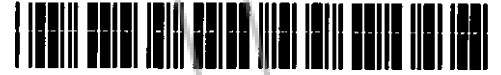


Assessor's Parcel Number: 1318-23-314-001,-021
(PORTION OF)

Date: JUNE 11, 2012

Recording Requested By:

Douglas County - NV
Karen Ellison - Recorder
Page: 1 Of 11 Fee: 0.00
BK-0612 PG- 2392 RPIT: 0.00



Name: JEANE COX, COMMUNITY DEVELOPMENT

Address: _____

City/State/Zip: _____

Real Property Transfer Tax: \$ N/A

PERMANENT EASEMENT #2012.108
(Title of Document)

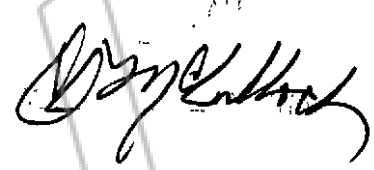
2012, 108

2012 JUN 11 AM 9:53

APN: 1318-23-314-001 and 1318-23-314-021
(portion of)

Recording Requested by and
Return Recorded Original to:

Douglas County, Nevada
County Engineer
Community Development Department
P.O. Box 218
Minden, NV 89423



The undersigned hereby affirms that this document, including any exhibit, submitted for recording does not contain the social security number of any person or persons. (Per NRS Chapter 239)

PERMANENT EASEMENT ASSOCIATED WITH THE LAKE VILLAGE WATER QUALITY IMPROVEMENT PROJECT -LAKE VILLAGE PROFESSIONAL BUILDING

THIS GRANT OF EASEMENT "Easement" is made by and between, the Lake Village Professional Building Owners Association, through its Board of Directors and on behalf of the unit owners of the Lake Village Professional Building, ("Grantors") and DOUGLAS COUNTY, NEVADA, a political subdivision of the State of Nevada ("Grantee").

RECITALS

WHEREAS, Grantors pursuant to the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Lake Village Professional Building recorded as Document 44125, Book 480, Page 1788, are responsible for the common areas, including the granting of easements as allowed by the Articles specifically including Article VI, of the Lake Village Professional Building which is privately owned real property adjacent to Lake Village Drive, in Douglas County, State of Nevada, APNs 1318-23-314-001 and 1318-23-314-021, portions of which are depicted and described in Exhibit "A" attached and incorporated by reference; and

WHEREAS, Grantee has an agreement with the State of Nevada, Division of State Lands and a agreement with the United States Forest Service for grant funding to implement the Lake Village Water Quality Improvement Project EIP #679 Phase II (WQIP) to address existing erosion and storm water runoff problems associated with Lake Village Drive, Echo Drive, and flows entering the public right of way from surrounding drainage catchments;

WHEREAS part of the WQIP includes construction of a storm water drainage infrastructure and facilities on portions of the condominium common areas, including access through the underground parking garage, on APNs 1318-23-314-001 and 1318-23-314-021 as

further described herein. The parties desire to enter into this grant of Easement, which will provide for the rights and responsibilities between the Grantors and Grantee;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged:

1 Declaration of Easement. Grantors hereby voluntarily declare, grant, and convey, to Grantee, its agents, employees, successors and assigns, perpetual non-exclusive Easement, over the property described in the Exhibit "A" attached and incorporated by reference, to allow the Grantee the right to enter upon and have access to the property as described in Exhibit "A" to allow the Grantee to construct, maintain, repair, replace, improve and rebuild underground pipelines, drains, mains, basins, treatment facilities, drainage facilities, armorflex block channel and other appurtenances for the sole express purpose of treating and conveying drainage over, across, through and under the lands described, together with the right of ingress and egress, also together with the right to excavate for the location of pipelines, drains, mains, basins, treatment facilities and drainage facilities, and the further right to remove, subject to Tahoe Regional Planning Agency (TRPA) approval if necessary, trees, bushes, undergrowth and any other obstructions, natural or constructed, interfering with the location, construction and maintenance of said pipelines, drains, mains, basins, treatment facilities and drainage facilities. All development rights, building allocations, residential units of use and base allowable land coverage associated with the Easement, and recognized by TRPA or any other regulatory agency having jurisdiction over the property, whether original to or transferred onto the Easement, are reserved for the Grantors' exclusive use and enjoyment.

