

APNs: 1320-20-000-018; 1320-29-501-002; 1320-28-000-023; 1320-21-000-014; 1320-28-000-024; 1320-28-000-025; 1320-28-000-028; 1320-28-000-030; 1320-28-000-031; 1320-33-001-011; 1320-33-001-015; 1320-34-002-001; 1320-34-001-028; 1320-27-002-035; 1320-28-000-017; 1320-20-000-017; 1320-21-000-015; 1320-21-000-016; 1320-29-601-003; 1320-28-000-029; 1320-29-000-015; 1320-28-000-022; 1320-28-000-027; 1320-32-501-021; 1320-32-501-020; 1320-33-001-016; 1320-33-001-009; 1320-33-001-010; 1320-33-001-012; 1320-33-001-013; 1320-33-001-014; and 1320-31-000-016; 1319-25-000-021; 1319-25-000-020; 1319-24-000-007; 1319-23-000-013; 1319-26-000-004.

AFTER RECORDATION RETURN TO:
Douglas County District Attorney's Office
Attn: Mary Anne Martin

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned hereby affirms that this document submitted for recording does not contain the social security number of any person or persons. (NRS 239B.030)

PARK RANCH HOLDINGS, LLC DEVELOPMENT AGREEMENT

Douglas County, a political subdivision of the State of Nevada ("County"), and Park Ranch Holdings, LLC, a Nevada limited liability company assigned Business ID No. 20131610733 whose address is 1300 Buckeye Road Suite A, Minden, NV ("Owner"), enter into this development agreement ("Agreement") to ensure the timely construction of Muller Parkway, the development of land in accordance with Douglas County requirements, and to ensure certain vested development rights for the real property proposed for development by Owner pursuant to this Agreement, which real property comprises approximately 1,044 acres as illustrated in **Exhibit A** attached to this Agreement (the "Property").

1. RECITALS

1.1 County is authorized, pursuant to Nevada Revised Statutes 278.0201 to 278.0207, inclusive, and Douglas County Code 20.400.010 to 20.400.060, to enter into a binding development agreement with persons having legal or equitable interests in real property located within the County to establish long range plans for the development of such property.

1.2 Owner holds legal title to the Property. Owner is the successor in interest to Park Cattle Company, LLC. On January 6, 2005, County approved a development agreement between

County and Park Cattle Company, LLC, recorded as Document No. 635615 obligating Park Cattle Company to dedicate to County right-of-way 105 feet wide in an alignment across the parcels generally described on a drawing called “Muller Parkway, Final Right-of-Way Exhibit” attached thereto (the “Original Agreement”). The purpose of the dedication was to allow construction by County of a portion of a regional bypass road called Muller Parkway within the public right of way. On October 11, 2007, County approved the “First Amendment to the Development Agreement for Park Cattle Company for the Muller Parkway Extension” (“First Amendment”) to revise the alignment and width of the right-of-way. The revised right-of-way was depicted by an exhibit attached to the First Amendment. Under the terms of these previous agreements, the County was obligated to construct Muller Parkway “within seven (7) years of the recording of such instruments of dedication, or within five (5) years of acquisition of right of way on adjacent property to the South APN 1320-34-002-001” (the “Ashland Park Property”), however no construction has taken place. The Parties therefore desire to terminate the Original Agreement as amended, acknowledging that all right-of-way previously dedicated pursuant to the terms of the Original Agreement or First Amendment thereto shall revert to Owner as set forth in NRS 244.276.

1.3 Because of changed conditions as well as past changes made to the Douglas County Master Plan and the amendment to the Master Plan contemplated by this Agreement, County and Park now desire to enter into this Agreement to: dedicate a new 205 foot public right of way across the Property for Muller Parkway and drainage improvements; dedicate a new public right-of-way across APN 1320-20-000-017 immediately north of the existing right-of-way to increase the width by approximately 105 feet; grant an easement to County on APN 1320-31-000-016 for the purpose of installing drainage culverts below Highway 88; establish the financial obligations of each party to construct Muller Parkway through the Ashland Park Property; set a deadline for the County to construct at least two lanes of Muller Parkway from Monterra to Stodick Estates; establish a maximum of two thousand five hundred (2,500) residential dwelling units which Owner is entitled to develop within the Property; and to preclude the County from rescinding the Property’s Receiving Area Land Use designation for at least thirty years from the Effective Date (as that date is defined in Section 2.9 of this Agreement).

