

**RENO-SPARKS CONVENTION AND VISITORS AUTHORITY
NOTICE OF PUBLIC MEETING
SPECIAL MEETING OF THE BOARD OF DIRECTORS**

REVISED AGENDA

**Thursday, February 7, 2019 at 3:00 P.M.
Reno-Sparks Convention and Visitors Authority
4001 S. Virginia Street, Board Room
Reno, Nevada**

**BOARD OF DIRECTORS:
Commissioner Bob Lucey, Chairman**

Mr. Nat Carasali
Mr. Lee Dillard
Councilman Ed Lawson
Mr. Rick Murdock

Mayor Hillary Schieve
Mr. Mark Sterbens
Mr. Bill Wood
Mr. Vick Wowo

THIS MEETING IS IN COMPLIANCE WITH THE NEVADA OPEN MEETING LAW AND HAS BEEN
PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

Reno-Sparks Convention & Visitors Authority (RSCVA)
Reno City Hall
Sparks City Hall
National Bowling Stadium
RSCVA Website: www.rscva.com/public-meetings

Reno-Sparks Convention Center
Washoe County Administration Bldg.
Washoe County Courthouse
Online at <http://notice.nv.gov/>

Items on the agenda are for possible action by the Board of Directors unless stated otherwise. Items will not necessarily be considered in the order listed. The Board may combine two or more agenda items for consideration, may remove an item from the agenda or may delay discussion relating to an item on the agenda at any time. Support materials are made available when they are provided to the Board, or if provided during the meeting, support materials will be made available at the meeting at the same time as they are made available to the Board. Support materials are also available at the RSCVA administrative offices and at the scheduled meeting. The designated contact to obtain support materials is Corie Carlsen, 4001 South Virginia Street, Suite G, Reno, NV (775) 827-7618.

AGENDA

A. OPENING CEREMONIES

Call to Order
Pledge of Allegiance
Roll Call

B. COMMENTS FROM THE FLOOR BY THE PUBLIC

Public comment is limited to three minutes. The public is encouraged to comment on all agenda items as well as issues not on the agenda during the Public Comment period, or on "action" items immediately before board discussion of such "action" items. Members of the public desiring to speak must complete a "Request to Speak" form and return it to the RSCVA clerk at the meeting. No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken. Public comments may not be accepted after the Chairman closes any period for public comment.

C. APPROVAL OF THE AGENDA

For possible action.

D. PRESENTATIONS

D1. Appointment of Board Member Pursuant to NRS 244A.601(1)(d)(4)

The elected public official members of the Board of Directors will consider appointment of a representative to the RSCVA Board nominated by the Nevada Resort Association for the seat currently held by Lee Dillard. The Nevada Resort Association has nominated Lee Dillard, Vice President & General Manager, Harrah's Reno for re-appointment.

For discussion and possible action.

D2. Board Review and Possible Approval of the Cooperative Agreement to Transfer Wildcreek Golf Course and Related Assets to Washoe County and Authority to Proceed

The RSCVA Board of Directors is being asked to review, discuss and possibly approve the terms of the Cooperative Agreement for Wildcreek Golf Course Property (the "Agreement") by and among the RSCVA, Washoe County and Washoe County School District. As it relates to the RSCVA, the Agreement provides for the transfer of the Wildcreek Golf Course property located on Sullivan Lane in Sparks, Nevada (APNs 027-011-07, 027-011-08 and 027-011-09), all related personal property and improvements and all related water rights to Washoe County as well as an assignment of the RSCVA's interest in the current Golf Management License and Services Agreement by and between the RSCVA and Golf at Wildcreek, LLC, to Washoe County. The foregoing transfer and assignment is to be in exchange for payment to the RSCVA in the amount of \$979,706.50. Upon the completion of the foregoing transfer by the RSCVA to Washoe County, Washoe County will thereafter transfer a portion of the Wildcreek Golf Course property and related water rights to the Washoe County School District for the construction of a new high school, with Washoe County to own and operate the balance of the Wildcreek Golf Course property going forward, all on the terms as set forth in the Agreement. The RSCVA Board of Directors may approve the Agreement as presented, approve with modification, or reject the Agreement. In the event the Agreement is approved, the RSCVA Board of Directors will be requested to authorize Philip DeLone, in his capacity as the RSCVA President/CEO to finalize, execute and deliver the Agreement and related exhibits, and cause the RSCVA to perform its obligations thereunder.

For discussion and possible action.

F. BOARD MEMBER COMMENTS REGARDING ITEMS FOR FUTURE MEETINGS

This is an information item. Not an action item.

G. COMMENTS FROM THE FLOOR BY THE PUBLIC

Public comment is limited to three minutes. The public is encouraged to comment on all agenda items as well as issues not on the agenda during the Public Comment period, or on "action" items immediately before board discussion of such "action" items. Members of the public desiring to speak must complete a "Request to Speak" form and return it to the RSCVA clerk at the meeting. No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken. Public comments may not be accepted after the Chairman closes any period for public comment.

H. ADJOURNMENT

For possible action.

Persons are invited to submit written remarks for all matters, both on and off the agenda. Written remarks presented for inclusion in the Board of Directors' minutes must be flat, unfolded, on paper of standard quality, and 8 ½ by 11 inches in size. Written remarks shall not exceed five (5) pages in length. The RSCVA will not accept for filing any submission that does not comply with this rule. On a case-by-case basis, the Board of Directors may permit the filing of noncomplying written remarks, documents, and related exhibits under NRS 241.035(1)(e). Board of Directors' meeting rooms are accessible to persons with disabilities. If special arrangements are required, please contact Corie Carlsen at 775-827-7618.

