

NA

DOC # 0690238
12/07/2006 01:45 PM Deputy: GB
OFFICIAL RECORD
Requested By:
DC/CLERKS OFFICE

Assessor's Parcel Number: N/A

Date: NOVEMBER 30, 2006

Recording Requested By:

Name: CAROL, CLERK'S OFFICE

Address: _____

City/State/Zip: _____

Real Property Transfer Tax: \$ N/A

Douglas County - NV
Werner Christen - Recorder
Page: 1 of 23 Fee: 0.00
BK-1206 PG- 2399 RPTT: 0.00



MEMORANDUM OF UNDERSTANDING #2006.217

(Title of Document)

This page added to provide additional information required by NRS 111.312 Sections 1-2. (Additional recording fee applies)

This cover page must be typed or legibly hand printed.

FILED

2006. 217

**Memorandum of Understanding
("MOU")**

2006 NOV 30 AM 9:38

This Memorandum of Understanding is entered into on this 2ND day of November, 2006, between the Town of Gardnerville, Nevada (hereinafter Town), the Hellwinkel Family Trust (hereinafter Hellwinkel Family), and Douglas County, Nevada (hereinafter County) in order to clarify the relationship between the Town, the Hellwinkel Family, and the County concerning the improvements contemplated on Exhibit "A" and depicted as the Linear Parkway and Flood Channel.

WHEREAS, the Hellwinkel Family owns certain parcels of land within the geographic boundaries of the Town along the Martin Slough; and, after having approached the Town, are seeking to convey ownership by clear and free title to the area generally depicted as the Linear Parkway and Flood Channel; and,

WHEREAS, the Town desires to utilize said property to open a public access open space corridor after the Linear Parkway and Flood Channel improvements have been completed; and

WHEREAS, the County has reviewed and approved of the Town's General Grant Application for Nevada Division of State Lands Conservation and Resource Protection Grant funds on August 3, 2006, and has recognized that the Hellwinkel Land donation will provide critical public access to the Martin Slough and that the Town's proposed Martin Slough Project will preserve open space; and

WHEREAS, the County acknowledges, considers, and deems the Linear parkway and Flood Channel, and the improvements constructed thereon by the Town, as public access open space of regional significance and applicable to the twenty-five percent (25%) open space requirement as required by Douglas County Code Section 20.676.100, whether this open space satisfies this open space requirement in whole or in part.

NOW THEREFORE, the parties hereto agree as follows:

1. The Hellwinkel Family shall provide title to said property upon the successful award of funding for the improvements from the State of Nevada Question 1 program to the Town, the successful adjustment of current flood plain designations as depicted on Exhibit "A."
2. Should a Planned Development Application be submitted by the Hellwinkel Family to the County within five (5) years of the date all the parties have signed this MOU which includes in it the Hellwinkel Family land donation to the Town, and the Town's improvements thereon, the County agrees that the area of land donated shall be deemed to be common open space and applied to the 25% open space requirement of Douglas County Code Section 20.676.100. A Planned Development Application submitted by the Hellwinkel Family shall comply in all



respects with ordinances and statutes in effect as of the date of the application.

3. The Town agrees to diligently seek funding from the State of Nevada Question 1 program in 2006 by completing the application process and has done so as of April 4, 2006.
4. The Town agrees to provide the necessary funding to have performed a Flood Study and CLOMR Application in an amount not to exceed \$40,000 (Forty Thousand Dollars) to determine the feasibility and viability of adjusting the current flood plain designations as generally depicted on Exhibit "A".
5. The Hellwinkel Family agrees to reimburse the Town an amount not to exceed \$20,000 (twenty thousand dollars), or up to one-half the actual cost of such Flood Study and CLOMR Application in the event that the federal government does not approve the adjustment of current flood plain designations. Should this project fail to go forward because of any decision or act of the Hellwinkel family then the Hellwinkel family shall be responsible for paying all of the cost of the Flood Study and CLOMR Application.
6. The family shall be responsible for any fees required above and beyond \$300 to secure SHPO approval for the Hellwinkel/Martin Slough Linear Parkway upon the execution of this Memorandum of Understanding, including without limitation, any additional architectural surveys or reports required to obtain SHPO approval."
7. The Town and Hellwinkel Family shall mutually agree on the selection of a professional engineering firm to perform said flood study and related documentation that may be required by the federal government in the course of reviewing and rendering a decision as to the adjustment of the current flood plain designations.
8. The Hellwinkel Family shall provide title to said property to the Town subject to the encumbrances set for in the Preliminary Title Report, as enumerated in Exhibit "B."
9. The Hellwinkel Family agrees that in the event the Town is unsuccessful in obtaining funding from the State of Nevada Question 1 program, that the Town may provide other funding to complete the Linear Parkway and Flood Channel improvements within the fiscal year ending June 30, 2007.
10. The Town shall recognize and affirm that the donation of land for the development of the Martin Slough Linear Parkway across the Hellwinkel property is useable open space of regional significance, and provisions for enhanced pedestrian-oriented connections may be made with future developments that provide access to existing or planned regional open spaces. As such, the Town shall support the exemption of useable open space requirements for future development on the Hellwinkel parcels.
11. The Town agrees that the property donated by the Hellwinkel Family to the Town and the constructed Linear Parkway and Flood Channel improvements shall remain as public access and will be maintained by the Town or its designee.



