

APN: 1418-34-601-001

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: 1 Of 20 Fee: 33.00
BK-1206 PG- 1718 RPTT: 0.00



Above Space Reserved for Recording Information

EASEMENT AGREEMENT

This Easement Agreement ("**Agreement**") is entered into as of July 6, 2006, ("**Effective Date**") between STEVEN L. SPEARS and JUDITH A. SPEARS (collectively, "**Grantor**"), and VINTON J. HAWKINS, individually, SHARON M. HAWKINS, individually, JAMES R. LAUGHTON, JR., individually, MITCHELL C. LAUGHTON, individually, MITCHELL C. LAUGHTON, Trustee of the MITCHELL CARTER LAUGHTON REVOCABLE TRUST, KIMBERLY THOMPSON LAUGHTON, Trustee of the STEVEN AND KIMBERLY LAUGHTON 1999 TRUST, JOHN W. HAWKINS, Trustee of the JOHN W. HAWKINS QUALIFIED PERSONAL RESIDENCE TRUST, and DIANE A. HAWKINS, Trustee of the DIANE A. HAWKINS QUALIFIED PERSONAL RESIDENCE TRUST (collectively, "**Grantee**").

RECITALS

A. Grantor is the owner of certain real property within the Hidden Woods portion of the Lakeridge subdivision ("**Hidden Woods**") located at 1241 Hidden Woods Drive, Zephyr Cove, Douglas County, Nevada, commonly known as APN 1418-34-601-001, and more particularly described in the attached Exhibit A (the "**Grantor's Property**").

B. Grantee is the owner of certain real property adjacent to Hidden Woods located at 1227 Highway 50, Zephyr Cove, Douglas County, Nevada, commonly known as APN 1418-34-202-005, and more particularly described in the attached Exhibit B ("**Grantee's Property**").

C. The Hidden Woods Homeowners Association, a Nevada nonprofit cooperative corporation (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 which will limit Grantee's access to Grantee's Property.

D. Grantee desires to acquire certain rights in Grantor's Property for access to Grantee's Property, 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 Grantee non-exclusive easements appurtenant and in perpetuity, and as more particularly described as follows:

1. **Easements.**

A. **Right-of-Way.** A permanent right-of-way in, under, along and through Grantor's Property as described in the attached Exhibit C and depicted in the attached Exhibit D, for ingress, egress, and access to and from Grantee's Property from Hidden Woods Road.

B. **Secondary Right.** The easement granted herein includes incidental rights of construction, maintenance, repair, and replacement, as necessary for Grantee's use of the easement.

C. **Character of Easements.** The easements granted herein are appurtenant to Grantor's Property for the benefit of Grantee's Property. The easements granted herein are hereinafter referred to as the "Easements."

2. **Consideration.** In consideration for the Easements granted to Grantee herein, Grantor shall be relieved, for a period of five (5) years commencing on the Effective Date of this Agreement, of the obligation under the Association's Declaration of Covenants, Conditions and Restrictions and/or any Association rule or regulation to pay any and all homeowner's dues so long as Grantor is the legal owner of the Property. This dues waiver shall apply only to Grantor and only for so long as Grantor owns the Property, and it shall terminate upon the earlier of five (5) years or Grantor's transfer of title to the Property. Grantor shall have no right to transfer or assign this dues waiver to any person.

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.** Grantee shall be obligated to maintain the Easements 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 from the surface of the Property, Grantee 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, Grantee 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 Grantor's Property.

5. **Liability and Indemnification.** Grantee 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 Grantee's presence or activities on the Easements, except for matters arising out of the sole negligence of Grantor. Grantee 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 Grantee's presence or activities on the Easements, except for matters arising out of the sole negligence of Grantor.

6. **Insurance.** Grantee shall maintain comprehensive general liability insurance, including, but not limited to, bodily injury and property damage insurance, for liability assumed by Grantee 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.