For information or questions regarding this agenda, please contact:

The RSCVA Executive Office
P.O. Box 837, Reno, NV 89504
775-827-7618



10000 W. CHARLESTON BLVD., SUITE 165
LAS VEGAS, NV 89135
PH: (702) 735-4888 FAX: (702) 735-4620

December 6, 2018

Philip DeLone
President & CEO
Reno Sparks Convention & Visitors Authority
P.O. Box 837
Reno, NV 89504

Dear Mr. DeLone,

In response to Ms. Cunningham's email request on December 4, 2018, regarding the completion of Lee Dillard's two-year term as a member of the RSCVA Board of Directors expiring, the Nevada Resort Association recommends the re-appointment of Lee Dillard of Harrah's. The new term will start December 2018 ending December 2020.

You may reach Mr. Dillard by email at ldillard@Harrahs.com or by contacting his office at (702) 788-3157.

If you have any further questions, please do not hesitate to contact our office at 702-735-4888.

Sincerely,

Virginia Valentine
President
Nevada Resort Association

cc: Mr. Bob Lucey
Mr. Lee Dillard



To: RSCVA Board

From: Dickson Wright PLLC
Benjamin W. Kennedy

CC: Bob Lucey, Board Chair
Phil DeLone, President/CEO

Date: February 1, 2019

Subject: **Discussion and potential direction from the Board in the matter of the disposition of the Wildcreek Golf Course property by way of that certain Cooperative Agreement for Wildcreek Golf Course Property by and among the RSCVA, Washoe County and Washoe County School District**

Executive Summary

The real property comprising the Wildcreek Golf Course property (APNs 027-011-07, 027-011-08 and 027-011-09) (the "Wildcreek Site") is currently titled in the name of Washoe County "acting through" the RSCVA. The RSCVA developed and has been responsible for the operation of the golf course located on the Wildcreek Site. The golf course has operated at a loss, and the RSCVA's modern focus on attracting overnight visitors to Washoe County lodging properties through tourism, marketing and convention sales does not include the operation of a golf course. Based thereon, the RSCVA Board of Directors has previously directed staff to identify options for the RSCVA to divest itself of the Wildcreek Site. In connection therewith, the RSCVA, Washoe County and Washoe County School District ("School District") have proposed a three party Cooperative Agreement whereby the RSCVA would quitclaim its interest in the Wildcreek Site, and all related water rights and assets, to Washoe County in consideration of payment to the RSCVA from the School District in the amount of \$979,706.50. After acquisition from the RSCVA, Washoe County would then transfer a portion of the Wildcreek Site and related water rights to the School District for the construction of a new high school, and Washoe County would retain the remainder of the Wildcreek Site and related water rights to be operated for a public purpose.

Staff is seeking approval of the terms of the Cooperative Agreement, authorization to finalize any remaining details and authorization to execute and deliver the Cooperative Agreement and any other related documents.



Background

Washoe County holds title to Wildcreek Golf Course and the related improvements at 3500 Sullivan Lane in Sparks "acting through" the RSCVA. The School District identified the Wildcreek Site as a desirable site for a new high school given the proximity to student populations and necessary infrastructure and the needs of the School District. The RSCVA desires to cooperate in transitioning its property interest in the Wildcreek Site to other public agencies for public benefit and use.

On May 1, 2017, the governing boards of Washoe County, the City of Reno, the City of Sparks, the School District and the RSCVA approved a letter of intent to cooperate in the planning, development and construction of new high school on a portion of the Wildcreek Site. The School District engaged a team of planning, engineering, legal, construction and real estate consultants to conduct a due diligence report of Wildcreek as a school site and the work included evaluations of drainage, soil conditions, environmental constraints (including wetlands studies), utilities, soils, flight path, traffic and site plan alternatives.

On September 12, 2018 a parcel map was recorded in Washoe County dividing the Wildcreek Site into 3 parcels as follows: Parcel 1 (14.50 acres), Parcel 2 (87.02 acres) and Parcel 3 (110.72 acres). A copy of the parcel map (Parcel Map No. 5369) is attached as Exhibit C to the Cooperative Agreement. Upon the consummation of the transaction contemplated by the Cooperative Agreement, Parcel 2 would be transferred to the School District for the construction of the School Project and Parcels 1 and 3 would be retained by Washoe County for drainage control and a possible golf course project.

The additional primary terms and conditions for the transfer which are stated in the proposed Cooperative Agreement (which sets forth that the Wildcreek Site will continue to be used for public purposes) are as follows:

- The RSCVA will convey its interest in the Wildcreek Site, the related water rights, the related personal property and all fixtures and improvements at the Wildcreek Site to Washoe County for no charge.
- The School District will pay \$979,706.50 to the RSCVA to compensate the RSCVA for its acquisition, improvement, maintenance and historic operation of the Wildcreek Site.
- Washoe County will convey title to Parcel 2 to the School District for construction of the new high school, as well as 318 acre feet of associated water rights. Washoe County will retain ownership of Parcel 1 and 3, all improvements located thereon and certain appurtenant water rights sufficient to allow Washoe County to continue to operate Parcels 1 and 3 for a public purpose.