1.4 The Property currently has a Master Plan Land Use designation of Agriculture. Concurrent herewith or immediately preceding consideration of this Agreement, County staff is seeking to update the Douglas County Master Plan Land Use Map to designate the Property as Receiving Area and to eliminate approximately 1,044 acres of Receiving Area designation from Owner’s property in the Topaz Ranch Estates vicinity illustrated on **Exhibit B**. This Agreement is conditioned upon the completion and approval by the Douglas County Board of County Commissioners (the “Board”) of such update to the Master Plan Land Use Map.

1.5 Owner and County acknowledge and agree that prior to entering into this Agreement appropriate legal advice and counsel was sought and that both Owner and County made a voluntary informed decision to enter into this Agreement in good faith. Owner and County further acknowledge and agree that substantial benefits will accrue to Owner as a result of entering into this Agreement, including a vested development right to develop the Property in accordance with

this Agreement, a certainty in the particular on-site and off-site improvements that may be required by County, and a certainty in the land use fees or obligations which may be imposed by the County.

1.6 County additionally acknowledges that certain public objectives it wishes to attain will be furthered by this Agreement, including right-of-way acquisition for Muller Parkway and additional drainage improvements, an easement for the Highway 88 culverts, financial contributions by Owner towards Muller Parkway construction costs, and implementation of the Master Plan goals and objectives. The benefits of this Agreement will further the comprehensive planning objectives contained in the Master Plan and provide public benefits such as fulfilling long term transportation goals established by the Master Plan Transportation Element for the County by providing important roadway improvements and removing approximately ninety nine existing homes in the Town of Minden from the FEMA 100 Year Flood Zone.

NOW THEREFORE, County and Owner agree as follows:

2. SELECTED DEFINITIONS

2.1 “Existing Development Approvals” means all permits, agreements and other entitlements approved, issued, or otherwise in existence on or before the Effective Date, which include, without limitation, Master Plan and zoning designations, tentative or final subdivision maps, parcel maps, design review, site improvement permits, variances, special use permits, and building permits.

2.2 “Master Plan” means the Douglas County Master Plan adopted April 18, 1996 by Resolution 96R-17, as amended from time to time.

2.3 “Owner” means Park Ranch Holdings, LLC, and other persons or entities or associations which hold any legal or equitable interest in the Property. “Owner” also includes any successors-in-interest to any or all of the foregoing.

2.4 “Property” means the property illustrated in Exhibit A, and includes the development of the Property as contemplated by this Agreement and approved by the County.

2.5 “Public Improvements” means any on-site or off-site improvements or facilities relating to the Property that will be offered for dedication to the County. Improvements include, but are not limited to, all streets, curbs, gutters, medians, parkways, pedestrian and bike paths, sidewalks, street lights, storm drains, and traffic signals or directional devices.

2.6 “Public Utilities” means infrastructure used to deliver water, sewer, natural gas, electricity, telephone, cable television, and telecommunication or fiber optics to the Property, together with all equipment and easements dedicated for these utilities.

2.7 “Reservation of Authority” means the rights and authority exempted from the vested development rights in section 5 of this Agreement and reserved to the County under further County approvals in section 7 of this Agreement.

2.8 “Vested Development Rights” means the irrevocable right to develop the Property in accordance with this Agreement, including the construction of two thousand five hundred (2,500) residential dwelling units as set forth in Sections 3 and 7.1, the Douglas County Code in effect as of the Effective Date to the extent such code provisions do not conflict with this Agreement, and the existing development approvals. The County, however, may unilaterally modify or amend Vested Development Rights to comply with future state or federal laws or regulations that supersede this Agreement.

2.9 “Effective Date” means the date upon which Ordinance 2019-1556 adopting this Agreement becomes effective.

