

DEVELOPMENT AGREEMENT

FILED
NO. 2004-286

2004 DEC -8 AM 11:45

BARBARA REED
CLERK

BY [Signature]
DEPUTY

THIS AGREEMENT is entered between Douglas County, a political subdivision of the State of Nevada (County) and Gregory C. Lynn and Suzanne Towse, Trustees of "The 1995 Gregory C. Lynn and Suzanne Towse Trust," dated may 16, 1995, hereafter referred to as "Developers".

Developers are the owners of certain real property in Douglas County, Nevada, known as the Aloha Ranch, situated approximately 1,320 feet South of Centerville Lane and adjacent to Drayton Boulevard, APN 1220-17-601-001, and being more fully described on Exhibit A, attached and incorporated by reference. The property is the subject of Planned Development Application PD 04-002, for 43 single family residences, which has been approved in Ordinance 2004-1083, subject to conditions, as more fully set forth in the approval letter dated September 15, 2004, attached as Exhibit B, and incorporated by reference.

The planned development is within a "receiving area", which allows the increase in residential density, subject to County approval, by participation in the transfer development rights program, pursuant to Chapter 20.500 of the Douglas County Code, and the project was approved for the construction of more units than would have otherwise been allowed in its the base zoning district.

The development of this parcel, as approved, will lead to the increase in use of streets and roads off-site from the project, and the Developer is responsible for off-site road and transportation improvements related to the impact of the development. One of the alternative ways out of the Aloha Ranch

is by way of Drayton Boulevard, North and Northeast to Centerville Lane, but the cost of required improvements to Drayton Boulevard exceeds the impact of the development, and the improvements to Drayton Boulevard, if made, will benefit other members of the community. Accordingly, the Developers have agreed to pay certain sums, as set forth below, to Douglas County, in lieu of actually making improvements to existing roads and partial improvements to Drayton Boulevard.

The parties recognize that the contribution toward off-site road and transportation improvements is a significant investment in capital improvements, and, pursuant to NRS 278.0201 and Douglas County Code, Chapter 20.400, desire to enter this Development Agreement in order to secure their respective rights and obligations.

Now, therefore, for and in consideration of the mutual promises, covenants and agreement contained herein, the parties agree as follows:

1. The Developers agree to pay Douglas County the sum of \$200,000 toward off-site road and transportation improvements.
2. Payments in the amount of \$10,526.32 each will be made at or prior to the issuance of each residential building permit, for a total of nineteen (19) payments, corresponding with the issuance of the first nineteen (19) building permits. Failure to make or collect a payment when due, regardless of the reason, does not constitute a waiver or modification of this obligation, and will result in suspension of the issuance of further building permits until all payments have been made.

3. The funds will be held by Douglas County in a separate account and applied toward the County's construction of Drayton Boulevard from the project to Pleasantview Drive. Douglas County will construct the described section of Drayton Boulevard after the nineteenth payment is made, or beginning eight (8) years after this development agreement is approved, whichever occurs first, and prior to the expiration of ten years after the development agreement is approved.

Douglas County's construction of this section of Drayton Boulevard will include compliance with the conditions stated in Amended Exhibit C, Appendix to Development Agreement, attached and incorporated by reference.

4. In the event the planned development is terminated or abandoned before buildout, the funds held by Douglas County may be used, in its discretion, for improvements to Marianne Way, South of Centerville Lane. In the event the funds are not used toward the improvements contemplated herein, or otherwise related to the traffic generated by this project, within ten years of payment, then they will be returned to Developers or their successors in interest.

5. Successors in interest, subsequent development on the parcel, or modifications to the planned development will be bound by the terms of this agreement.

6. The Developers will acquire and dedicate off-site access to extend what is now known as Gitalong Way to Drayton Boulevard.

7. The Developers agree to cooperate with the County in the design of drainage improvements and management of stormwater drainage from Drayton Boulevard. The County will bear the costs of design, construction

and maintenance of its stormwater drainage facilities. To the extent that Developers' contemplated changes in the drainage facilities for Phases 8 and 10 of the Pleasantview Subdivision can be designed to manage the drainage from Drayton Boulevard, then the parties can share the costs, with each party to be responsible for a share proportionate to its use of such facilities. Arrangements for off site management of stormwater drainage will be the responsibility of the party who requires the same. Subject to Developers' approval of design and construction, the County will be able to convey through Aloha Ranch.