- The RSCVA will be released from its obligations under an Effluent Agreement with the City of Sparks and the remaining payment obligations under the Effluent Agreement will be assumed by the School District.
- The School District will pay to Washoe County \$3,145,293.50 to compensate Washoe County for the real property and transferred water rights.
- The RSCVA will assign to Washoe County the Golf Management License and Services Agreement for Wildcreek Golf Course between the RSCVA and Golf at Wildcreek, LLC, for the operation of the Wildcreek Golf Course. Pursuant to a Ground Lease between the School District and Washoe County, Washoe County has the option to lease Parcel 2 back from the School District such that golf operations may continue as currently configured pending commencement of construction of the new high school.
- The RSCVA is released or indemnified of its obligations under an existing Orr Ditch agreement as it relates to a portion of the Orr Ditch located on the Wildcreek Site.

Fiscal Impact

The RSCVA will be paid \$979,706.50 and relieved of all remaining fiscal obligations related to the Wildcreek Site and operation of the improvements located thereon.

Recommendation

Approve the terms of the Cooperative Agreement and authorize Philip DeLone, in his capacity as the President/CEO of the RSCVA, to finalize any remaining details and execute and deliver the Cooperative Agreement and related documents.

COOPERATIVE AGREEMENT FOR WILDCREEK GOLF COURSE PROPERTY

Dated as of February ____, 2019

Article 1 PARTIES; RECITALS; CONTEMPLATED PROJECT AND PROCEDURES; AND DEFINITIONS

1.1 Parties

Washoe County (“<u>County</u>”)	County of Washoe A political subdivision of the State of Nevada P.O. Box 11130 Reno, Nevada 89520 Attn: Dave Solaro, Assistant County Manager
Washoe County School District (“<u>School District</u>”)	Washoe County School District A political subdivision of the State of Nevada 14101 Old Virginia Road Reno, Nevada 895 Attn: Pete Etchart, Chief Operating Officer
Reno Sparks Convention and Visitors’ Authority (“<u>RSCVA</u>”)	Reno Sparks Convention and Visitors’ Authority, a County Fair and Recreation Board created pursuant to NRS Chapter 244A 4001 S. Virginia Street Reno, NV 89502 Attention: Phil DeLone, President/CEO

1.2 Recitals (Capitalized terms are defined in Article 1.3 below)

A. In 1974 and pursuant to NRS 244A.619, the RSCVA, upon behalf of the County, acquired title to approximately two hundred twelve (212+/-) acres of land upon which the “Wildcreek Golf Course” and related improvements are located (the “Wildcreek Site”). The Wildcreek Site was formerly identified as Assessor Parcel Number 027-011-05 and is more specifically described on the attached Exhibit A. The vesting deed for the Wildcreek Site is attached hereto as Exhibit B. The purchase included 448 acre-feet of water rights (Claim No. 313) which were later severed from and are no longer appurtenant to the land and conveyed to the City of Sparks as part of the Effluent Agreement (defined below).

B. The RSCVA developed, financed the improvements on and operates Wildcreek Golf Course, a public golf course, on the Wildcreek Site. Washoe County did not pay for the costs of the acquisition or improvement of the Wildcreek Site, but is the holder of title through the RSCVA, pursuant to NRS 244A.619. The RSCVA's modern focus on attracting overnight visitors to Washoe County lodging properties through tourism marketing, convention sales and facility operation does not include the operation of golf courses and the RSCVA and County desire to cooperate in transitioning their interest in a portion of the Wildcreek Site to the Washoe County School District for public benefit and use. Wildcreek Golf Course as presently configured and situated has not generated enough revenue to cover the costs of operations and caused RSCVA financial losses for many years. Ending those financial losses is consideration for RSCVA's participation in the transactions contemplated by this Agreement.

C. The County and the School District are public agencies of the State of Nevada as defined in NRS 277.050.

D. Pursuant to NRS 277.050 public agencies may sell, exchange or lease their real property to other public agencies through negotiated transactions and without advertising for public bids. Pursuant to NRS 277.053 the conveyance of property between public agencies can be made without a charge if the property is to be used for public purpose. NRS 277.050 agreements involving the expenditure of more than \$25,000 are approved by formal resolution or ordinance of the governing body of the public bodies involved.

E. Pursuant to NRS 277.050, before ordering the sale, exchange or lease of public agency property, the governing body shall, in a regular open meeting, by a majority vote of its members, adopt a resolution declaring its intention to sell or exchange agency property, or a resolution declaring its intention to lease agency property, as the case may be. The resolution must: (a) Describe the property proposed to be sold, exchanged or leased in such a manner as to identify it; (b) specify the minimum price, consideration or rent and the terms upon which it will be sold, exchanged or leased; and (c) Fix a time not less than 2 weeks thereafter for a public meeting of the governing body, at which objections to the sale, exchange or lease may be made by the electors of the public agency. Notice of the adoption of the resolution and of the time and place of the public meeting must be published in a newspaper of general circulation published in the county in which the public agency or any part thereof is situated. The notice must be published not less than twice, on successive days, the last publication to be not less than 7 days before the date of the public meeting.

F. Subsection 1 of NRS 277.045 provides in part that "... any two or more political subdivisions of this state, including ... counties [and] incorporated cities ... may enter into a cooperative agreement for the performance of any governmental function. Such an agreement may include the furnishing or exchange of personnel, equipment, property or facilities of any kind, or the payment of money." Subsection 1 of NRS 277.280 provides in part that "Any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or

undertaking which any of the public agencies entering into the contract is authorized by law to perform.”