Grantee shall furnish Grantor with a copy of said endorsement(s) or certificate(s). Grantee warrants that it will not cancel or reduce the insurance coverage without thirty (30) days 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.** Grantee 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 Grantee for any work or services performed under this instrument. In the event of the filing of any such liens, Grantee shall cause such lien to be bonded or released within fifteen (15) days after Grantee's written notice to do so. Grantee 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. Grantee 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, Grantee may restore the improvements to substantially the same condition which existed immediately before destruction. If Grantee elects not to restore the improvements, Grantee 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.** Grantee 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 Grantee. Grantee shall comply with all required permits and approvals of Grantor or any other entity with jurisdiction over Grantor's Property. Grantee agrees to indemnify the Grantor against any and all liability, cost, expense, fines or penalties which Grantor may incur due to Grantee'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.

14. **Entire Agreement.** This instrument contains the entire agreement between Grantor and Grantee, 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.

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:

To Grantor: Steven Spears
125 Meadow Crest Lane
Walnut Creek, CA 95495
Fax No. 925-935-5907

To Grantee: John W. Hawkins
1720 Circle Drive
Reno, NV 89509
Fax No. 775-322-0223

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

[Signature pages follow]

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

GRANTOR:

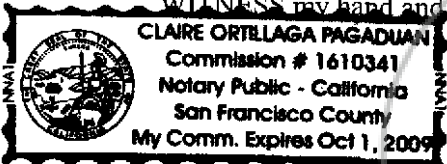
Steven L. Spears

Judith A. Spears

State of California }
County of San Francisco } SS.

On July 14, 2006, before me, Claire Ortillaga Pagaduan, Notary, personally appeared Steven L. Spears, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her/their authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



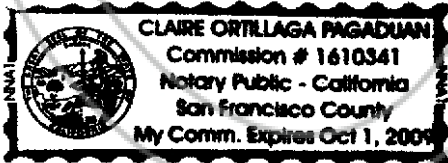
Claire Ortillaga Pagaduan, Notary

Notary's Signature

State of California }
County of San Francisco } SS.

On July 14, 2006, before me, Claire Ortillaga Pagaduan, Notary, personally appeared Judith A. Spears, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her/their authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

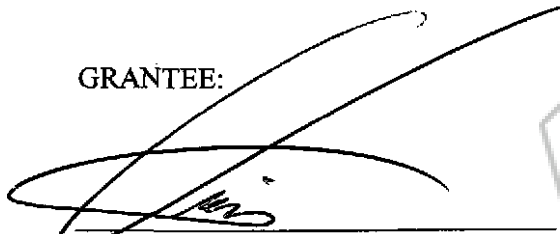


Claire Ortillaga Pagaduan, Notary

Notary's Signature

[Additional signature pages follow]

GRANTEE:

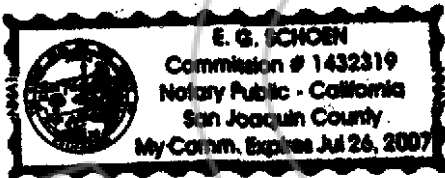

VINTON J. HAWKINS

State of CALIFORNIA }
County of SAN JOAQUIN } SS.

On October 31 2006, before me, E. G. Schoen, personally appeared Vinton J. Hawkins, personally known to me (~~represented to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she~~ executed the same in his/~~her~~/~~their~~ authorized capacity(~~ies~~), and that by his/~~her~~ signature(~~s~~) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

E. G. Schoen
Notary's Signature



[Additional signature pages follow]

GRANTEE:

Sharon M. Hawkins
SHARON M. HAWKINS

State of California }
County of Sacramento } SS.

On November 6, 2006, before me, K. RAUKHVERGER, Notary Public, personally appeared Sharon M. Hawkins, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

K. RAUKHVERGER, Notary
Notary's Signature



[Additional signature pages follow]

GRANTEE

[Handwritten Signature]

JAMES R. LAUGHTON, JR.

