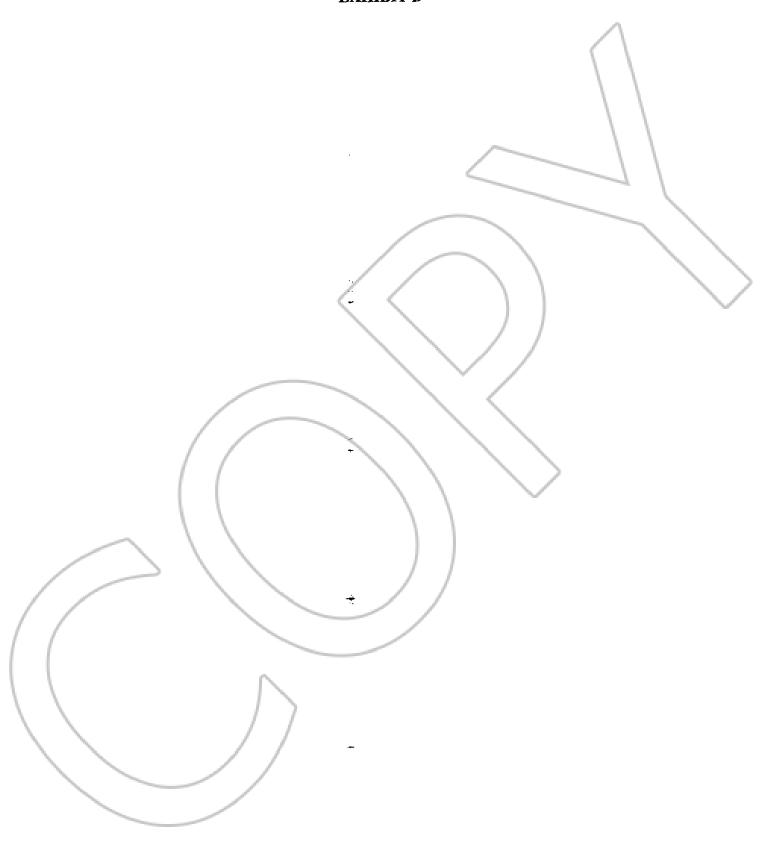


EXHIBIT D



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PARCEL A 20 FOOT ACCESS EASEMENT EASEMENT DESCRIPTION

All that portion of Parcel A of the Parcel Map for Richard Doud and Roland Adams filed in Book 279 of Parcel Maps at Page 928 as Document No. 29957, Douglas County Records and being a portion of Section 34, Township 14 North, Range 18 East, M.D.M., in Douglas County, Nevada, described as follows:

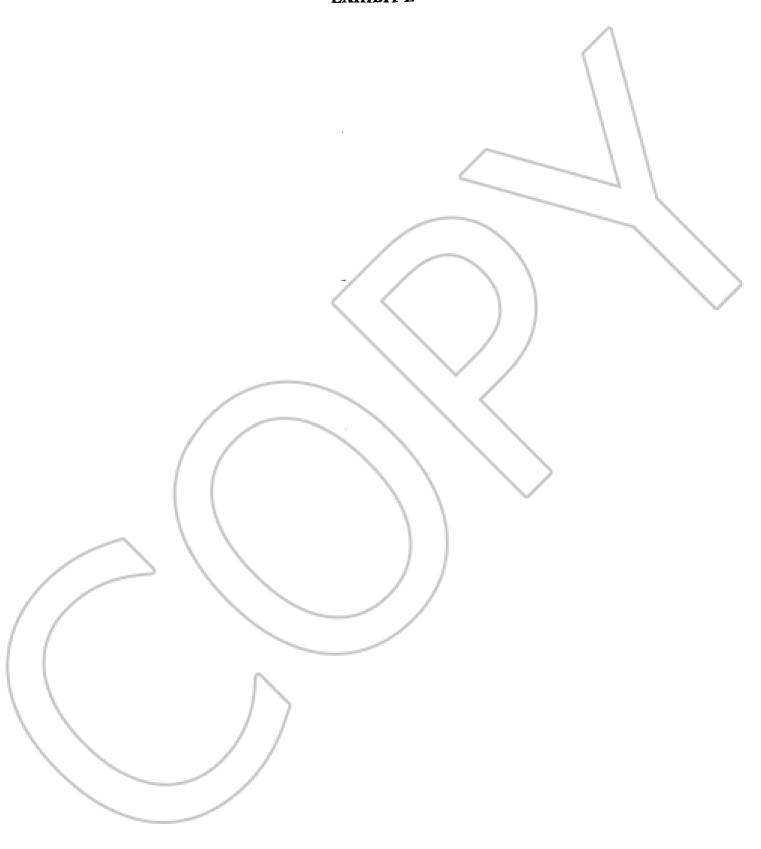
Commencing the Southwest corner of said parcel A; thence, along the Southerly line of said parcel A, South 89°04'42" East 64.34 feet, to the TRUE POINT OF BEGINNING of this description; thence, leaving said Southerly line, North 29°56'43" West 35.19 feet to the Southerly line of Hidden Woods Drive as described in the document recorded in Book 56 at Page 201, as Document No. 39634, Douglas County Records; thence, along the Southerly line of said Hidden Woods Drive, Easterly, along the arc of a curve concave Southerly, having a radius of 150.00 feet, a central angle of 07°38'19", an arc length of 20.00 feet, and being subtended by a chord of North 67°29'41" East 19.98 feet; thence, leaving said Southerly line of Hidden Woods Drive, Southerly, along the arc of a non-tangent curve, concave Westerly, having a radius of 965.00 feet, a central angle of 02°33'00", an arc length of 42.95 feet, and being subtended by a chord of South 26°24'37" East 42.95 feet, to the Southerly line of said Parcel A; thence, along the Southerly line of said Parcel A, North 89°04'42" West 20.00 feet, to the point of beginning.