G. The County, School District, Sparks, City of Reno and RSCVA adopted a Letter of Intent (the “LOI”) at a concurrent public meeting on May 1, 2017 resolving to cooperate in the School District’s planning, development and construction of a new high school on a portion of the Wildcreek Site, while permitting a portion of the Wildcreek Site to remain to be utilized for public golf, if so desired by the County.

H. The School District, with Washoe County’s consent as the holder of title, applied for and obtained approval for the division of the Wildcreek Site to create three (3) separate parcels, as set forth in the parcel map attached hereto as Exhibit C (the “Parcel Map”). The map was recorded on September 12, 2018.

I. The School District desires to acquire that certain real property identified as Parcel 2 on the attached Parcel Map (the “New School Parcel”) for the development of a new high school campus and related improvements (the “School Project”). The School District has identified the New School Parcel as an ideal site for the School Project given the proximity to student populations and necessary infrastructure and the needs of the School District. Parcels 1 and 3 on the Parcel Map (collectively, the “Remainder Parcels”) would continue to be owned by the County free and clear of any interest of the RSCVA. By leasing the New School Parcel to the County during the design and testing phases of the School Project, the School District’s preliminary plans will allow for the continuation of a redesigned and reconstructed public golf course on the Remainder Parcels (the “Golf Project”) at the discretion of Washoe County.

J. As further set forth herein, and subject to the various terms and conditions of this Agreement, it is the intention of the parties that the RSCVA quitclaim whatever interest it has or may have in and to the Wildcreek Site, the associated water rights and associated personal property to Washoe County. Washoe County would then convey the New School Parcel and portion of the associated water rights to the School District.

K. The Wildcreek Site has been irrigated with treated effluent delivered pursuant to publically-approved 1996 agreement between the RSCVA, the City of Sparks (“Sparks”) and Washoe County (“Effluent Agreement”). The Effluent Agreement required Sparks to develop and constructs an effluent reuse distribution system which delivers effluent from the Truckee Meadows Water Reclamation Facility to Wildcreek Golf Course. The RSCVA agreed to purchase designated quantities of treated effluent to irrigate the Wildcreek Site. The term of the Effluent Agreement expires on March 31, 2022. A copy of the Effluent Agreement is attached hereto as Exhibit D.

L. Pursuant to the Effluent Agreement Sparks presently holds Four Hundred Forty-Eight and Eighty-Eight One Hundredths (448.88) acre feet of Truckee River water rights (the “Dedicated Water Rights”) on behalf of the RSCVA/County (Claim No. 313). Section 8 of the Effluent Agreement provides that upon the termination of the Effluent

Agreement, the Dedicated Water Rights are to be transferred and reconveyed by Sparks to the RSCVA/Washoe County.

M. In addition to its interest in the Dedicated Water Rights, the RSCVA holds title to Five Hundred Six and Seven Hundred Eighty-Four One Thousandths (506.784) acre feet of Wells Creek water rights as evidenced by Permit No. 78564/Certificate 18122 (the “Wells Creek Water Rights”) and Sixty-Nine and Two Tenths (69.2) acre feet of Truckee River water rights as evidenced by Permit No. 78564/Certificate 18123 (the “Unencumbered Water Rights”).

N. The parties are entering into this Agreement for the purposes of setting forth the agreed upon terms and conditions related to a transfer of a portion of the Wildcreek Site and certain water rights to the School District, the development of the School Project and the continued ownership and development of the Golf Project by Washoe County.

NOW THEREFORE, the Parties agree as follows:

1.3 DEFINITIONS

Unless otherwise specifically provided, the following words have the following meanings in this Agreement.

Agreement means this Development Agreement.

Appraisal means that appraisal dated August 16, 2018 obtained by the School District from Johnson, Perkins, and Griffin Real Estate Appraisers & Consultants which (attached as Exhibit E).

County Water Rights Deed is defined in paragraph 3(B).

Dedicated Water Rights are defined in paragraph 1.2(L).

Effluent Agreement is defined in paragraph 3.1(A).

Escrow Holder is defined in paragraph 2.2.

First Closing is defined in paragraph 2.2(A).

Golf Management Agreement is defined in Article 4.

Golf Operator is defined in Article 4.

Ground Lease is defined in Article 4.

Letter of Intent or “LOI” is defined in paragraph 1.2(G).

Orr Ditch Agreement is defined in Article 5.

Parcel Map is defined in paragraph 1.2(H).

New School Parcel(s) means the 87.02 +/- acre parcel shown on the Parcel Map as Parcel 2 (APN 027-011-08).

Remainder Parcel(s) means the remaining 124.98 +/- acres consisting of two parcels (APN 027-011-07 and APN 027-011-09) shown on the Parcel Map as Parcel 1 and Parcel 3.

RSCVA Water Rights Deed is defined in paragraph 3.1(a)(iii).

School Project is defined in paragraph 1.2(I).

Second Closing is defined in paragraph 2.2(B).

Title Report means that certain title preliminary report effective June 7, 2017 and issued by Ticor Title Company of Nevada (attached as Exhibit F).

Unencumbered Water Rights are defined in paragraph 1.2(M).