State of NEVADA }
 } SS.
County of WASHOE }

On Oct. 30, 2006, before me, DIANA EVANS, personally appeared JAMES R. LAUGHTON, JR., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her/their authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

[Handwritten Signature]

Notary's Signature



[Additional signature pages follow]

GRANTEE:

STEVEN AND KIMBERLY LAUGHTON
1999 TRUST

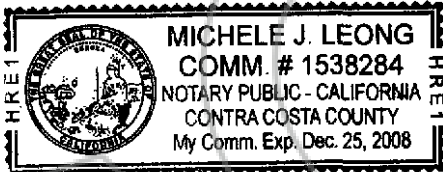
By: Kimberly Thompson Laughton,
Kimberly Thompson Laughton, Trustee Trustee

State of CALIFORNIA }
County of CONTRA COSTA } SS.

On Nov. 6, 2006, before me, Michele J. Leong, Notary Public, personally appeared Kimberly Thompson Laughton, Trustee, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her/their authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

[Signature]
Notary's Signature



[Additional signature pages follow]

GRANTEE:

JOHN W. HAWKINS QUALIFIED PERSONAL
RESIDENCE TRUST

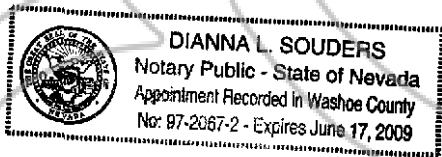
By: *John W. Hawkins*
John W. Hawkins, Trustee

State of Nevada }
County of Washoe } SS.

On October 31, 2006, before me, *Dianna L. Souders*, personally appeared *John W. Hawkins*, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her/their authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Dianna L. Souders
Notary's Signature



[Additional signature pages follow]

GRANTEE:

DIANE A. HAWKINS QUALIFIED PERSONAL
RESIDENCE TRUST

By: *Diane A. Hawkins, Trustee*
Diane A. Hawkins, Trustee

State of Nevada }
County of Washoe } SS.

On October 31, 2006, before me, *Dianna L. Souders* *DS*, personally appeared *Diane A. Hawkins*, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her/their authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

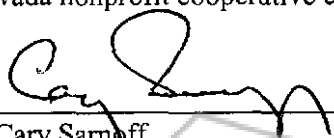
Dianna Souders
Notary's Signature



[Additional signature page follow]

ASSOCIATION:

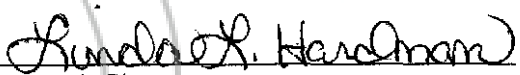
HIDDEN WOODS HOMEOWNERS ASSOCIATION,
a Nevada nonprofit cooperative corporation

By: 
Cary Sarnoff
President, Board of Directors

State of Nevada }
 } SS.
County of Douglas }

On July 25, 2006, before me, Linda L. Hardman, personally appeared Cary Sarnoff, personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s) is/~~is~~ subscribed to the within instrument and acknowledged to me that he/~~she~~ executed the same in his/~~her~~/~~their~~ authorized capacity(~~ies~~), and that by his/~~her~~ signature(~~s~~) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.


Notary's Signature



LINDA L. HARDMAN
Notary Public - State of Nevada
Appointment Recorded in Douglas County
No: 05-95445-5 - Expires December 1, 2008

[Final signature page; exhibits follow]

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COPY

EXHIBIT A
Easement Agreement

[Legal Description / APN 1418-34-601-001]

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

THAT PORTION OF SECTION 24 AND 34, TOWNSHIP 14, RANGE 18, MOUNT DIABLO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

PARCEL 1:

COMMENCING AT THE ONE-QUARTER CORNER COMMON TO SECTIONS 27 AND 34, TOWNSHIP 14 NORTH, RANGE 18 EAST, M.D.B.&M., THENCE SOUTHERLY ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 34, SOUTH 00°28'58" WEST 2,162.69 FEET; TO THE TRUE POINT OF BEGINNING THENCE SOUTH 89°52'48" EAST 120.00" FEET; THENCE SOUTH 04°30'00" EAST 449.13 FEET; THENCE NORTH 89°52'38" WEST 159.05 FEET; THENCE NORTH 00°28'58" EAST 447.66 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 2:

TOGETHER WITH A NON-EXCLUSIVE EASEMENT FOR ACCESS AND UTILITY PURPOSES DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED PARCEL; THENCE SOUTH 89°52'348" EAST 165.00 FEET; THENCE NORTH 46°24'02" WEST 50.92 FEET TO A POINT ON A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 105.00 FEET AND A CENTRAL ANGLE OF 48°45'01"; THENCE SOUTHWEST ALONG SAID CURVE AN ARC LENGTH OF 89.34 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTH HAVING A RADIUS OF 2,634.25 FEET AND AN CENTRAL ANGLE OF 01°02'21" THENCE ALONG SAID CURVE AN ARC LENGTH OF 47.78 FEET; THENCE SOUTH 00°28'58" WEST 3.79 FEET TO THE POINT OF BEGINNING.

PER N.R.S 111.312, THIS LEGAL DESCRIPTION WAS PREVIOUSLY RECORDED AS DOCUMENT NO. 0497684, BOOK 0800, PAGE 2585 ON AUGUST 14, 200 IN THE OFFICIAL RECORDS OF THE DOUGLAS COUNTY RECORDER.

NOTE: THE ABOVE METES AND BOUND DESCRIPTION APPEARED PREVIOUSLY IN THAT CERTAIN DOCUMENT RECORDED N/A, IN BOOK N/A, PAGE N/A, AS INSTRUMENT NO. N/A.

TOGETHER with all tenements, hereditaments and appurtenances, including easements and water rights, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof.



EXHIBIT B
Easement Agreement

[Legal Description/APN 1418-34-202-005]

Beginning at a point on the east boundary line of Lot 2 of Section 34, Township 14 North, Range 18 East M.D.B.&M., said point being South 0°31' West 852.075 feet from the northeast corner of said Lot 2; thence North 89°53' West a distance of 1555 feet, more or less, to intersection with the meander line of Lake Tahoe; thence South 29° East along said meanderline, a distance of 148.80 feet, thence South 89°53' East, a distance of 1480 feet, more or less, to the East boundary line of said Lot 2; thence North 0°31' East, a distance of 130 feet to the point of beginning; together with all and every right attaching to the said line beyond the meander line to the low water mark of said Lake Tahoe.

Per NRS 111.312, this legal description was previously recorded as Document No. 2263074.

EXHIBIT C
Easement Agreement

Job No.4301050012
June 29, 2006
MEB/SB

**SPEARS PROPERTY
EASEMENT DESCRIPTION**

All that portion of the property conveyed to Steven L. Spears and Judith A. Spears by deed recorded December 10, 2004 in Book 1204 at Page 04747 as Document Number 0631578, Official Records of Douglas Country, State of Nevada, describes as follows:

Beginning at the Northwest corner of said Spears property; thence, along the Northerly lie of said Spears property, South 89°04'49" East 20.00 feet; thence, leaving said Northerly line, South 46°04'13" West 28.36 feet, to the Westerly line of said Spears property; thence, along said Westerly line, North 01°13'16 " East 20.00 feet, to the point of beginning.

Containing 200 square feet, more or less.