12. This Memorandum of Understanding shall be effective upon the date of execution. Signature on behalf of the Town shall be by delegation of the Gardnerville Town Board. Signature on behalf of the Hellwinkel Family shall be pursuant to the persons authorized by the Hellwinkel Family to execute the document.

Signed on the date set forth hereinabove.

Hellwinkel Family Trust

Edith Hellwinkel
Trustee

Douglas County, Nevada

By: James L. Baushke
James L. Baushke, Chairman
Douglas County Commission

Town of Gardnerville, Nevada

By: Michael W. Phillips
Michael W. Phillips, Chairman
Gardnerville Town Board



COPY

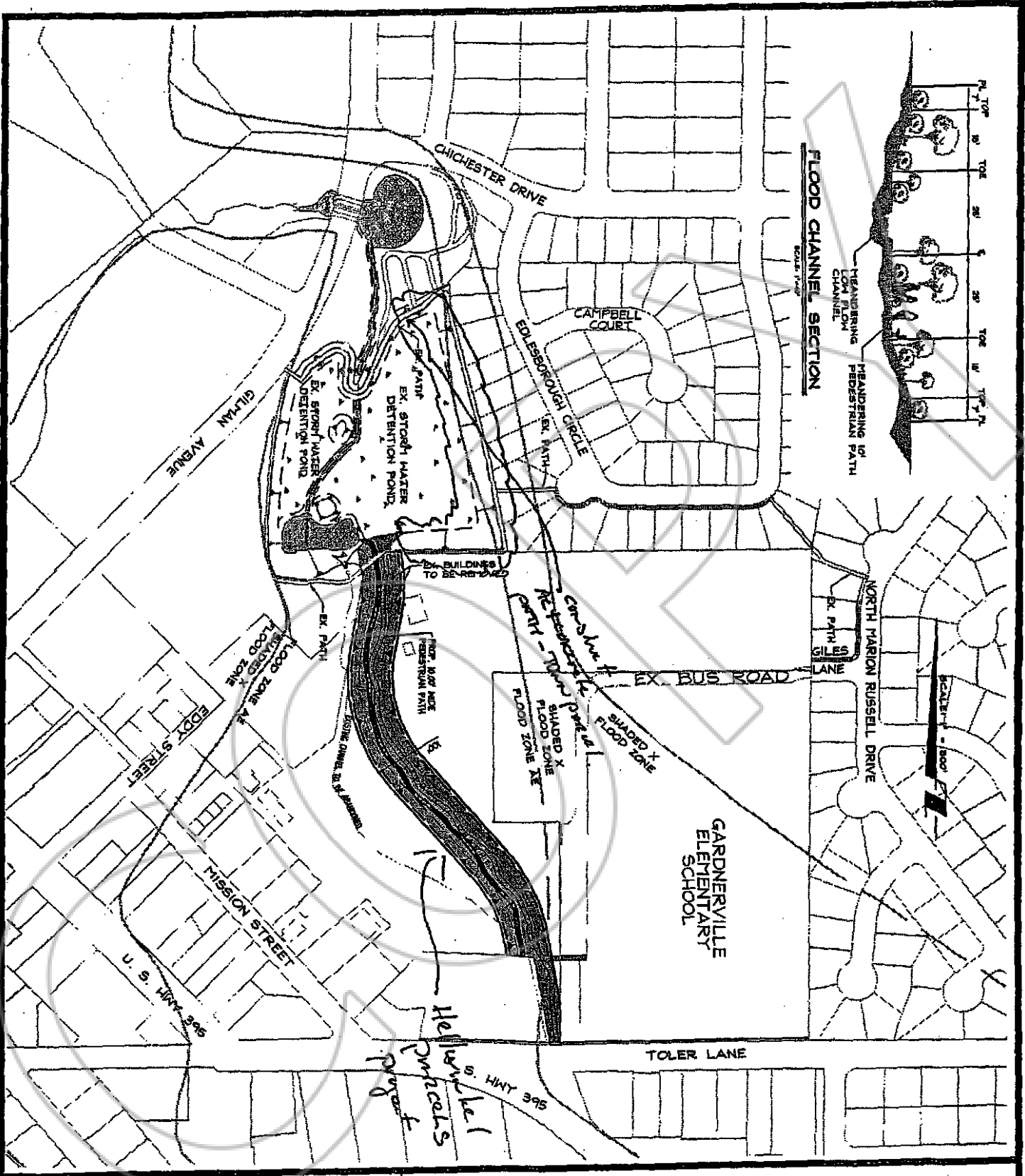
EXHIBIT A



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R/O/Anderson

1603 ESMERALDA AVENUE / POST OFFICE BOX 2229
 MINDEN, NEVADA 89423
 PHONE: (775) 782-2822 / FAX: (775) 782-7084
 WEB SITE: WWW.ROANDERSON.COM

CONCEPTUAL SITE PLAN LINEAR PARKWAY AND FLOOD CHANNEL

0423-003



BK- 1206
 PG- 2404

Map Legend

- Parcel Boundary
- Sub'd Boundary
- Easements
- Town Boundary
- Township/Range/Section
- Open Space/Conserv. Eas.
- Receiving Area

Parcel Number

Parcel Sub/Seq Number

Parcel Acreage

Parcel Block Number

Parcel Lot Number

Parcel Address

T13 N R20 E

SEC. 33

1	2	3	4	5	6	7	8
9	10	11	12	13	14	15	16
17	18	19	20	21	22	23	24
25	26	27	28	29	30	31	32
33	34	35	36				