Water Purchase Price is defined in paragraph 3.1(B).

Wells Creek Water Rights are defined in paragraph 1.2(M).

Wildcreek Golf Course is defined in paragraph 1.2(A).

Wildcreek Golf Course Equipment is defined in paragraph 2.2(A).

Wildcreek Site is defined in paragraph 1.2(A).

Article 2 THE REAL AND PERSONAL PROPERTY

2.1 Parceling the Wildcreek Site.

A. At its expense the School District performed all work necessary and obtained all local, state and federal approvals, if any, for the creation of new parcels at the Wildcreek Site as depicted on the attached Parcel Map. Any future changes to the configuration of the new parcels necessary for the School District shall be the responsibility of the School District.

B. Access easements from each new parcel to existing public streets shall be created sufficient for the highest and best use of each new parcel. Any existing easements on the Wildcreek Site (including but not limited to those for access, utilities, and drainage) as shown on the Title Report shall be preserved on the new parcels or relocated by the School District with the consent of those with rights to such easement.

C. This Agreement does not obligate any Party to exercise its powers to grant discretionary governmental approvals in a particular manner which includes, without limitation, the authority of Sparks or the County to process applications for the development or subdivision of land.

2.2 Conveying and Reserving New Parcels. The Parties intend to accomplish the consummation of the transactions contemplated herein by way of two (2) separate and distinct closings. At the First Closing (below defined) the RSCVA shall quitclaim any interest it may have to the Wildcreek Site, related water rights and any existing fixtures and improvements. At the Second Closing (below defined) the County shall transfer the New School Parcel and a portion of the appurtenant water rights to the School District, all as more fully set forth herein. The First Closing and Second Closing and the exchange of all documents and payments contemplated hereunder shall take place at the office of the title and escrow company chosen by mutual agreement of the Parties ("Escrow Holder"). The Parties hereto may elect to enter into separate purchase agreements to complete the transfers contemplated herein. In the absence of additional purchase agreements, this Agreement shall govern and be deemed sufficient to consummate the foregoing transactions.

A. **First Closing/Real Property.** Within 30 days of the approval of this Agreement, or at such other time as may be agreed by Washoe County and the RSCVA, the RSCVA shall quit claim whatever right, title and interest the RSCVA has in and to the Wildcreek Site to the County for no charge, utilizing the form of quit claim deed attached hereto as Exhibit G (the "RSCVA Quitclaim Deed"). The date upon which the RSCVA Quitclaim Deed is recorded shall be hereinafter referred to as the "First Closing." In connection with the RSCVA Quitclaim Deed, the RSCVA shall deliver a Bill of Sale in the form attached hereto as Exhibit H (the "Bill of Sale") transferring to the County without warranty, and at no cost to the County, the RSVCA's ownership interest in and to any and all personal property and fixtures located at the Wildcreek Site which is owned by the RSCVA and utilized in connection with the golf course operations at the Wildcreek Site (the "Wildcreek Golf Course Equipment").

B. **Second Closing/Real Property.** Within 30 days after the First Closing, or at such other time as may be agreed by the County and School District, the County shall use a standard grant, bargain and sale deed in the form attached hereto as Exhibit I (the "GBS Deed") to convey title to the New School Parcel to the School District. The School District agrees the New School Parcel must be used only for the New School and directly related public purposes for 30 years. The date of the recording of the GBS Deed is hereinafter referred to as the "Second Closing." In consideration of the grant of the New School Parcel, as supported by the Appraisal, and as a condition to the occurrence

of the Second Closing, the School District shall pay (collectively, the “Land Purchase Price”):

(i) Nine Hundred Seventy-Nine Thousand Seven Hundred Six and 50/100ths Dollars (\$979,706.50) to the RSCVA in consideration of the RSCVA’s expenses in the acquisition, improvement, maintenance and historic operation of the Wildcreek Site; and

(ii) Seven Hundred Sixty Thousand Two Hundred Ninety-Three and 50/100ths Dollars (\$760,293.50) to Washoe County which is equal to the appraised value of the New School Parcel pursuant to the attached Appraisal, minus the amount paid to the RSCVA pursuant to this Section 2.2(B).

C. The RSCVA Quitclaim Deed and County GBS Deed required by this Section 2.2(B) shall exclude water rights which are governed by a separate article of this Agreement.

D. Each Party shall follow all the requirements of state law for the conveyance of parcels between public entities for public purposes.

Article 3 THE WATER TRANSACTIONS

3.1 The Effluent Agreement. Notwithstanding the provisions of the LOI, the Parties agree it is in the best interest of the RSCVA, the County, Sparks and the School District to keep the Effluent Agreement in place, at the cost and expense of the School District, to allow for continued irrigation of the Wildcreek Site pending commencement of the construction of the School Project and for other uses of the associated effluent as described below.

A. **First Closing/Water Rights.** Concurrently with the First Closing:

(i) the RSCVA and County shall execute, and shall use best efforts to cause Sparks to execute, a release in the form attached as Exhibit J (the “Effluent Agreement Release”) whereby County and Sparks will release the RSCVA from any and all rights and obligations under the Effluent Agreement, including, but not limited to, any and all payment obligations related thereto; and

(ii) the School District shall commence paying, as and when due, all amounts due and owing under the Effluent Agreement. The School District shall tender such payment directly to the City of Sparks, and shall indemnify and hold the RSCVA and Washoe County harmless in regard to remaining payments due and owing pursuant to the Effluent Agreement. Commencing upon the termination of the Ground Lease, the School District may, in cooperation with Sparks, broker the termination of the Effluent Agreement and prepay all amounts then due and owing to the Sparks pursuant to the Effluent Agreement. Any purchase of the treated effluent that is not specifically subject

to the Effluent Agreement and which is available from Sparks after the termination of the Effluent Agreement is subject to a new agreement between Sparks and the new user.