3. PROPERTY DESCRIPTION

The Property includes approximately one thousand forty-four (1,044) acres adjacent to the Towns of Minden and Gardnerville, Nevada, east of U.S. Highway 395. The Property contains a significant portion of the future Muller Parkway. The Property is currently zoned Agricultural—19 acre (approximately 965 acres) and Rural Agriculture – 5 acre minimum lot size (79 acres). The proposed Master Plan update will convert the Property’s land use designation from Agricultural to Receiving Area.

Development of the Property is planned to include a variety of residential uses, however no “big box” commercial development of a commercial building in excess of 30,000 square feet of commercial space shall be allowed on the Property. The Property may be developed to the density and intensity permitted by existing and future development approvals. A more thorough description of future development of the Property will be set out in future maps, in improvement plans submitted for approval to the County Engineer, and applications for specific plans or planned development(s).

The Property shall be subject to a strict development limitation entitling Owner to develop and construct two thousand five hundred (2,500) residential dwelling units, subject to the Douglas County Building Permit Allocation and Growth Management Ordinance codified in Chapter 20.650 of the Douglas County Code, as amended prior to the Effective Date. The 2,500 unit cap shall be subject to corresponding reductions in the number of units Owner is entitled to develop pursuant to Section 7.1 of this Agreement if the Board approves any future zoning map amendment(s) to non-residential zoning other than Public Facilities. The Property shall not be subject to any Land Use designation changes without the consent of Owner or its successor(s)-in-interest for a period of not less than thirty (30) years from the Effective Date. However, the failure by Owner or its successor(s)-in-interest to timely cure a default under the terms of this Agreement may result in the revocation of the Receiving Area Land Use designation from the Property at the

sole discretion of the Board. Because Owner has relinquished the Receiving Area Land Use designation for certain other property owned by Owner as a prerequisite for entering into this Agreement, in the event such a revocation occurs, Owner shall be entitled to the restoration of the Receiving Area Land Use designation for such other property as it existed on the Effective Date.

4. VESTED DEVELOPMENT RIGHTS

4.1 General Right to Develop. Subject to the terms of this Agreement, Owner has the right to develop the Property in accordance with the Vested Development Rights. The permitted uses of the Property, the density and intensity of use, the provisions for the reservation or dedication of land for public purposes, the phasing of the construction of public facilities, the standards for the design, improvements, and construction of the project, and other terms and conditions of development applicable to the Property are those set forth in this Agreement, in the Existing Development Approvals and the Douglas County Code in effect as of the Effective Date. Any amendment(s) to the current zoning of the Property may be processed according to County Code.

4.2 Master Plan. Owner has a Vested Development Right to the Master Plan Land Use Designation of the Property as Receiving Area and County hereby agrees not to unilaterally rescind the Property's Receiving Area Land Use designation for a period of not less than thirty (30) years from the Effective Date.

4.3 Zoning. Owner has a Vested Development Right to receive zoning designations for the Property that are consistent with its Land Use designation as Receiving Area and with the development permitted by this Agreement.

5. OWNER'S OBLIGATIONS

5.1 Right-of-Way. Concurrent herewith, Owner shall offer to dedicate to the County public right-of-way approximately 205 feet wide, 15,295 feet long, and comprising approximately 75.7 acres by way of the grant, bargain and sale deed attached hereto as **Exhibit C** in the location described in **Exhibit D** and as depicted on the drawing identified as **Exhibit E** for use as Muller Parkway, multi-modal path(s) and additional drainage facilities. Owner shall also dedicate to the County additional public right-of-way approximately 100 feet in width across the entirety of APN 1320-20-000-017 immediately north of the existing 91.5 feet right-of-way in the location described in **Exhibit D** and illustrated on the drawing attached as **Exhibit E** by way of the same grant, bargain and sale deed. County shall promptly accept Park's offers of dedication. Any portion of the Muller Parkway right-of-way previously dedicated to County pursuant to the Original Agreement or the First Amendment thereto which is not within the right-of-way dedicated under this Agreement shall revert to Park by the process set forth in NRS 244.276. The Parties acknowledge that County's receipt of federal funding for the construction of Muller Parkway may necessitate the acquisition of additional right-of-way from Owner to, for example, accommodate

bus stops, bus turnouts and/or autonomous bus routes. The Parties agree to negotiate in good faith for the acquisition of additional right-of-way necessitated by external requirements without the use of eminent domain proceedings. County shall pay to Owner the fair market value of such additional right-of-way should it become required.