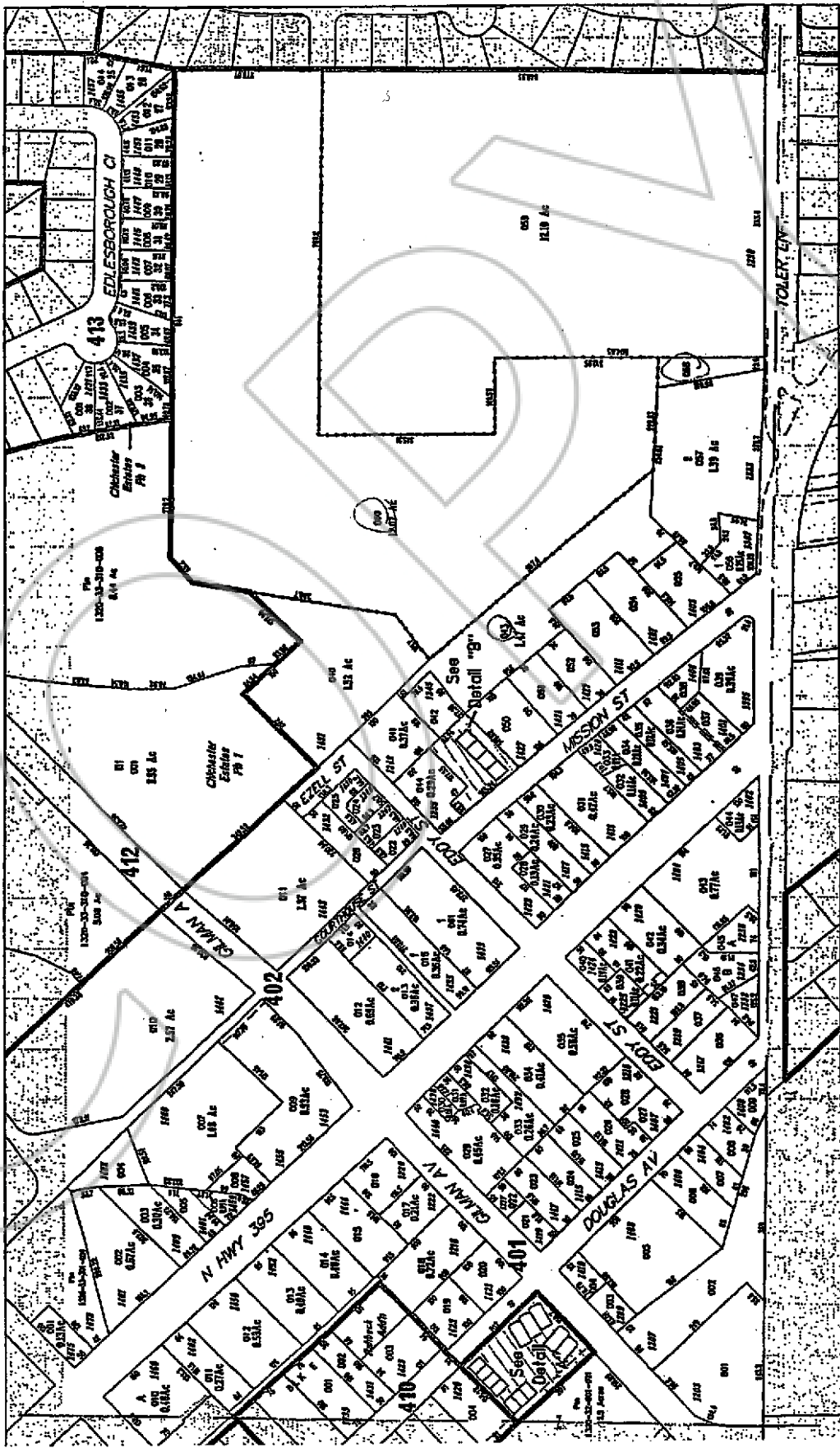
S 2 SW 4

1	2	3	4
5	6	7	8

1320-33-4

SCALE 1" = 200'

REVISED 4/28/2004



COPY

EXHIBIT B



Handwritten mark

RECEIVED JUN 16 2006

STEWART TITLE

401 Ryland Street
Reno, Nevada 89510
Phone: (775) 789-4100
Fax: (775) 789-4112

June 16, 2006

Lowe & Hales
1638 Esmeralda Street
Minden, NV

Attention: James Hales

Escrow No.: 060501042

Dear James Hales:

Thank you for giving Stewart Title the opportunity of processing your real estate transaction.

We are delighted to enclose your copy of our Preliminary Title Report for your review prior to close of your transaction.

Should you have any questions in regard to this transaction, or should you require any assistance, please do not hesitate to contact your Escrow Officer.

Thank you again for selecting Stewart Title. All of us appreciate your business and we sincerely hope to continue our business relationship for your present and future title and escrow needs.

Sincerely yours,

Brenda Cristanelli

BRENDA CRISTANELLI
Title Officer

TITLE ONLY
ESCROW OFFICER



BK- 1206
PG- 2407

stewart
title of douglas county

1663 US Highway 395 N, Ste 101, Minden, Nevada 89423
Phone (775) 782-2208 Fax (775) 782-4601

PRELIMINARY REPORT

Our Order No. 060501042

Today's Date: June 16, 2006

In response to the above referenced application for a policy of title insurance, Stewart Title Guaranty Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage of said Policy or Policies are set forth in Exhibit A attached. Copies of the Policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments thereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of: May 26, 2006 at 7:30 a.m.


BRENDA CRISTANELLI, Title Officer

PROPERTY ADDRESS:

WHEN REPLYING PLEASE CONTACT
Escrow Officer: TITLE ONLY
Phone: (775) 782-2208

, NV

Order No. 0605010

The estate or interest in the land hereinafter described or referred to covered by this Report is:

A FEE

Title to said estate or interest is vested in:

ROY AUGUST HELLWINKEL AND EDITH CLARICE HELLWINKEL as trustees of the ROY AUGUST HELLWINKEL AND EDITH CLARICE HELLWINKEL FAMILY TRUST dated February 14, 1989

COPY

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LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of DOUGLAS, described as follows:

That parcel of land lying easterly of, and adjacent to the Town of Gardnerville, Douglas County, Nevada, in the Southwest 1/4 of Section 33, Township 13 North, Range 20 East, M.D.B.&M., and being more particularly described by metes and bounds as follows, to-wit:

Beginning at a point at Corner No. 1, on the northerly side of the County Highway right of way line and South 89°53' West 23.60 feet from the Southwest corner of the Consolidated School District A (grammar school lot) said Corner No. 1 being described as bearing North 89°42' East a distance of 719.40 feet from the so-called Dettling Monument in the Town of Gardnerville, said Corner No. 1 also being further described as bearing North 89°40'30" West a distance of 3239.50 feet from the Southeast corner of Section 33, Township 13 North, Range 20 East, M.D.B.&M.; said point of beginning also being the Southeast corner of the property of Bessie V. Gefeke; thence Northerly along the property line of Bessie V. Gefeke 200 feet to Corner No. 2; thence North 88°44' West along the Northerly line of said Gefeke property 255 feet, more or less, to Corner No. 3; thence South 42°19' West 70 feet, more or less, to Corner No. 4, at the most Easterly corner of the Methodist Church lot; thence North 40°45' West along the Northeasterly side of the Methodist Church lot 98 feet, more or less, to corner No. 5, at the northwest corner of the said Methodist Church Property; thence North 45°50' East 59 feet, more of less to Corner No. 6, formerly M. Jensen's Northeast corner; thence North 40°45' West 170 feet, more or less, to Corner No. 7, at Jensen's Northwest corner; thence South 45°40' West 49.60 feet, more or less, to Corner No 8; thence North 41°20' West 253 feet, more or less, to Corner No. 9, and heretofore designated in a former deed as the H.W.F. Elges Northeast corner; thence North 45°00' East 27.40 feet to a point; thence North 52°06' East 80.20 feet to a point; thence North 45°15' West 78.50 feet, more or less, to the Southeasterly line of the property conveyed to A. Jensen, Jr. by deed recorded in Book T of Deeds, page 201, Douglas County, Nevada, Records; thence North 45°57' East 22 feet, along said Jensen line, to a point at the Southeast corner of said Jensen lot; thence

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South 44°42' East 66.50 feet, more or less, to a point at the Southwest corner of the Frank M. Reed lot; thence North 52° East along said Reed lot 121.70 feet to a point; thence North 9°05' East along said Reed lot 386.70 feet, more or less, to the most Northerly corner of said Reed lot; thence North 45°45' East 65.35 feet to a point, which point in a former deed was known as Corner No 12; thence South 89°11' East 961 feet, more or less, to Corner No. 13 and the Northeast corner of the parcel and the East bank of a ditch; thence South 0°45' East 1127 feet to a point at the Southeast corner of the parcel and the North side of the County Highway right of way line; thence South 89°53' West along the right of way line 299.40 feet more or less, to a point at the southeast corner of the grammar school lot; thence North 0°07' West along the Easterly line of the grammar school lot, 348.50 feet to a point; thence South 89°53' West along the Northerly line of the grammar school lot 256.00 feet to a point; thence South 0°07' East along the Westerly line of the grammar school lot, 348.50 feet to the Southwest corner of the grammar school lot; thence South 89°53' West 23.60 feet, more or less, to the point of beginning.

Together with an easement 23 feet wide for the purpose of ingress to, and egress from, the above described premises; being the same easement reserved by the party of the first part in that certain deed wherein Lena Jensen and A. Jensen, Jr., her husband are parties of the first part and A. Jensen, Jr. is second party, being recorded in Book T of Deeds, page 201, Douglas County, Nevada, Records, and extending said easement for the same width from Easterly line of the easement referred to in the above mentioned deed, to the Westerly line of the property herein conveyed.

EXCEPTING THEREFROM: That piece of parcel of land situate, lying and being in the Southeast 1/4 of Southwest 1/4 of Section 33, Township 13 North, Range 20 East, M.D.B.&M., in Douglas County, Nevada, or more particularly described as follows, to-wit:

Beginning at a point (Corner No. 1 of that certain parcel of land described by deed dated December 30, 1950, recorded at page 47 in Book C-1 of Deeds, Records of Douglas County) on the Northerly side of the County Highway which point bears North 89°40'30" West, a distance of 3239.50 feet from