(iii) the RSCVA shall quitclaim to the County, by way of Quitclaim Deed in the form attached hereto as Exhibit K (the "RSCVA Water Rights Deed") at no charge and for a public purpose:

- Rights;
- (a) The RSCVA's reversionary interest in the Dedicated Water
 - (b) The Wells Creek Water Rights (506.784 acre feet); and
 - (c) the Unencumbered Water Rights.

In connection with the conveyance of the RSCVA's reversionary interest in the Dedicated Water Rights, the RSCVA, at no cost to the RSCVA, shall execute any documents reasonably necessary to cause Sparks to convey the Dedicated Water Rights to the County free and clear of any interest of the RSCVA, or to such other party as may be directed by the County, upon the expiration or earlier termination of the Effluent Agreement.

B. Second Closing/Water Rights. Concurrently with the Second Closing, and as supported by the Appraisal and in exchange for payment in the amount of Two Million Three Hundred Eighty-Five Thousand and No/100ths Dollars (\$2,385,000) (the "Water Purchase Price") paid to the County, the County shall convey to the School District, by way of quit claim deed in the form attached hereto as Exhibit L (the "County Water Rights Deed"): The County's reversionary interest in and to Three Hundred and Eighteen (318) acre feet of the Dedicated Water Rights.

In connection with the conveyance of the County's reversionary interest in and to Three Hundred and Eighteen (318) acre feet of the Dedicated Water Rights, the County, at no cost to the County, shall execute any documents reasonably necessary to cause Sparks to convey Three Hundred and Eighteen (318) acre feet of the Dedicated Water Rights to the School District, or to such other party as may be directed by the School District, upon the expiration or earlier termination of the Effluent Agreement. The foregoing transfer of water rights to the School District is being made in order to allow the School District to utilize such water rights for the School Project, as well as other developments being undertaken by the School District.

C. The balance of the Dedicated Water Rights not otherwise conveyed to the School District, as well as the Wells Creek Water Rights and the Unencumbered Water Rights, shall be retained and utilized by the County in its sole discretion, for the use and maintenance of the Remainder Parcels, or at such other location as the County deems necessary or desirable.

D. In the event, in its reasonable discretion, the County determines that it requires additional water rights for the development and operation of the Remainder Parcels beyond what is acquired by the County pursuant to the transaction contemplated herein, the County shall have the right to repurchase from the School District such portion of the Dedicated Water Rights which were transferred to the School District pursuant to Section 3.1(B) of this Agreement as the County deems necessary or desirable. Such repurchase option shall be valid for a period of three (3) years after the Second Closing, and Washoe County shall have the right to purchase any such water rights at the per acre/foot price paid for such water rights by the School District hereunder, such price being Seven Thousand Five Hundred Dollars (\$7,500.00) per acre/foot.

Article 4 GOLF COURSE OPERATIONS Golf course operations are currently conducted at the Wildcreek Site under the supervision of the RSCVA pursuant to the terms of that certain Golf Management and Services Agreement for Wildcreek Golf Course by and between the RSCVA and Golf at Wildcreek, LLC, a Nevada limited liability company (the "Golf Operator"), dated September 30, 2018, a copy of which is attached hereto as Exhibit M (the "Golf Management Agreement"). At the First Closing (as defined in Section 2.2(A), the RSCVA shall deliver to the County an assignment and assumption agreement in the form attached hereto as Exhibit N whereby RSCVA will assign to the County, and the County will assume from the RSCVA, all of RSCVA's rights and responsibilities under the Golf Management Agreement (the "Golf Operations Assignment"). The County may elect to accept or reject the foregoing assignment of the Golf Management Agreement. If the County rejects the assignment of the Golf Management Agreement, the RSCVA shall terminate the Golf Management Agreement in accordance with its terms, and the County shall have no obligation in regard to the Golf Management Agreement. In the event the RSCVA terminates the Golf Management Agreement in accordance with its terms, the County shall permit the Golf Operator to operate on the Wildcreek Site for the purpose of winding up its business during the ninety (90) day termination notice period. In the event the County accepts and assignment of the Golf Management Agreement, or a renegotiated Golf Management Agreement as agreed to between County and Golf Operator, County may continue golf operations at the Wildcreek Site, or on the Remainder Parcels, at County's sole discretion. If the County desires to continue golf operations on the New School Parcel pending commencement of the construction of the School Project, concurrently with the Second Closing, the School District and County shall execute a Ground Lease, in the form attached as Exhibit O (the "Ground Lease"), whereby the County is permitted access and use of the New School Parcel for golf operations pending the need of the School District for permanent occupancy of the New School Parcel, all as more fully set forth in the Ground Lease.