5.2 Easement for Highway 88 Culverts. On or before September 6, 2019, Owner shall grant to County an easement on APN 1320-31-000-016 for the purpose of installing drainage culverts below Highway 88 described and illustrated in **Exhibit F**. The Parties agree to cooperate in good faith with each other and the County's agent Bender Rosenthal Inc. to execute the easement and any documents related thereto.

5.3 Muller Parkway Financial Contribution.

(a) County shall construct two lanes of Muller Parkway within the deeded right-of-way across the Ashland Park Property identified on **Exhibit E** from the northern Ashland Park Property parcel boundary south to Toler Lane for a total distance of approximately 2,604 linear feet. Owner and County agree to equally share the costs and expenses of constructing such two-lane segment of Muller Parkway across the Ashland Park Property in accordance with or exceeding the specifications contained in the County's Standard Detail for a 2 Lane Urban Arterial. The Parties acknowledge that design modifications to the Standard Detail for 2 Lane Urban Arterial may be required should County elect to construct four lanes of Muller Parkway and/or receive federal funding involving grant requirements which deviate from County's standard design. The Parties agree to cooperate in good faith to finalize the design criteria prior to the commencement of any construction. Notwithstanding County's decision to construct four lanes of Muller Parkway or to construct the road with enhanced design features County desires or which are required as a condition of receiving federal funding, Owner's obligation shall be only to share in the costs of constructing two lanes of Muller Parkway meeting the County Standard Detail for a 2 Lane Urban Arterial in effect on the Effective Date. County shall complete construction of Muller Parkway through the Ashland Park Property within six (6) years of the Effective Date. The Parties agree that construction of the sidewalk(s) may be deferred until construction commences on adjacent onsite phase(s) of development of the Property, at which time Owner shall be responsible for the cost of construction for a pedestrian sidewalk of standard width as set forth in the County Code as of the Effective Date. County shall either not require or shall bear the cost of any enhancement of the sidewalk to include any multi-modal component. In the event that Owner desires to construct two lanes of Muller Parkway through the Ashland Park Property before County has commenced construction or entered into a contract for the construction of the road, Owner shall have the right to construct the road and County shall pay to Owner half of all material and construction expenses related thereto in the manner set forth in Section 5.3(b).

(b) When construction of the segment of Muller Parkway crossing the Ashland Park Property commences, County shall remit to Owner monthly requests for payment of half of all material and construction expenses related thereto. Requests for payment shall be submitted to Owner no later than thirty (30) days after the end of each month and include a summary of the expenditures reported. Owner shall promptly remit payment(s) to County no later than thirty (30)

days after the payment request date(s). Failure by Owner to timely remit payment pursuant to this Paragraph shall constitute a default.

5.4 Water and Sewer. All new development within the Property shall be connected to municipal water and sewer utilities. Owner agrees to cooperate in good faith with the Town of Minden or other water service provider to locate and install infrastructure reasonably necessary to provide water service to the Property, including but not limited to new well(s). No new septic systems shall be approved or installed on the Property.

5.5 Standards and Code. Commencement and completion of the public facilities must conform to the applicable requirements of Nevada Revised Statutes and of the Douglas County Code in effect on the Effective Date. Owner shall pay all fees adopted by the County now and in the future, and the development of the Property shall be subject to the Douglas County Building Permit Allocation and Growth Management Ordinance in effect on the Effective Date. Development of the Property must comply with all applicable County ordinances and Title 20 of the Douglas County Code in effect on the Effective Date.

5.6 Cooperation. Owner agrees that it will cooperate with County in the implementation of this Agreement and to obtain all necessary applications, approvals, permits or to meet other requirements which are or may be necessary to implement this Agreement, including any requirements that may be imposed by receipt of or application for a Better Utilizing Investment to Leverage Development (“BUILD”) grant. Owner’s cooperation under this section shall not include any financial contributions or payment of costs. Nothing contained in this paragraph, however, shall be construed as an implicit pre-approval by County of any future permits necessary for the development of any property owned by the Owner.