2. Maintenance of Drainage/WQIP Easement. During the course of construction, operation and maintenance activities, Grantee shall utilize good construction and operational practices including but, not limited to, removing debris from the area following construction and installation, as well as following maintenance of the WQIP. Grantee agrees to replace or repair, to the reasonable satisfaction of Grantors, any public utility or appurtenance that is damaged by Grantee and to repair any damage to Grantors' property or its improvements that is damaged by Grantee in the course of its activities in the Easement. Grantee will use its best efforts to preserve and protect all trees within the Easement greater than 12" diameter at breast height (DBH) in connection with installing improvements on the property and shall restore and/or replace any landscaping and shall revegetate disturbed areas within the Easement which do not adversely affect the functionality of the improvements, facilities or appurtenances. Grantee shall be responsible for removing any trees which are damaged or die as a direct result of the construction, maintenance or operation of the WQIP. Logs resulting from any trees removed to allow construction of the WQIP will be offered first to the Grantor, and if such logs are not accepted by the Grantor, the material should be removed and disposed of by Grantee or Grantees representatives. Grantee shall be responsible for maintenance of the improvements according to TRPA, Best Management Practices (BMP).

2(a). Grantors will not place or erect improvements within the Easement described in Exhibit "A" without prior written approval by the Grantee. Grantors shall have the right at any time to supplement and to add landscaping/revegetation (including trees) to the Easement as described in the attached Exhibit, provided that the functionality of the improvements, facilities, appurtenances or access is not adversely affected as a result.

3. Access. There is an existing structure consisting of 19 office condominium units and an underground parking lot located on APN 1318-23-314-021 and adjacent to APN 1318-23-314-001. The WQIP infrastructure and facilities located within the Easement shall not interfere with the existing structure or parking. The Grantee has the right of access through the underground parking lot. Grantee if accessing the Easement through the underground parking lot may only use equipment or vehicles weighing less than 7500 pounds due to load limitations on the concrete flooring of the parking lot. Grantee agrees to replace or repair, to the reasonable satisfaction of Grantors, any public utility or appurtenance that is damaged by Grantee and to repair any damage to Grantors' property or its improvements, including but not limited to the building structure or landscaping that is damaged by Grantee in the course of accessing the Easement whether or not such damage is the result of access or use of equipment or vehicles within the above weight limits. Nothing in this paragraph precludes the Grantee from accessing the Easement through any other government or utility easement(s) or right(s)-of-way. Parking is prohibited by the Grantee, its agents and employees in the underground parking lot located on APN 1318-23-314-021.

4. Notice. Grantee must give a minimum of 24 hours notice prior to construction and maintenance which requires the use of heavy equipment. No notice is required for routine monitoring, assessment of the functionality of the WQIP and maintenance. Notice shall be given to the following person/entity on behalf of all of the unit owners:

Name: Gail Taylor, LVPBOA Building Manager
Address: P.O. Box 1788, Zephyr Cove, NV 89448
Phone: 775-586-4544
Fax: 775-586-4528
E-mail: Mindingyourbiz@aol.com

5. Coverage. To the extent that any WQIP facilities constructed in the Easement constitute new "coverage" as determined by TRPA or are transformed to a lesser land capability district, Grantor agrees to mitigate any lost base allowable coverage or new coverage resulting from WQIP activities in the Easement, by Grantor promptly applying to TRPA to obtain the necessary permits to transfer and to transfer to the Easement an equal amount of coverage, such that the Easement base allowable coverage and existing coverage, both before and after the WQIP is implemented, remains unchanged by the WQIP elements on the property.