Article 5 ORR DITCH

The Orr Ditch currently runs over and across the Wildcreek Site. Accordingly, the RSCVA and the Orr Ditch Company are currently parties to that certain Agreement dated March 23, 1978, as amended by way of that certain Addendum dated June 12, 1978 (as amended, the "Orr Ditch Agreement") whereby the RSCVA and the Orr Ditch Company allocated certain rights and responsibilities regarding the portion of the Orr

Ditch located on the Wildcreek Site. The School District desires to reroute the ditch through an underground facility or to reroute the ditch to flow exclusively on the Remainder Parcels. Accordingly, the Orr Ditch Agreement needs to be renegotiated to align the rights and duties of the new property owners with the Orr Ditch and any new configuration of the ditch. The revised Orr Ditch Agreement shall forever release and discharge the RSCVA for any and all liability under the Orr Ditch Agreement (such agreement, the "RSCVA Orr Ditch Assumption and Release"). In the event the Orr Ditch Company refuses to release the RSCVA, effective upon the First Closing, the party that owns the parcels containing the Orr Ditch shall thereafter indemnify, hold harmless and defend the RSCVA for any and all liabilities arising pursuant to the Orr Ditch Agreement from after the First Closing.

The School District shall obtain any necessary regulatory or contractual approvals for and pay all the costs of any relocation of the Orr Ditch from its historical alignment and configuration including, but not limited to, the costs of design, construction, and inspection. The School District shall involve Washoe County in the process of the design of any undergrounding or rerouting of the ditch. The County may refuse to agree to any design or construction that causes a substantial increase in the liability of ownership or the costs of operation, maintenance or repair of the reconstructed ditch on the Remainder Parcels.

Article 6 DUE DILIGENCE; AS-IS TRANSACTION

6.1. The School District acknowledges that it has conducted significant and extensive due diligence on the Wildcreek Site and the New School Parcel, and that the County and RSCVA make no representations or warranties to the School District regarding the suitability of the New School Parcel for the School Project. The School District further acknowledges that the School District has had the opportunity to make all inspections and investigations of the New School Parcel which it reasonably deems necessary or desirable to protect its interests in the New School Parcel including but not limited to those related to: soils conditions, drainage, seismic faults, avigation easements, cultural or historic resources, protected species, and environmental contaminations. Except for the representations and warranties of the RSCVA or County expressly set forth in this Agreement, (i) neither the County or RSCVA, or anyone acting on behalf of the foregoing, has made any representation, warranty, promise or statement, express or implied, to the School District, or to anyone acting for or on behalf of the School District, concerning the New School Parcel or the condition, use or development thereof, (ii) in entering into this Agreement, the School District has not relied on any representation, warranty, promise or statement, express or implied, of the County or RSCVA, or anyone acting for or on their behalf, (iii) all matters concerning the New School Parcel have been or shall be independently verified by the School District prior to the Second Closing, and School District shall purchase the New School Parcel, based on School District's own prior investigation and examination of the New School Parcel (or School District's election not to do so); (iv) **AS A MATERIAL INDUCEMENT TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY THE RSCVA AND COUNTY, THE SCHOOL DISTRICT IS PURCHASING THE NEW SCHOOL PROPERTY IN AN "AS**

IS" AND "WHERE IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR, WITH ALL FAULTS, including, without limitation, latent defects and other matters not detected in the School Districts inspections, without recourse to the RSCVA or County, and the physical and environmental condition of the New School Parcel, (v) the School District waives, and the RSCVA and County disclaim, all warranties of any type or kind whatsoever with respect to the New School Parcel, whether express or implied, including, by way of description but not limitation, those of transfer, quality, merchantability or fitness for a particular purpose and use, including, without limitation, the School Districts intended uses or purposes. Upon the Closing of the purchase and sale contemplated herein, the School District shall be deemed to have accepted the New School Parcel, and each and every portion thereof, unconditionally and with any and all (none being implied hereby) rights to rescind, set aside or avoid the transactions contemplated hereby or to seek a reduction, adjustment, offset or recovery of the purchase price waived and relinquished.

6.2. Consistent with the foregoing, the School District, for itself and its agents, affiliates, successors and assigns, hereby releases and forever discharges the RSCVA and County, and their respective members, beneficial owners, agents, affiliates, employees, successors and assigns from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this Agreement, which the School District has or may have in the future, arising out of the physical, environmental, economic or legal condition of the New School Parcel, including, without limitation, all claims in tort or contract and any claim for indemnification or contribution arising under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601, et.seq.) or any similar federal, state or local statute, rule or ordinance relating to liability of property owners for environmental matters. Without limiting the foregoing, the School District, upon Closing, shall be deemed to have waived, relinquished and released the RSCVA and County from and against any and all matters arising out of latent or patent defects or physical conditions, environmental conditions, including without limitation, mold or mold related damages, violations of applicable laws and any and all other acts, omissions, events, circumstances or matter affecting the Property. For the foregoing purposes the School District hereby specifically acknowledges that this release will extend to claims unknown at the time of executing this release, which if known by the School District would have materially affected its decision to enter into this Agreement.