5.7 Right of Entry. During the term of this Agreement and upon advance notice, Owner shall permit the County and its agents, employees and contractors to enter upon the Property and/or APN 1320-31-000-016 for the purpose of conducting survey work, drainage studies, site visits and similar undertakings reasonably related to the funding and construction of Muller Parkway, or to install and maintain culverts or other drainage facilities upon the Property or APN 1320-31-000-016. Owner further agrees to promptly execute such instrument(s) necessary to the submission of a BUILD grant application acknowledging the County’s right of entry and/or any documentation reasonably related to FEMA funding or other grant opportunities.

5.8 Klauber Ranch Easements and Conservation. Prior to the commencement of the development of the Property, Owner agrees to restrict any additional development on Owner’s Klauber Ranch properties known as APNs 1319-25-000-021 and 1319-25-000-020 (collectively, “Klauber Ranch”) through the use of deed restrictions or a conservation easement pursuant to either Douglas County Code Chapter 20.500, “Transfer Development Rights” or Douglas County Code section 20.714.020, “Clustered Development.” Owner shall retain the right to construct six single-family dwellings on the Klauber Ranch Property to replace the six residential structures currently in existence thereon; provided, however, each such residential dwelling is on a parcel no

larger than two acres that is not in a Special Flood Hazard Area. County shall approve the application to strip density from Klauber Ranch to apply towards development of the first residential dwelling units constructed on the Property. Concurrent with such deed restrictions or conservation easement placed on Klauber Ranch and County's approval of the application of density to the Property as set forth in this section, County will not deny an application to develop the Property using the density derived from the Klauber Ranch Property for the reason that any portion of Muller Parkway to be constructed as set forth in this Agreement has not been constructed or because the portion of the Property proposed to be developed is in a Special Flood Hazard Area. Owner further agrees to restrict all water rights to Klauber Ranch and dedicate to the County an approximately 7,330 foot-long trail easement immediately south of and parallel to Muller Lane across Klauber Ranch and Owner's properties identified as APNs 1319-24-000-007, 1319-23-000-013 and 1319-26-000-004. Owner and County agree to cooperate in good faith to determine the appropriate width and precise location of said easement. The Parties acknowledge that the water rights appurtenant to the Klauber Ranch parcels comprise approximately 90.95 acre feet per season and are identified in Application No. 87805 on file with the Nevada State Engineer.

5.9 Detention Ponds. The Parties acknowledge that, although County intends to install certain drainage facilities in conjunction with Muller Parkway, additional detention ponds may be required on Owner's parcel(s) in the area zoned "Industrial" immediately east of the Property. Owner and County agree to use their best efforts to determine the size and location of such detention pond(s) and ensure their timely construction, including consultation with and approval from the Douglas County Water Conveyance Advisory Committee. The Parties further acknowledge that, because such detention pond(s) will materially benefit both the Property and the County, the Parties will share equally the cost of constructing such ponds with the Owner.

6. COUNTY'S OBLIGATIONS

6.1 Muller Parkway Construction. County must commence and substantially complete the construction of at least two lanes of Muller Parkway in the location identified on **Exhibit E** beginning at the existing 91.5 feet public road right-of-way on APN 1320-20-008-017, thence southeast to the northern boundary of the Ashland Park Property for a total distance of approximately 12,691 linear feet at County's sole cost and expense, including seven access points as depicted in the attached **Exhibit G**. County shall also construct two lanes of Muller Parkway within the deeded right-of-way across the Ashland Park Property identified on **Exhibit E** from the northern Ashland Park Property parcel boundary, then south to Toler Lane for a total distance of approximately 2,604 linear feet. Owner and County agree to equally share the costs and expenses of constructing such two-lane segment of Muller Parkway across the Ashland Park Property in accordance with the specifications contained in the Standard Detail for a 2 Lane Urban Arterial or such modified design as may be agreed to by the Parties to meet federal funding requirements and/or should County elect to construct four lanes of Muller Parkway. County shall complete the construction of both segments of Muller Parkway as described above within six (6) years of the Effective Date. The Parties agree that construction of the sidewalk(s) may be deferred until