Continued on next page

the Southeast corner of the above described Section 33; thence North 12°00' West, along a fence and property line a distance of 200.00 feet to a point; thence North 15°27' West, a distance of 603.04 feet to a point; thence East, a distance of 782.58 feet to a point on the East bank of a ditch and at the intersection with a North-South fence and property line; thence South 0°06' West, along said fence and property line (equals South 0°45' East, as described in above mentioned deed dated December 30, 1950) a distance of 775.70 feet to a point on the Northerly side of said County Highway a distance of 299.40 feet, more or less, to a point at the Southeast corner of the Grammer School lot; thence North 0°07' West, along the Easterly boundary of said Grammer School lot a distance of 348.50 feet to a point; thence South 89°53' West, along the Northerly boundary of said Grammer School lot a distance of 256.00 feet to a point; thence South 0°07' East, along Westerly boundary of said Grammer School lot a distance 348.50 feet to the Southwest corner of said Grammer school lot, a point on the Northerly side of the above mentioned County Highway; thence South 89°53' West, along the Northerly side of said County Highway a distance of 23.60 feet to the point of beginning; situated in Douglas County, Nevada.

FURTHER EXCEPTING THEREFROM: A portion of the Southeast 1/4 of the Southwest 1/4 of Section 33, Township 13 North, Range 20 East, M.D.B.&M., in Gardnerville, Nevada, and more particularly described as follows:

Commencing at a point (Corner No. 1 of that certain parcel of land described by Deed dated December 30, 1950, recorded in Book C-1, Page 47 of Deeds, Records of Douglas County, Nevada) on the Northerly side of the County Highway which point bears North 89°40'30" West a distance of 3,239.50 feet from the Southeast corner of the above described Section 33; thence North 89°53'00" East 23.60 feet along the Northerly side of said County Highway to the Southwest corner of the existing Grammer School Lot; thence North 0°07'00" West 348.50 feet along the Westerly boundary of the existing Grammer School Lot; thence continuing North 0°07'00" West 156.35 feet; thence South 89°53'00" West 149.59 feet; thence North 0°07'00" West 345.31 feet to the Northwest corner of this parcel and the TRUE POINT OF BEGINNING; thence East 708.20 feet; thence South 0°06' West 73.23 feet; thence West 707.92 feet; thence North 0°07"

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Order No. 060501042

West 73.23 to the TRUE POINT OF BEGINNING. As shown in deed recorded October 11, 1967 in Book 54, at Page 123, as Document No. 38519.

TOGETHER WITH THE FOLLOWING DESCRIBED PROPERTY:

All of that piece or parcel of land lying and being West of the following described line: A piece or parcel of land situated, lying and being in the Southeast 1/4 of the Southwest 1/4 of Section 33, Township 13 North, Range 20 East, M.D.B.&M., in Douglas County, Nevada, more particularly described as follows:

COMMENCING at a point (Corner No. 1 of that certain parcel of land described by Deed dated December 30, 1950, recorded at page 47 in Book C-1 of Deeds, Records of Douglas County) on the Northerly side of the County Highway, which point bears North 89°40'30" West a distance of 3,239.50 feet from the Southeast corner of the above described Section 33; proceed thence North 89°53'00" East 23.60 feet along the Northerly side of said County Highway to the Southeast Corner of the existing Grammer School Lot; the said POINT OF BEGINNING; then North 0° 07'00" West 348.50 feet along the Westerly boundary of the existing Grammer School Lot; proceed thence North 0°07'00" West 156.35 feet; thence South 89°53'00" West 149.59 feet; thence North 0°07'00" West 272.08 feet to the Northwest corner of this parcel and the POINT OF ENDING. As shown in Document recorded October 11, 1967 in Book 54, at Page 131 as Document No. 38522 and also shown on Agreement for Settlement of Boundary Line as shown in Document recorded October 11, 1967 in Book 54, at Page 129, as Document No. 38521.

EXCEPTING THEREFROM AND PART OF SAID LAND: All of that piece or parcel of land lying and being East of the following described line:

A piece or parcel of land situate, lying and being in the Southeast 1/4 of the Southwest 1/4 of Section 33, Township 13 North, Range 20 East, M.D.B.&M., in Douglas County, Nevada, more particularly described as follows:

Commencing at a point (Corner No. 1 of that certain parcel of land described by Deed dated December 30, 1950, recorded at page 47 in Book C-1 of Deed, Records of Douglas County)

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on the Northerly side of the County Highway, which point bears North $89^{\circ}40'30''$ West a distance of 3,239.50 feet from the Southeast corner of the above described Section 33; proceed thence North $89^{\circ}53'00''$ East 23.60 feet along the Northerly side of said County Highway to the Southwest Corner of the existing Grammar School Lot; the said POINT OF BEGINNING; thence North $0^{\circ}07'00''$ West 348.50 feet along the Westerly boundary of the existing Grammar School Lot; proceed thence North $0^{\circ}07'00''$ West 156.35 feet; thence South $89^{\circ}53'00''$ West 149.59 feet; thence North $0^{\circ}07'00''$ West 272.08 feet to the Northwest corner of this parcel and the POINT OF ENDING, as shown in document recorded October 11, 1967 in Book 54, at page 129 as Document 38521.