6. Hold Harmless. Regardless of the coverage provided by any insurance, the Grantee agrees to indemnify and save and hold the Grantors, its agents, employees, and unit owners of the Lake Village Professional Building as their interests may appear to the extent provided by law, including but not limited to Chapter 41 of the NRS, harmless from any and all claims, causes of action or liability arising from the performance of WQIP work pursuant to this Agreement by Grantee or Grantee's agents or employees. Grantee shall indemnify and defend and hold harmless the Grantors, its officials, employees, authorized representatives, employees and unit owners as named in Exhibit B from and against any and all suits, actions, legal or administrative proceedings, arbitrations, claims, demands, damages, liabilities, attorneys' fees, court costs, interest, and expenses of whatsoever kind or nature, including those arising out of injury to, or death of Grantee's agents or employees, or third parties, whether arising before or after completion of the WQIP work under this Agreement, that are in manner caused, occasioned, or contributed to in whole or in part by reason of any negligent act, negligent

omission or fault or willful misconduct, whether active or passive, of Grantee or of anyone who is acting under Grantee's direction or control or on its behalf in connection with the performance of this Agreement. Notwithstanding any provision to the contrary, Grantee's indemnity, defense, and hold harmless obligations shall not apply in the event of the sole negligence, whether active or passive or the willful misconduct of the Grantors, its agents, employees, or unit owners.

7. Insurance. Grantee, its contractors and any subcontractors employed by or on behalf of Grantee shall maintain both general liability and worker's compensation insurance coverage for any and all operations to be conducted within or upon the Easement. The Grantee will require its general contractor conducting construction work for the WQIP to name the Lake Village Professional Building Owners Association and unit owners of the Lake Village Professional Building as their interests may appear, as additional insureds on the general contractor's insurance coverage. The Grantee will provide the Lake Village Professional Building Owners Association and the Lake Village Professional Building unit owners a Certificate of Insurance reflecting that the Association and each unit owner has been named as an additional insured on the Grantee's insurance coverage. The Grantee will maintain general liability coverage, at a minimum of 1,000,000 per event as long as the Drainage/WQIP Easement is in existence and held by the Grantee.

8. Future Development. Any impact on the WQIP or increase in storm water drainage due to future development by the Grantors of the Lake Village Professional Building located on APN 1318-23-314-021 or APN 1318-23-314-001 known as the common area parcels for the Lake Village Professional Building Unit Owners is the responsibility of the Grantors, including paying to increase the WQIP's capacity, infrastructure, treatment facilities or other necessary improvements.

9. Compliance with Laws. The Grantors and Grantee will comply with all applicable federal, state and local laws, regulations or requirements in all of its work or activities on/in the Easement, including but not limited to compliance with all TRPA and Douglas County codes and ordinances and will be responsible for any non-compliance with any applicable law, regulation or requirement.

10. Controlling Law. The laws of the State of Nevada shall govern the interpretation and enforcement of this grant of Easement. Grantors and Grantee agree that the Ninth Judicial District Court, located in Douglas County Nevada, will be the forum for any litigation arising as a result of this grant of Easement. Grantors and Grantee shall bear their own attorney's fee, in any dispute regarding or arising from this Easement.

11. Severability. If any provision of this grant of Easement, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this grant of Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

12. Amendment. Any alteration, change, amendment or modification of or to this grant of Easement or the Exhibit must be made by written instrument and in each instance executed on behalf of each party hereto.

13. Successors. The covenants, terms, conditions and restrictions of this grant of Easement will be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors and assigns and will continue as a servitude running with the land as described in Exhibit A. The Lake Village Professional Building unit owners as of the date of this grant are listed in Exhibit B for record keeping purposes only. It is recognized the unit owners may change over the term of this grant, however a change in ownership will not require an amendment to this grant or Exhibit B.

14. Authority. The individuals executing this grant of Easement and the instruments referenced herein on behalf of each party and the partners, officers or trustees of each party, if any, have the legal power, right, and actual authority to bind each party to the terms and conditions of these documents.

IN WITNESS WHEREOF, the Parties hereto have executed this grant of Easement as of the date set forth below by the Chair of the Board of Commissioners. This document can be signed in counterparts.

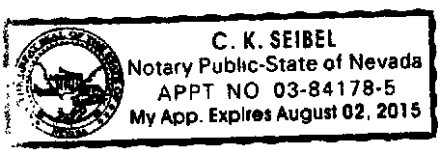
**GRANTORS:
LAKE VILLAGE PROFESSIONAL BUILDING
OWNERS ASSOCIATION**

By: *Gary D. Midkiff*
Name: Gary D. Midkiff, President
Lake Village Professional Building Owners Association
Address: P.O. Box 1788
Zephyr Cove, NV 89448
Dated: *5-25-2012*

STATE OF NEVADA)
 : ss.
COUNTY OF DOUGLAS)

This instrument was acknowledged before me on the *23rd* day of *May*, 201*2*, by *GARY D. MIDKIFF*, as GRANTOR.