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

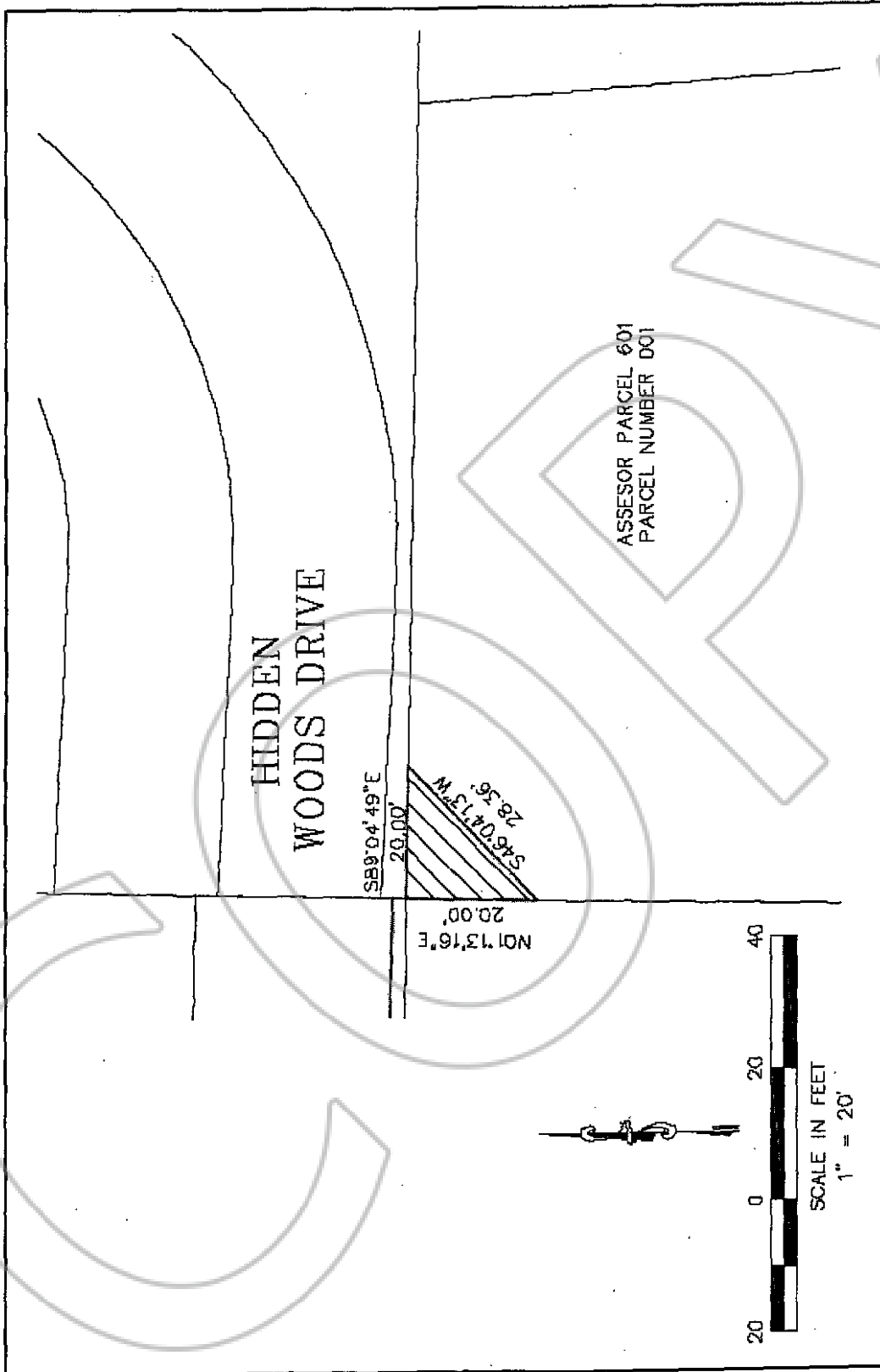


EXHIBIT D
Easement Agreement

SEE ATTACHED

COPY

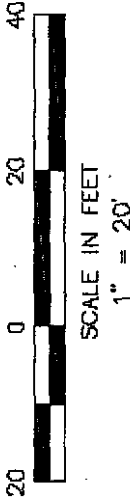




HIDDEN
WOODS DRIVE

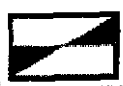
ASSESSOR PARCEL 601
PARCEL NUMBER 001

SB89°04'49"E
20.00'
S46°04'13"W
28.56'
N01°13'16"E
20.00'



HIDDEN WOODS
PARCEL 001
EXHIBIT "A"

Nichols Consulting Engineers, Chtd.
Engineering & Environmental Services
1885 S. Arlington Ave., Suite 111
Reno, NV 89508
(775) 329-4855



JOB NUMBER 4301050012	DRAWN SCB	CHECKED	APPROVED MEB	DATE 6-29-06	REVISED	SCALE 1" = 20'
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