8. This development agreement for contribution to off-site road and transportation improvements represents a significant investment of capital, to be made by the Developers with the expectation that issuance of residential building permits for the entire project, numbering 43 units, will not be constrained by subsequent legislation. Upon payment of the sum of \$200,000, as provided in paragraph 21, the Developers' right to issuance of building permits for the 43 units, assuming all other conditions have been met, and compliance with other applicable codes and provisions of law, will be considered "vested".

9. Except as otherwise provided in the planned development approval, pursuant to NRS 278.0201, the ordinances, resolutions or regulations applicable to the subject property and governing the permitted uses of the property, density and standards for design, improvement and construction are those in effect upon approval of the planned development and this agreement.

10. This agreement will be binding on, and inure to the benefit, of the parties, their heirs, successors and assigns, including purchasers of individual lots created by the recordation of any final subdivision map.

11. This agreement will be governed by the laws of the State of Nevada.

12. The parties agree that the sums provided herein are not impact fees, but installment payments for off-site improvements legitimately required as a condition of development approval.

13. The failure of any party to this Agreement to abide by the terms of this Development Agreement shall constitute a default. Subject to extensions of time by mutual consent in writing, failure or unreasonable delay in performing any term or provision in this Development Agreement shall constitute a default. In the event of alleged default or breach of any term or condition of this Development Agreement, the party alleging such default or breach shall give the other party not less than thirty (30) days' notice in writing, specifying the nature of the alleged default and, if practicable, the manner in which said default may be satisfactorily cured. During any such thirty (30) day period, the party charged with the default shall not be considered in default for purposes of termination or institution of legal proceedings or issuance of any building permit or certificate of occupancy.

14. In addition to specific provisions of this Development Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, walk-outs, riots, floods, earthquakes, avalanches, inclement weather, fires, casualties, acts of God, governmental restrictions imposed or mandated by other governmental entities, not parties to this Agreement, enactment of supplementary environmental regulation, or similar bases for excused performance. If written

notice of such delay is given to Douglas County within thirty (30) days of the commencement of such delay, an extension of time for such cause shall be granted in writing for the period of the enforced delay, as may be mutually agreed upon.


15. In addition to any other rights or remedies, either party may institute legal action in law or equity to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation.

16. The parties agree to fully cooperate in diligently pursuing and in obtaining all approvals, permits, and agreements necessary from any federal, state or local government entity, necessary to implement the intent of this Development Agreement.

17. This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, and except as otherwise provided in conditions of development approval already made and granted as to specific projects, supersedes all other agreements, written or oral, between the parties with respect to such subject matter.

Date:

THE 1995 GREGORY C. LYNN AND
SUZANNE TOWSE TRUST


By GREGORY C. LYNN, TRUSTEE

Date:


By SUZANNE TOWSE, TRUSTEE

Date:

DOUGLAS COUNTY, NEVADA

[Handwritten Signature]
By: _____

ATTEST:
BARBARA REED, DOUGLAS COUNTY CLERK

Barbara Reed
By: *Lizbeth, Clerk to Board*

APPROVED AS TO FORM:
Scott Doyle, Douglas County District Attorney

[Handwritten Signature]
By: Thomas E. Perkins, Deputy

Order No.: 040800474

LEGAL DESCRIPTION

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

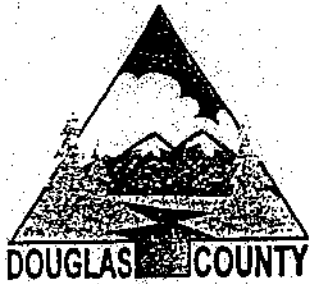
That portion of the Southwest 1/4 of the Northeast 1/4 of Section 17, Township 12 North, Range 20 East, M.D.B.&M., in the County of Douglas, State of Nevada, being more particularly described as follows:

Beginning at the Southeast corner of Parcel B of that certain Parcel Map for Bob Whear recorded in Book 192 at Page 743 as Document No. 268564 of the official records of said Douglas County; thence Northerly along the Easterly line of said Parcel B, North $0^{\circ}23'40''$ East, 1257.28 feet to the Southwest corner of the 13.00 acre parcel shown on that certain Parcel Map for the J.M. Ryan Parcels recorded in Book 474 at Page 253 as Document No. 72640 of the official records of said Douglas County; thence Easterly along the Southerly line of said 13.00 acre parcel, North $89^{\circ}34'38''$ East, 1320.26 feet to the Southwest corner of said 13.00 acre parcel; thence South $0^{\circ}29'39''$ East, 1256.79 feet to the Northeast corner of Lot 11 of the Chambers Field Subdivision recorded in Book 179 at Page 435 as Document No. 28862 of the official records of said Douglas County; thence Westerly along the Northerly line of Lots 6 through 11 of said Chambers Field Subdivision, South $89^{\circ}33'21''$ West, 1322.44 feet to the Point of Beginning.

Reference is made to Record of Survey filed with the Douglas County Recorder on December 1, 1994 in Book 1294, at Page 143 as Document No. 351716.

APN 1220-17-601-001

"IN COMPLIANCE WITH NEVADA REVISED STATUTE 111.312, THE HEREIN ABOVE LEGAL DESCRIPTION WAS TAKEN FROM INSTRUMENT RECORDED AUGUST 27, 2002, BOOK 0802, PAGE 9035, AS FILE NO. 0550521, RECORDED IN THE OFFICIAL RECORDS OF DOUGLAS COUNTY, STATE OF NEVADA."



COMMUNITY DEVELOPMENT

1594 Esmeralda Avenue, Minden, Nevada 89423

Bob Nunes
DIRECTOR

775-782-9005
775-782-9010
FAX: 775-782-9007

Received

SEP 21 2004

Douglas County Deputy Attorney

Planning Division
Engineering Division
Building Division
Regional Transportation
Water/Sewer Utility
Road Maintenance
Code Enforcement

September 15, 2004

Greg Lynn
1222 Bobwire Lane
Gardnerville, NV 89460

Re: Planned Development (PD) 04 - 002 for Greg Lynn
1,320 feet south of Centerville Lane and adjacent to Drayton Boulevard,
(APN 1220-17-601-001)

FILED
2004 SEP 17 AM 9:05
BARBARA REED
CLERK
DEPUTY

Dear Mr. Lynn:

On September 9, 2004, the Douglas County Board of Commissioners took the following actions: A) introduced Ordinance Number 2004-1083, establishing a SFR ½ / PD (Single-family Residential, minimum one-half net acre parcel size) Planned Development overlay zone, and B) approved a Tentative Subdivision Map dividing 38.13 acres into 43 single-family residential parcels, the smallest being 0.52 acre in area and including one, 0.09-acre parcel to support a well site within the SFR-2 (Single-family Residential, 2-acre minimum parcel size) zoning district within a master plan Receiving Area, within the Gardnerville Ranchos Planning Area, generally at the terminus of Kingston Lane, 1,320 feet south of Centerville Lane and west of Drayton Boulevard (APN 1220-17-601-001). The second reading of the ordinance will be heard by the Board of Commissioners on October 7, 2004. The approved Planned Development / Tentative Parcel Map is subject to the following conditions:

THE FOLLOWING CONDITIONS MUST BE MET PRIOR TO THE SUBMITTAL OF A FINAL MAP APPLICATION:

1. The applicant¹ shall submit improvement plans to the Douglas County Community Development Department for review and approval. The improvement plans shall comply with Douglas County Code and the Douglas County Design Criteria and Improvement Standards manual ("design manual") and shall include the following:
 - A. The applicant shall show evidence that the Gardnerville Ranchos General Improvement District (GRGID) has reviewed and approved the design and construction of all internal roads, including park strip and sidewalk.

¹ The "applicant", hereinafter meaning the applicant/developer and/or his representative.