construction commences on adjacent onsite phase(s) of development of the Property, at which time Owner shall be responsible for the cost of constructing a pedestrian sidewalk of standard width as set forth in the County Code as of the Effective Date. County shall either not require or shall bear the cost of any enhancement of the sidewalk to include a multi-modal component. In the event that Owner desires to construct two lanes of Muller Parkway as illustrated in **Exhibit E** before County has commenced construction or entered into a contract for the construction of those segments of Muller Parkway, Owner shall have the right to construct the road and County shall pay to Owner 100% of all material and construction expenses, except for the Ashland Park segment, for which the County shall pay to Owner 50% of all material and construction expenses, in each case in the manner set forth in Section 5.3(b). Failure by County to timely construct Muller Parkway as set forth in the Agreement shall constitute a default which, if uncured, shall result in the reversion to Owner of all rights-of-way conveyed to County by Owner pursuant to this Agreement with the exception of the easement(s) on APN 1320-31-000-016. Any such reversion shall be by the process set forth in NRS 244.276.

6.2 If County constructs the segment of Muller Parkway illustrated in **Exhibit E** prior to the development of the portion of the Property lying west of the Muller Parkway right-of-way by Owner, County shall construct that segment of Muller Parkway in such a way as to preserve the conveyance of irrigation water originating east of Muller Parkway to the portion of Owner's land lying west of Muller Parkway.

6.3 Periodic Review. In accordance with the provisions of NRS 278.0205 and 278.02053, County shall review the progress of the Owner at least once every twenty-four (24) months to ensure that Owner has complied with the terms of this Agreement. Upon completion of this review, the County shall give notice to the Owner in writing of the results of the review. Within thirty (30) days of mailing written notice to the Owner, the County must place a copy of the results of its review on the agenda of the Board for consideration and action. If the Board determines that Owner has not complied with the terms of this Agreement, the Board may cancel or amend this Agreement as provided in NRS 278.0205 and Douglas County Code section 20.720.060.

6.4 Cooperation. The County agrees that it will cooperate with Owner in the implementation of this Agreement. Owner agrees that it will cooperate with County in the implementation of this Agreement.

7. FURTHER COUNTY APPROVALS

7.1 Zoning Map Amendment(s). The County retains a Reservation of Authority to review, pursuant to Chapter 20.610 of the Douglas County Code, future zoning map amendment(s) for the Property. The Parties acknowledge that Owner's contractual right to develop two thousand five hundred units within the Property pursuant to this Agreement and the designation of the Property as Receiving Area shall be deemed sufficient to support the findings necessary for approval of zoning map amendment application(s) for single family residential zoning submitted

by Owner pertaining to the Property. The Parties further acknowledge that Owner may apply for a zoning map amendment to “Light Industrial” zoning for a portion of the Property lying southwest of the future Muller Parkway which is immediately adjacent to existing “Light Industrial” zoned properties. The Parties agree that if the Board approves a zoning map amendment application(s) changing any portion(s) of the Property to non-residential zoning other than “Public Facilities,” that a corresponding reduction to the number of units Owner is entitled to develop on the Property pursuant to Sections 2.8 and 3 of this Agreement shall be made. Such reduction(s) to Owner’s unit cap shall be calculated on the basis of an assumed density of 2.4 units per acre. Accordingly, if a zoning map amendment is approved for a 100 acre portion of the Property to “Light Industrial” or other non-residential zoning, the Owner’s unit cap shall be reduced by 240 units from 2,500 to 2,260 units.

7.2 Subdivision Map. The County retains a Reservation of Authority to review, in accordance with NRS 278.320, *et seq.*, any tentative and final map(s), and to disapprove any application for a final map if the final map is not prepared in accordance with the tentative map conditions and application requirements for a final map. The County grants to the Owner a period of three (3) years for the presentation of the final map prepared in accordance with the tentative map for the entire area for which a tentative map has been approved. The time requirements set forth in NRS 278.468 apply to this Agreement unless a longer time for filing is permitted by this Agreement.