C. K. Seibel
NOTARY PUBLIC



**GRANTEE:
DOUGLAS COUNTY**

By: *[Signature]*
Lee Bonner, Chair
Board of Commissioners

Dated: June 7, 2012
WQIP Easement
Lake Village Professional Bldg.
Page 5 of 7

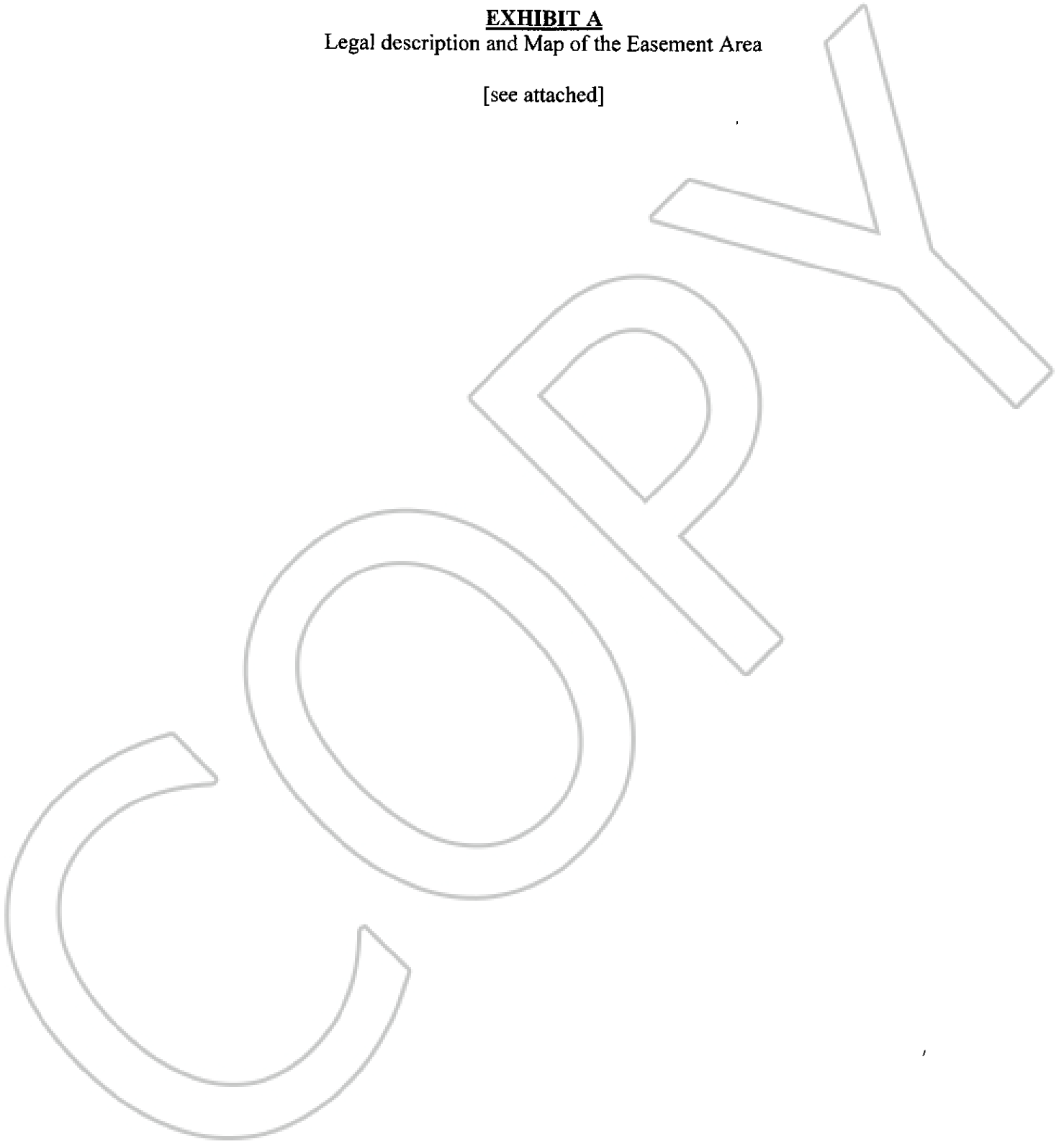
ATTEST:
TED THIRAN, Douglas County Clerk