Together with a parcel of land for easement purposes located within a portion of the Southwest $1/4$ of Section 33, Township 13 North, Range 20 East, Mount Diablo Meridian, Douglas County, Nevada more particularly described as follows:

Commencing at the Southwest corner of the survey as shown on the Record of Survey for Rhoda Chichester Revocable Trust, Robert L. Chichester Jr. and Ross J. Chichester, filed in the Douglas County Recorder's office on March 4, 1994 in Book 394, at Page 825, as Document No. 331559. a point on the north line of Toler Lane; thence North $00^{\circ}39'45''$ East, 846.98 feet to a $1/2''$ iron pipe, RE 446, per said map, a corner common to lands owned by Roy and Edith Hellwinkel and the Douglas County School district, the POINT OF BEGINNING; thence South $00^{\circ}39'45''$ West, 25.00 feet; thence North $89^{\circ}25'32''$ West, 124.96 feet along a line 25 feet south of and parallel to the common line between said lands of Hellwinkel and Douglas County School District; thence North $00^{\circ}34'28''$ East, 25.00 feet to a point on said common line; thence South $89^{\circ}25'32''$ East, 125.00 feet along said common line to the POINT OF BEGINNING

Assessors Parcel Numbers: 1320-33-402-043, 1320-33-402-060, 1320-33-402-056



At the date hereof, exceptions to coverage in addition to the printed exceptions and exclusions in a Policy of Title Insurance are as follows:

1. Taxes for the fiscal year 2005 - 2006 have been paid in full, in the amount of \$838.85. APN: 1320-33-402-043.

Taxes for the fiscal year 2005 - 2006 have been paid in full, in the amount of \$30.38. APN: 1320-33-402-058.

Taxes for the fiscal year 2005 - 2006 have been paid in full, in the amount of \$96.59. APN: 1320-33-402-060.

2. The fact that said land was approved for agricultural use assessment for taxation purposes by the Douglas County Assessor and lien for any deferred taxes which may be levied against said land by reason of a change in use of said land for purposes other than agricultural, as evidenced by document

Recorded : March 10, 2006
: in Book 0306 Page 3692, as Document No. 669635
: Official Records of Douglas County, Nevada.

Affects parcel number 1320-33-402-060.

3. Rights of way for any existing roads, trails, canals, ditches, flumes, conduits, pipe, pole or transmission lines on, under, over, through or across said premises.

4. Water rights, Claims, or Title to Water, whether or not shown by the public records.

5. Reservation contained in Patent,
Reserved by : UNITED STATES OF AMERICA
Recorded : February 24, 1932
: in Book 3 of Patents, Page 142
: Douglas County, Nevada records

6. The Possible effect of Right of Way Grant,
Recorded : November 25, 1959
: in Book 1, Page 756, as Document No. 15802,
: Official Records of Douglas County, Nevada.

7. Agreement for Settlement of Boundary Line by and between Roy A. Hellwinkel and Edith Hellwinkel and the Douglas County School District, a political subdivision
Recorded : October 11, 1967
: in Book 54, Page 125, as Document No. 38520,
: Official Records of Douglas County, Nevada.

The effect of Quitclaim Deed,
Recorded : October 11, 1967

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SCHEDULE "B" CONTINUED:
Order No. 060501042

: in Book 54, Page 129, as Document No. 38521,
: Official Records of Douglas County, Nevada.

The effect of Quitclaim Deed,
Recorded : October 11, 1967
: in Book 54, Page 131, as Document No. 38522,
: Official Records of Douglas County, Nevada.

8. Deed of Easement for sewer line, granted to the Douglas
County School District upon the terms and conditions
contained herein,
Recorded : October 11, 1967
: in Book 54, Page 133, as Document No. 38523,
: Official Records of Douglas County, Nevada.

9. Grant of Aerial Easement for Electric Distribution, to
Sierra Pacific Power Company upon the terms and conditions
contained herein,
Recorded : May 30, 1991
: in Book 591, Page 4446, as Document No. 251732,
: Official Records of Douglas County, Nevada.