7.3 The failure of County to approve a Zoning Map Amendment for any application requesting residential zoning as set forth in Section 7.1 or a tentative or final map as set forth in Section 7.2 shall result in a termination of this Agreement and County shall forthwith deed back to Owner all rights-of-way and easements deeded to County, except as to the easement for the culverts under Highway 88 and, as to that easement, County shall pay to Owner the fair market value of such easement as of the Effective Date.

8. CONSISTENT WITH MASTER PLAN

The County agrees that the terms of this Agreement are consistent with the Master Plan, as amended through the Effective Date.

9. TERM

The term of this Agreement will be thirty (30) years from the Effective Date.

10. BINDS ONLY PARTIES AND SUCCESSORS-IN-INTEREST

The terms of this Agreement bind only the parties to this Agreement and their successors, grantees, and assigns. This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. This Agreement does not create, and may not be construed as creating, any third-party rights of action in any other person or entity.

11 EVENTS OF DEFAULT

11.1 Default Procedure. In the event of any alleged default of any material terms or conditions of this Agreement, the party alleging a default must give the other party not less than ninety (90) days' notice in writing specifying the nature of the alleged default and the manner in which the default may be satisfactorily cured. After notice and the expiration of the ninety (90) day period, the non-defaulting party to this Agreement, at its option, may determine that the default has been cured or declare that the Agreement has been breached and may institute legal proceedings pursuant to this Agreement. If the County is the non-defaulting party, it may give notice of intent to terminate pursuant to NRS 278.0205; provided, however, if the default is not of the type that could reasonably be cured within ninety (90) days, no action against the defaulting party may be taken during such time that the defaulting party is diligently working to cure the default. If notice of intent to terminate is given by the County, the matter must be scheduled for consideration and review by the Board at a public hearing. Following consideration of the facts and evidence presented in the review before the Board, the County may give written notice of termination of this Agreement to Owner. Owner will have the opportunity to be heard orally and in writing before the Board prior to any termination by County.

11.2 Events of Default. The following constitute events of default under this Agreement:

- (a) County's failure to commence or complete construction in accordance with section 6.1 of this Agreement.
- (b) Owner's failure to remit payment in accordance with section 5.3 of this Agreement.
- (c) An action taken by the County which is not related to its health, safety or welfare powers, and which directly and substantially affects Owner's rights under this Agreement or Owner's ability to fully perform its obligations under this Agreement.
- (d) A material breach by Owner or by the County of any provision of this Agreement.

11.3 Acts of God. Performance by either Party hereto shall not be deemed to be in breach or default where delays or breaches 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, the enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulations, or similar bases for excused performance. If written notice of such delay is given by the delayed Party to the other Party 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. In addition to any other rights or remedies, either Party may institute legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation. County shall not be held liable to Owner

for consequential, exemplary, incidental or punitive damages as a result of its failure to review or approve permits and entitlements in a timely manner.

12. REMEDIES

12.1 No Monetary Damages. The County and the Owner agree that neither party would have entered into this Agreement if it were to be liable for damages under or with respect to this Agreement, except for the amounts for which obligations arise under this Agreement. Accordingly, the County and the Owner may pursue any remedy at law or equity available for breach, except that the County will not be liable to the Owner or to any other person for any monetary damages whatsoever, except for the amounts for which it is obligated in this Agreement and any costs or attorney's fees.

12.2 Specific Performance. The County and the Owner agree that neither party would have entered into this Agreement if they were unable to obtain the approvals cited in this Agreement, the vested rights and public facilities as consideration for this Agreement. Accordingly, each party may sue the other party for specific performance of the approvals. The County may also sue for the installation of those facilities that are necessary to the public's health, safety or welfare if Owner defaults under this Agreement and fails or refuses to perform as required in this Agreement.