BY: *Juanita Sudder*
CLERK TO THE BOARD

EXHIBIT A

Legal description and Map of the Easement Area

[see attached]



**DOUGLAS COUNTY ENGINEERING DIVISION
DRAINAGE EASEMENT
LEGAL DESCRIPTION**

May 3, 2012

An easement for drainage purposes located within a portion of the northwest one-quarter of the southwest one-quarter of Section 23, Township 13 North, Range 18 East, MDM, Douglas County, Nevada, being more particularly described as follows:

BEGINNING at a point on the easterly right-of-way line of U.S. Highway 50, which bears N. 06°10'04" E., 1,819.63 feet from the southwest corner of said Section 23, said point also being the southwest corner of the Samuel Zell, Trustee parcel, as shown on the Amended Map Of Lake Village Unit No. 1, filed for record June 29, 1970, as Document No. 48573, Official Records of Douglas County, Nevada;

thence along said easterly right-of-way line, N. 09°31'49" W., 23.10 feet;

thence N. 46°27'47" E., 36.05 feet;

thence 41.99 feet along the arc of a curve to the right, having a central angle of 47°40'37" and a radius of 50.46 feet, (chord bears N. 68°25'38" E., 40.79 feet);

thence N. 46°10'17" W., 42.86 feet;

thence N. 34°30'30" W., 30.78 feet;

thence N. 47°37'44" W., 24.78 feet;

thence N. 82°16'16" W., 12.77 feet to a point on the westerly line of said Zell parcel;

thence along said Zell parcel, N. 06°40'04" W., 125.72 feet;

thence continuing along said Zell parcel, N. 09°31'49" W., 17.43 feet;

thence S. 84°15'10" E., 34.09 feet;

thence S. 05°33'16" E., 100.03 feet;

thence S. 42°28'01" E., 159.96 feet;

thence S. 75°02'42" E., 115.10 feet;

thence N. 19°30'32" W., 29.22 feet;

thence N. 00°57'26" E., 38.25 feet to a point the westerly right-of-way line of Lake Village Boulevard;

thence S. 22°51'58" E., along said right-of-way line, 67.95 feet;

thence continuing along said westerly right-of-way line, 58.06 feet along the arc of a curve to the left, having a central angle of 17°30'34" and a radius of 190.00 feet, (chord bears

S. 31°37'15" E., 57.84 feet) to the southeast corner of said Zell parcel;
thence N. 86°06'41" W., along the southerly line of said Zell parcel, 147.15 feet;
thence N. 53°03'17" W., 49.92 feet;
thence 52.63 feet along the arc of a curve to the left, having a central angle of 79°35'46"
and a radius of 37.89 feet, (chord bears S. 87°08'50" W., 48.50 feet);
thence S. 46°27'47" W., 29.24 feet to a point on said southerly line of the Zell parcel;
thence along said southerly line N. 86°06'41" W., 17.56 feet to the POINT OF
BEGINNING.

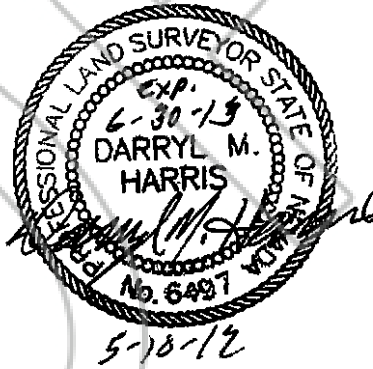
Containing: 21,650 Square Feet, more or less.

Basis of Bearing:

Easterly right-of-way line of U.S. Highway 50 as shown on the Parcel Map for the Estate of Elizabeth Schultz Rabe, filed for record September 21, 1990, in Book 990, Page 3206, as Document No. 235099, Official Records. (N. 09°31'49" W.)