10. An easement affecting a portion of said land for the
purposes stated herein,
By and between : Roy A. Hellwinkel and Edith Hellwinkel and
: the Douglas County School District, a
: political subdivision
Purpose : 20' STORM DRAINAGE EASEMENT
Recorded : August 20, 1996
: in Book 896, Page 3467, as Document No. 394611,
: Official Records of Douglas County, Nevada.

11. Discrepancies, conflicts in boundary lines, shortage in
area, encroachments, or any other facts which a correct
survey would disclose, and which are not shown by the
public records.

12. THIS PRELIMINARY REPORT IS INTENDED ONLY AS A SOLICITATION
OF AN OFFER TO ISSUE A CLTA POLICY OF TITLE INSURANCE. IT
IS NOT INTENDED FOR ANY OTHER PURPOSE AND THE COMPANY
EXPRESSLY DISCLAIMS ALL LIABILITY FOR ANY USE OR PURPOSE
OTHER THAN AS STATED HEREIN. THE COMPANY RESERVES THE RIGHT
TO MAKE FURTHER REQUIREMENTS OR EXCEPTIONS IN THE EVENT
ISSUANCE OF AN ALTA POLICY OF TITLE INSURANCE IS HEREAFTER

Continued on next page



SCHEDULE "B" CONTINUED:
Order No. 060501042

REQUESTED.

COPY

EXHIBIT "A" (Rev. 12-04-92)
CALIFORNIA LAND TITLE ASSOCIATION
STANDARD COVERAGE POLICY-1990
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy. (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditor's rights laws.

EXCEPTIONS FROM COVERAGE-SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) which arise by reason of:

PART I

1. Taxes or assessments which are not shown as existing liens by records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

2. AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)
EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or governmental regulation. This includes building and zoning ordinances and also laws and regulations concerning:

.land use	.land division
.improvements on the land	.environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

(List of Printed Exceptions and Exclusions Continued on next Page)

STEWART TITLE
Guaranty Company

EXHIBIT "A" (Continued)

2. The right to take the land by condemning it, unless:
 - .a notice of exercising the right appears in the public records
 - .on the Policy Date
 - .the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
 3. Title Risks:
 - .that are created, allowed, or agreed to by you
 - .that are known to you, but not to us, on the Policy Date - unless they appeared in the public records
 - .that result in no loss to you
 - .that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks.
 4. Failure to pay value for your title.
 5. Lack of a right:
 - .to any land outside the area specifically described and referred to in Item 3 of Schedule A
- OR
- .in streets, alleys, or waterways that touch your land
- This exclusions does not limit the access coverage in Item 5 of Covered Title Risks.

**3. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92)
WITH ALTA ENDORSEMENT - FORM 1 COVERAGE
AND
AMERICAN LAND TITLE ASSOCIATION LEASEHOLD LOAN POLICY (10-17-92)
WITH ALTA ENDORSEMENT - FORM 1 COVERAGE
EXCLUSIONS AND COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant has paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
 - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

(List of Printed Exceptions and Exclusions Continued on Next Page)

EXHIBIT "A" (Continued)
EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are now shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (B) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

4. AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY (10-17-92)
AND
AMERICAN LAND TITLE ASSOCIATION LEASEHOLD OWNER'S POLICY (10-17-92)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental policy power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant has paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured that estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the estate or interest of the insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the transaction creating the estate or interest of the insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument or transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage Policy will also include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay cost, attorney's fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

Stewart Title Guaranty Company, Stewart Title Insurance Company, Stewart Title Insurance Company of Oregon, National Land Title Insurance Company, Arkansas Title Insurance Company, Charter Land Title Insurance Company

Privacy Policy Notice

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act, (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Stewart Title Guaranty Company, Stewart Title Insurance Company, Stewart Title Insurance Company of Oregon, National Land Title Insurance Company, Arkansas Title Insurance Company, Charter Land Title Insurance Company.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to non affiliated third parties as permitted by law.

We may also disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial Service Providers such as companies engaged in banking, consumer finance, securities and insurance.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

CERTIFIED COPY

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office.

DATE:

November 30, 2006
B. KEEP Clerk of the 9th Judicial District Court of the State of Nevada, in and for the County of Douglas.

By

Charles M. Kuehler Deputy

SEAL



BK- 1206
PG- 2421