13. NOTICES

All notices under this Agreement shall be sent, via first class certified return receipt mail, to the following addresses:

Park Ranch Holdings, LLC

Attn: David Park, Manager
1300 Buckeye Road Suite A
Minden, Nevada 89423
Telephone:

with a copy to:

Oshinski & Forsberg, Ltd.
Attn: Mark Forsberg, Esq.
504 E. Musser St. Suite 202
Carson City, NV 89701
Telephone: (775) 301-4250

and, if the party so to be served is the County, addressed to the County as follows:

Douglas County Community Development

Attn: Director
1594 Esmeralda Avenue
Minden, NV 89423
Telephone: (775) 782-6201

14. MERGER

This Agreement constitutes the entire understanding of the parties and all prior negotiations and understandings are merged into this Agreement. This Agreement does not modify any presently existing conditions of approval for the Property.

15. AMENDMENTS

This Agreement may be amended by the parties by a written agreement that is adopted by the County through an ordinance in compliance with NRS 278.020 through 278.0207, inclusive. Within the limits granted by the County Code, the director of Community Development may make and approve minor modifications to this Agreement that are requested by Owner; provided that minor modifications will not affect the term of this Agreement, the permitted uses of the Property, or the dedication of the right-of-way, easements and Public Facilities required by this Agreement.

16. SEVERABILITY

It is declared to be the intention of the parties that the sections, paragraphs, sentences, clauses, and phrases of this Agreement, or of the County ordinance adopting the same, are severable. If any phrase, clause, sentence, paragraph, or section of this Agreement, or of the County ordinance adopting same, is declared unconstitutional or invalid by a valid and final judgment of a court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Agreement, or of the County ordinance adopting same.

17. AGREEMENT CONDITIONAL

This Agreement is conditioned upon the concurrent approval of the pending update to the Master Plan Land Use Map(s) changing the Land Use Designation of the Property to Receiving Area, and neither Party has any obligation hereunder until that occurrence. In the event that County does not approve said pending update to the Master Plan Land Use Map(s), as presented or as modified, this Agreement shall terminate.

County and Owner recognize that the construction of Muller Parkway requires the performance of County and parties to other development agreements with County and agree that if one or more of such developers fails to fulfill its obligations with respect to the construction of Muller Parkway or the dedication of right-of-way for Muller Parkway, or does not comply with the terms of its respective development agreement either voluntarily or by non-action, so long as

Owner has timely performed all of its obligations under this Agreement, County will not impose on Owner any conditions that are made necessary or expedient by the failure of other persons to construct any portion of Muller Parkway.

18. RECITALS AND EXHIBITS

The Recitals and all Exhibits to this Agreement are incorporated herein by this reference.

19. LAW AND FORUM

The laws of Nevada shall govern the interpretation and enforcement of this Agreement. Owner and County 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 Agreement.

County will not waive, and instead intends to assert, all available defenses under NRS Chapter 41 to limit liability as a political subdivision of the State of Nevada. Owner agrees that the County is under no legal or equitable obligation to enter into this Agreement and that the County elects to be a party to this Agreement as a discretionary act in furtherance of its governmental policies relating to the development of property in the County.

21. AUTHORITY

Any individual signing this Agreement on behalf of the respective Parties represents that he or she is authorized by such Party and has the power to enter into this Agreement, and by such person's act such Party is bound hereto.

Effective as of September 6, 2019

**PARK RANCH HOLDINGS LLC,
a Nevada limited liability company**

**DOUGLAS COUNTY, NEVADA, a
political subdivision of the State of
Nevada**

By _____
David Park, Manager

By _____
William B. Penzel, Chairman

Approved as to form:

By _____
Deputy District Attorney
Douglas County Attorney's Office
P.O. Box 28
Minden, NV 89423

Attest:

Douglas County Clerk

STATE OF NEVADA)
) ss.
DOUGLAS COUNTY)

On this ____ day of _____, 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known or proved to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC

STATE OF NEVADA)
) ss.
DOUGLAS COUNTY)

On this ____ day of _____, 2019, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known or proved to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC

- Exhibit A: Map of the Property (1,044 acres)
- Exhibit B: Map of Receiving Area being stripped from Owner’s land near Topaz
- Exhibit C: Form of Grant, Bargain and Sale Deed
- Exhibit D: Right-of-Way Legal Description
- Exhibit E: Right-of-Way Map
- Exhibit F: Highway 88 Culvert Easement Legal Description & Illustration
- Exhibit G: Map of future Muller Parkway showing Access Points