PREPARED BY:

Darryl M. Harris, P.L.S. # 6497
Resource Concepts, Inc.
P.O. Box 11796
212 Elks Point Road, Suite 443
Zephyr Cove, NV 89448



LINE TABLE

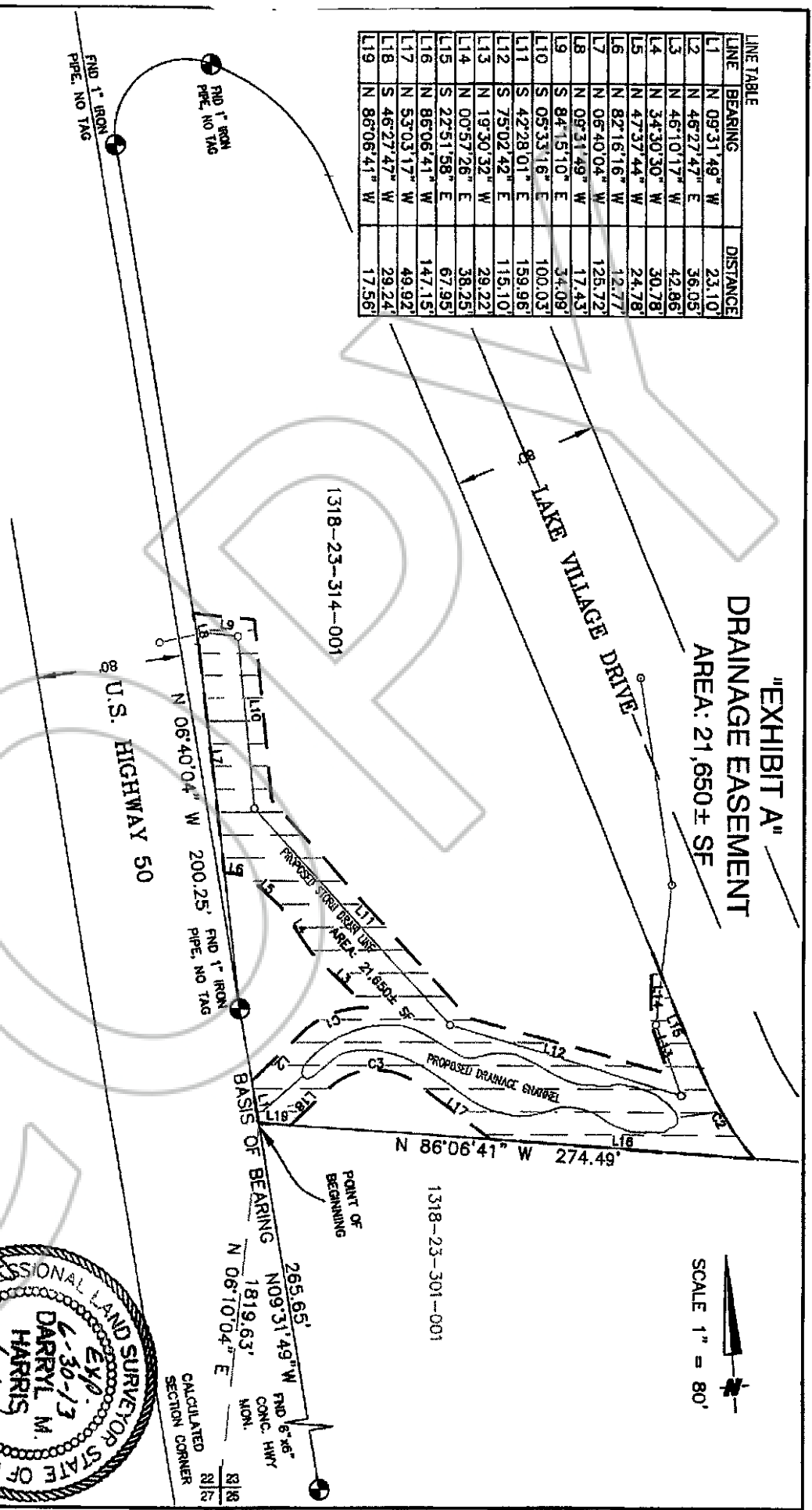
LINE	BEARING	DISTANCE
L1	N 09°31'49" W	23.10'
L2	N 46°27'47" E	36.05'
L3	N 46°10'17" W	42.86'
L4	N 34°30'30" W	30.78'
L5	N 47°37'44" W	24.78'
L6	N 82°16'16" W	12.77'
L7	N 06°40'04" W	125.72'
L8	N 09°31'49" W	17.43'
L9	S 84°15'10" E	34.08'
L10	S 05°33'18" E	100.03'
L11	S 42°28'01" E	159.96'
L12	S 75°02'42" E	115.10'
L13	N 19°30'32" W	29.22'
L14	N 00°57'26" E	38.25'
L15	S 22°51'58" E	67.95'
L16	N 86°06'41" W	147.15'
L17	N 53°03'17" W	49.92'
L18	S 46°27'47" W	29.24'
L19	N 86°06'41" W	17.56'