Containing 741 square feet, more or less.

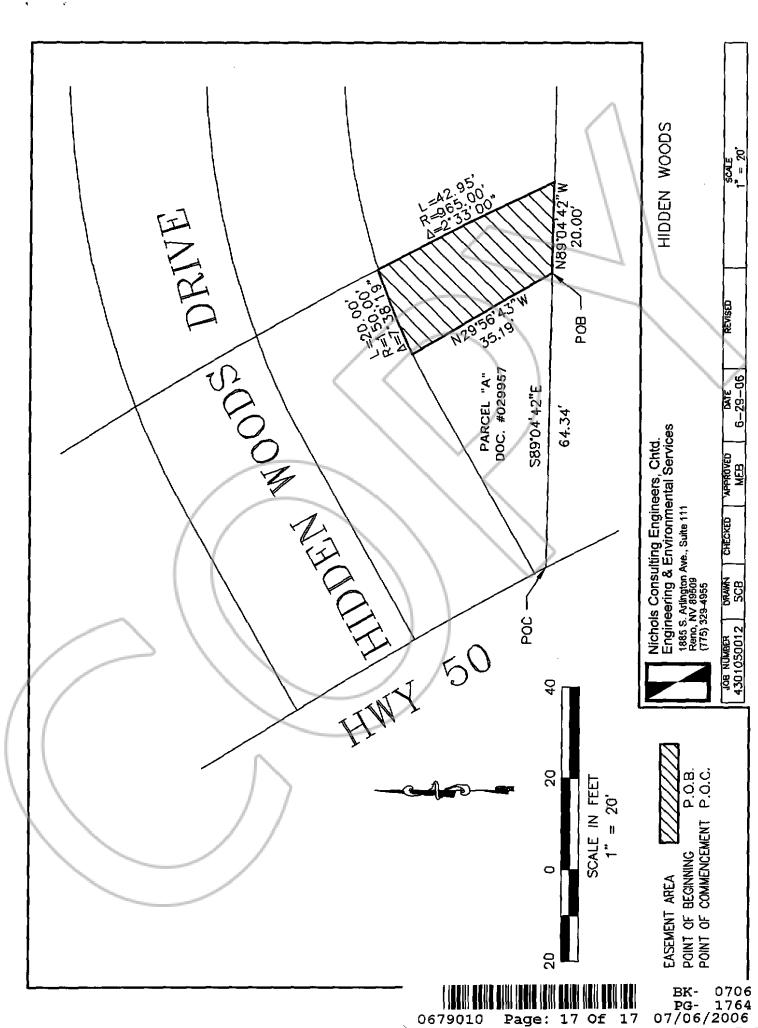
The basis of bearings for this description in Nevada State Plane, West zone taken from the adjacent State Highway.

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EXHIBIT E



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