- B. The road tentatively known as Gitalong Way shall be renamed and shall be constructed to the standards described in detail A-02 of the Douglas County Design Criteria and Improvements Standards Manual. The road shall be extended to the east, intersecting with Drayton Boulevard, and shall be barricaded until such time that Drayton Boulevard is constructed.
 - C. The northern portion of the road tentatively known as Mosey Way shall be renamed Kingston Lane.
 - D. Kingston Lane shall be constructed to the standards described in detail A-02 of the Douglas County Design Criteria and Improvement Standards Manual.
 - E. The applicant shall enter a development agreement, in a form to be approved by the Board, for payment of funds toward construction of off-site road and transportation improvements, as set forth in condition number 21.
 - F. Final landscape plan for street trees.
 - G. All construction traffic shall be limited to Rubio Way.
2. The project shall connect to the Gardnerville Ranchos General Improvement District (GRGID) sewer system and shall comply with the GRGID will serve letter.
 3. The project shall connect to the GRGID water system and shall comply with the GRGID will serve letter.
 4. The applicant shall meet the water rights dedication requirement for the new parcels to the satisfaction of the GRGID.
 5. The applicant shall review his submittal with the Water Conveyance Advisory Committee (WCAC) and comply with any conditions or mitigation measures deemed necessary by that Board.

THE FOLLOWING CONDITIONS ARE TO BE MET CONCURRENTLY WITH THE SUBMITTAL OF A FINAL MAP APPLICATION:

6. The applicant shall demonstrate compliance with any conditions or mitigation measures deemed necessary by the WCAC.
7. The applicant shall submit a copy of the notice of completion from Douglas County for all required road, utility, drainage and other related project improvements. If any improvements are not constructed prior to the submittal of the final map application, the applicant shall submit a copy of the recorded security and improvement agreement.
8. The applicant shall pay \$2,925 for future traffic improvement costs at the intersection of State Route 88 and Centerville Lane, and the applicant shall pay \$3,375 for future traffic improvement costs at the intersection of Centerville Lane and Dresslerville Road.

9. The applicant shall install utility lines and extend to serve each parcel. Any new utility extensions must be installed underground in accordance with Douglas County Code Section 20.220, Under grounding of Utilities.
10. The applicant shall insure that on-site and off-site improvements are constructed or secured. If the applicant proposes to secure for any of the required improvements, the applicant must enter into a security and improvement agreement with Douglas County on a form provided by the County. The security improvement agreement and the security deposit shall comply with Douglas County Code Sections 20.720.020 and 20.720.030.
11. The applicant shall submit proof from the GRGID that the required water rights have been dedicated to serve the development.
12. The applicant shall comply with final map requirements as prescribed by NRS 278 and Douglas County Code Section 20.712. Additionally, the final map shall show:
 - A. A seven and one-half (7.5) foot public utility easement along all road frontages and five (5) foot public utility easement along the side and rear lot lines.
 - B. The Community Development Certificate shall state the County rejects the offer of dedication for the public roads with the reservation to accept the offer at a later date.
 - C. An easement for any new cluster mailbox location, if required.
 - D. Drainage easements as necessary for mitigating onsite, offsite, and cross-lot drainage impacts. All drainage easements shall be shown as private, unless accepted by the GRGID for maintenance.
 - E. The applicant shall provide evidence that twenty-four (24) transfer of development rights are available and dedicated to support this development.
 - F. A minimum 11-foot access and landscape easement from the edge of right-of-way along all street frontages. The applicant shall dedicate this area as a public access easement on the final map.
13. The applicant shall submit documentation that all property taxes and any agricultural liens on the property have been paid in full for the current fiscal year.
14. The applicant shall submit a deed restriction, in the proper form to be recorded with the final map, stating the following: "Douglas County has declared it a policy to protect and encourage agricultural operations. If your property is located near an agricultural operation, you may at some time be subject to inconvenience or discomfort arising from agricultural operations. If conducted in a manner consistent with proper and accepted standards, these inconveniences and discomforts do not constitute a nuisance for purposes of the Douglas County Code."

15. Each lot owner is responsible for the maintenance of the area between the sidewalk and the edge of curb. If the owner fails or refuses to maintain the area, then, upon reasonable notice, the County, or other governmental entity in whose jurisdiction the property lies, has the authority to enter upon the property and conduct the required maintenance, in which case the costs of maintenance will be a lien on the property, which may be perfected and executed in the manner provided by law.
16. The applicant shall provide documentation that the development rights to be transferred, to support 24 additional residential units, have been certified and are eligible for transfer under section 20.500 of Douglas County Code.

THE FOLLOWING NOTES SHALL BE PLACED ON THE FINAL MAP:

17. Any further division of these parcels may be subject to subdivision improvements as provided under NRS 278.462(3).
18. Maintenance of all drainage facilities and easements shall be the responsibility of the individual property owners or other private entity, including a homeowner's association, unless accepted by the GRGID. The County rejects any offer of dedication of drainage facilities or drainage easements.
19. The access and landscape easements shall be maintained by individual property owners.