CURVE TABLE

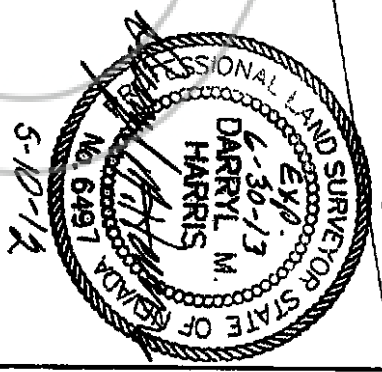
CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	50.46'	41.99'	40.79'	N 68°25'38" E	47°40'37"
C2	190.00'	58.06'	57.84'	S 31°37'15" E	17°30'34"
C3	37.89'	52.63'	48.50'	S 87°08'50" W	79°35'46"

BASIS OF BEARING
 EASTERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY 50 AS SHOWN ON THE PARCEL MAP FOR THE ESTATE OF ELIZABETH SCHULTZ RABE, FILED FOR RECORD SEPTEMBER 21, 1990, IN BOOK 990, PAGE 3206, AS DOCUMENT NO. 235099, OFFICIAL RECORDS. (N. 09°31'49" W.)

"EXHIBIT A"
 DRAINAGE EASEMENT
 AREA: 21,650 ± SF



SCALE 1" = 80'



DOUGLAS COUNTY ENGINEERING DIVISION
 DRAINAGE EASEMENT
 WITHIN THE NW¼, SW¼, SEC. 29,
 T.8 N., R.18 E., M.D.M.,
 DOUGLAS COUNTY, NEVADA
 RESOURCE CONCEPTS, INC.

EXHIBIT B

Unit Owners

Units 1, 3, 5, 9, 11, & 15

Owner: Lago Villagio, LLC
c/o Ellen Dauscher
P.O. Box 6569
Stateline, NV 89449
Email: Elintahoe2@aol.com

Unit 2

Owner: Robert J. Taylor and Gail R. Taylor,
individual(s)
P.O. Box 18284
South Lake Tahoe, CA 96151
Telephone: 775-586-4544

Units 4, 6, 8, & 10

Owner: Gary D. Midkiff and Pamala
Toler Midkiff, Trustee(s) of the Midkiff
2000 Trust dated December 7, 2000
P.O. Box 11717
Zephyr Cove, NV 89448
Telephone: 775-690-9815
Email: gary@midkiffandassoc.com

Unit 7

Owner: Gerald D. Klosterboer, an individual
P.O. Box 10148
Zephyr Cove, NV 89448
Telephone: 775-588-6116

Unit 12

Owner: W.R. Hayes and Karen T. Hayes,
individual(s)
P.O. Box 3479
Stateline, NV 89449
Telephone: 775-588-4108
Email: Billy@cpahn.com

Unit 14

Owner: Donald W. Niemann and Anita Niemann,
Trustee(s) of the Niemann Revocable Trust dated
February 24, 2005
P.O. Box 256
Zephyr Cove, NV 89448
Telephone: 775-720-0278

**Units 16, 17, 18, 19 & 20 (also
sometimes known as Unit 21):**

Bankruptcy Trustee as of May 23, 2012:
Jeffrey L. Hartman, Esq.
HARTMAN & HARTMAN
510 West Plumb Lane, Suite B
Reno, NV 89509
Telephone: (775) 324-2800
Facsimile: (775) 324-1818
Email: jlh@bankruptcyreno.com

Owner: Alfred J.R. Villalobos Family Trust

Address

City, State, Zip

Telephone

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: June 11, 2012
Clerk of the Judicial District Court
of the State of Nevada, in and for the County of Douglas.

By: [Signature] Deputy