TO BE SUBMITTED WITH THE BUILDING PERMIT:

20. The applicant shall submit a landscape and irrigation plan for the front yard and park strips
21. The development agreement for off-site road and transportation improvements will contain the following terms, and each parcel resulting from the recording of final subdivision maps and each phase thereof will be bound by the terms thereof, which require payment of funds at or prior to the issuance of each residential building permit:
 - A. The applicant is required to contribute the sum of \$200,000 toward off-site road and transportation improvements, payable as set forth in Paragraph B hereof.
 - B. Payments in the amount of \$10,526.32 ($\$200,000 / 19 = \$10,526.32$) each will be made at or prior to the issuance of each residential building permit, for a total of nineteen (19) payments, corresponding with the issuance of the first nineteen (19) building permits.
 - C. The funds will be held by Douglas County in a separate account and applied toward the County's construction of Drayton Boulevard. Construction will take place by the County after the twentieth payment is made, or beginning eight (8) years after the development agreement is approved, whichever occurs first, and prior to the expiration of ten years after the development agreement is approved.
 - D. In the event the planned development is terminated or abandoned before buildout, the funds held by Douglas County may be used, in its discretion, for improvements to

Marianne Way. Successors in interest, subsequent development on the parcel, or modifications to the planned development will be bound by the terms of the development agreement.

- E. The applicant will acquire and dedicate off-site access to extend "Git Along Way" to Drayton Boulevard.
- F. The applicant will agree to cooperate with the County in the design of drainage improvements and management of stormwater drainage from Drayton Boulevard.

THE FOLLOWING CONDITIONS ARE APPLICABLE TO THE NEWLY CREATED PARCELS THROUGHOUT THE LIFE OF THE PROJECT:

- 22. The applicant shall be responsible for maintenance of all drainage facilities and easements, unless accepted by GRGID. Obstructing the flow or altering the course of a drainage channel is prohibited.
- 23. The development agreement for contribution to off-site road and transportation improvements represents a significant investment of capital, to be made by the applicant with the expectation that issuance of residential building permits for the entire project, numbering 43 units, will not be constrained by subsequent legislation. Upon payment of the sum of \$200,000, as provided in condition 21, and in the development agreement to be adopted pursuant thereto, the applicant's right to issuance of building permits for the 43 units, assuming all other conditions have been met, and compliance with other applicable codes and provisions of law, will be considered "vested".
- 24. This tentative map approval shall expire two years from the date of approval, if a final map application that conforms to all the conditions of approval is not submitted to the Community Development Department prior to the expiration date. Extensions of time may be granted in accordance with Douglas County Code Section 20.30.020.

This is the final decision regarding your Development Application for a Planned Development / Tentative Subdivision Map. For questions regarding this project, I can be reached by phone at (775) 782-6215 or e-mail at agilbert@co.douglas.nv.us

Sincerely,


Adam Gilbert, Planner
Douglas County Community Development


HAB

Cc: R.O. Anderson Engineering
Cathie Pool, Douglas County Engineering
Karen Lommori, Douglas County Accounting
File PD 04-002
County Clerk

AMENDED

EXHIBIT C
APPENDIX TO DEVELOPMENT AGREEMENT

1. The sound barrier walls required by the "Pleasantview/Drayton Development Agreement" shall be constructed concurrent with the development Drayton Boulevard.
2. The sound barrier walls will extend from the existing Pleasantview West sound barrier wall, at a height not to exceed seven feet. The wall will be of a masonry type construction, maintaining the aesthetic nature of the neighborhood.
3. Drayton Boulevard will be constructed to Douglas County standards, the same as existing Pleasant view roads. There will be weight limits on the road to preclude regular use of the roadway by large trucks.
4. Until such time as to portions of Drayton Boulevard contemplated by this agreement are constructed, the Wintergreen and Sweetwater exits will remain barricaded.
5. Street lighting on Drayton Boulevard adjacent to Pleasantview will be at the intersections only, and will be of low intensity, directed away from the rear of the homes on Springfield Drive.
6. Drayton Boulevard will be a County maintained road, controlling weeds and loose dirt.
7. If there is incremental development of Drayton Boulevard, the above conditions shall apply to all such development with the sound barrier walls culminating at the South end of the Pleasantview subdivision.

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.

EXHIBIT C

DATE: December 13, 2004
Clerk of the 9th Judicial District Court
of the State of Nevada, in and for the County of Douglas.
By: Debra J. Hullock Deputy

DOC # 0699767
04/25/2007 10:55 AM Deputy: PK
CONFORMED COPY
Requested By:
STEWART TITLE

Assessors Parcel No: 1220-17-601-001

When recorded mail to:
Gregory C. Lynn, Trustee
780 Emigrant Trail
Markleville, CA 96120

Douglas County - NV
Werner Christen - Recorder
Page: 1 Of 2 Fee: 15.00
BK-0407 PG- 7427 RPTT: 0.00



DEED RESTRICTION


The undersigned, GREGORY C. LYNN AND SUZANNE TOWSE, TRUSTEES OF THE GREGORY C. LYNN AND SUZANNE TOWSE TRUST DATED MAY 16, 1995, are the owners of that certain real property described as:

See Exhibit "A" attached hereto and made a part hereof

Owner, by its execution hereof, does hereby acknowledge and agree that the following deed restriction shall apply to the above described property:

"Douglas County has declared it a policy to protect and encourage agricultural operations. If your property is located near an agricultural operation, you may at some time be subject to inconvenience or discomfort arising from agricultural operations. If conducted in a manner consistent with proper and accepted standards, these inconveniences and discomforts do not constitute a nuisance for purposes of the Douglas County Code."

Dated this 25th day of April, 2007.

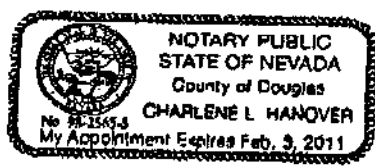


GREGORY C. LYNN, TTE

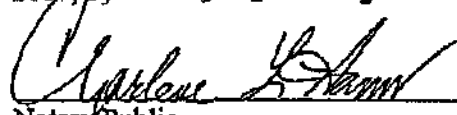


SUZANNE TOWSE, TTE

STATE OF Nevada)
) ss.
COUNTY OF Douglas)



This document was acknowledged before me this 25th day of April, 2007, by Gregory C. Lynn and Suzanne Towse, Trustees



Notary Public

LEGAL DESCRIPTION**Order No.:**

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

That portion of the Southwest 1/4 of the Northeast 1/4 of Section 17, Township 12 North, Range 20 East, M.D.B.&M., in the County of Douglas, State of Nevada, being more particularly described as follows:

Beginning at the Southeast corner of Parcel B of that certain Parcel Map for Bob Whear recorded in Book 192 at Page 743 as Document No. 268564 of the official records of said Douglas County; thence Northerly along the Easterly line of said Parcel B, North 0°23'40" East, 1257.28 feet to the Southwest corner of the 13.00 acre parcel shown on that certain Parcel Map for the J.M. Ryan Parcels recorded in Book 474 at Page 253 as Document No. 72640 of the official records of said Douglas County; thence Easterly along the Southerly line of said 13.00 acre parcel, North 89°34'38" East, 1320.26 feet to the Southwest corner of said 13.00 acre parcel; thence South 0°29'39" East, 1256.79 feet to the Northeast corner of Lot 11 of the Chambers Field Subdivision recorded in Book 179 at Page 435 as Document No. 28862 of the official records of said Douglas County; thence Westerly along the Northerly line of Lots 5 through 11 of said Chambers Field Subdivision, South 89°33'21" West, 1322.44 feet to the Point of Beginning.

Reference is made to Record of Survey filed with the Douglas County Recorder on December 1, 1994 in Book 1294, at Page 143 as Document No. 351716.

APN 1220-17-601-001

"IN COMPLIANCE WITH NEVADA REVISED STATUTE 111.312, THE HEREIN ABOVE LEGAL DESCRIPTION WAS TAKEN FROM INSTRUMENT RECORDED OCTOER 12, 2004, BOOK 1004, PAGE 4597, AS FILE NO. 626471, RECORDED IN THE OFFICIAL RECORDS OF DOUGLAS COUNTY, STATE OF NEVADA."