6.3 The County likewise acknowledges that it has conducted significant and extensive due diligence on the Wildcreek Site and the Remainder Parcels, and that the RSCVA makes no representations or warranties to the County regarding the suitability of the Remainder Parcels for the Golf Project. The County further acknowledges that the County has had the opportunity to make all inspections and investigations of the Remainder Parcels which it reasonably deems necessary or desirable to protect its interests in the Remainder Parcels. Except for the representations and warranties of the RSCVA expressly set forth in this Agreement, (i) neither the RSCVA, nor anyone acting on its behalf, has made any representation, warranty, promise or statement, express or implied, to the County, or to anyone acting for or on behalf of the County, concerning the

Remainder Parcels or the condition, use or development thereof, (ii) in entering into this Agreement, the County has not relied on any representation, warranty, promise or statement, express or implied, of the RSCVA, or anyone acting for or on its behalf, (iii) all matters concerning the Remainder Parcels have been or shall be independently verified by the County prior to County accepting the RSCVA Quitclaim Deed, and County shall accept the Remainder Parcels, based on County's own prior investigation and examination of the Remainder Parcels (or County's election not to do so); (iv) AS A MATERIAL INDUCEMENT TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY THE RSCVA, THE COUNTY IS ACCEPTING RSCVA'S INTEREST IN AND TO THE REMAINDER PARCELS IN AN "AS IS" AND "WHERE IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR, WITH ALL FAULTS, including, without limitation, latent defects and other matters not detected in the County inspections, without recourse to the RSCVA, and the physical and environmental condition of the Remainder Parcels, (v) the County waives, and the RSCVA disclaims, all warranties of any type or kind whatsoever with respect to Remainder Parcels, whether express or implied, including, by way of description but not limitation, those of transfer, quality, merchantability or fitness for a particular purpose and use, including, without limitation, the County's intended uses or purposes. Upon delivery of the RSCVA Quitclaim Deed, the County shall be deemed to have accepted the RSCVA's interest in and to the Remainder Parcels, and each and every portion thereof, unconditionally and with any and all (none being implied hereby) rights to rescind, set aside or avoid the transactions contemplated hereby or to seek a reduction, adjustment, offset or recovery of the purchase price waived and relinquished.

6.4 The County likewise acknowledges, for itself and its agents, affiliates, successors and assigns, hereby releases and forever discharges the RSCVA, and its respective members, beneficial owners, agents, affiliates, employees, successors and assigns from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this Agreement, which the County has or may have in the future, arising out of the physical, environmental, economic or legal condition of the Remainder Parcels, including, without limitation, all claims in tort or contract and any claim for indemnification or contribution arising under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601, et.seq.) or any similar federal, state or local statute, rule or ordinance relating to liability of property owners for environmental matters. Without limiting the foregoing, the County upon occurrence of the First Closing, shall be deemed to have waived, relinquished and released the RSCVA from and against any and all matters arising out of latent or patent defects or physical conditions, environmental conditions, including without limitation, mold or mold related damages, violations of applicable laws and any and all other acts, omissions, events, circumstances or matter affecting the Property. For the foregoing purposes the County hereby specifically acknowledges that this release will extend to claims unknown at the time of executing this release, which if known by the County would have materially affected its decision to enter into this Agreement.

Article 7. INDEMNIFICATION

7.1 To the fullest extent provided by law, the Parties, shall each indemnify, hold harmless and defend each other from and against all liability arising out of all actions taken by or omissions in the performance their duties under this Agreement.

7.2 “Liability” includes all claims, actions, damages, losses, judgments, injuries, costs and expenses, including but not limited to attorneys’ fees and costs, including those related to bodily injury, sickness, disease or death or to injury to or destruction of tangible property. “A “related party” includes all officers, employees, agents, contractors and subcontractors of the party who are acting within the scope of their assigned and lawful duties, as well as anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

7.3 The obligations of each Indemnifying Parties hereunder shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this section. The indemnification shall not be diminished or limited in any way to the total limits of insurance required in this contract or otherwise available to the Indemnifying Parties. If the liability is asserted by an employee of an Indemnifying Party, the indemnification herein is not be limited to damages, compensation or benefits payable by or for the Indemnifying Party under worker’s compensation acts, disability benefit acts or other employee benefit acts. Each Indemnifying Party shall be permitted to participate, if it chooses, in the defense of any action claiming liability, even if the indemnified party is indemnified hereunder. The obligations to indemnify and hold harmless herein shall survive the expiration or termination of this Agreement with respect to any negligent act or omission which occurred before expiration or early termination.

Article 8 FIRST CLOSING DELIVERABLES

At least one (1) day prior to the First Closing:

A. The RSCVA shall deliver to the Escrow Agent the following documents executed on behalf of the RSCVA:

- (i) the Quitclaim Deed;
- (ii) the Bill of Sale;
- (iii) the RSCVA Water Rights Deed;
- (iv) the Effluent Agreement Release;
- (v) the Water Rights Deed;

- (vi) the RSCVA Orr Ditch Assumption and Release;
- (vii) the Golf Operations Assignment (if applicable); and
- (viii) any other documents, instruments or agreements reasonably required by the Escrow Holder to effectuate the First Closing transaction contemplated by this Agreement.

B. The County shall deliver to the Escrow Agent the following documents executed on behalf of the County:

- (i) the Effluent Agreement Release;
- (ii) the RSCVA Orr Ditch Assumption and Release;
- (iii) the Golf Operations Assignment (if applicable); and
- (iv) any other documents, instruments or agreements reasonably required by the Escrow Holder to effectuate the First Closing transaction contemplated by this Agreement.

Article 9 SECOND CLOSING DELIVERABLES.

At least one (1) day prior to the Second Closing:

A. The County shall deliver to the Escrow Agent the following documents executed on behalf of the County:

- (i) the GBS Deed;
- (ii) the County Water Rights Deed;
- (iii) the Ground Lease (if applicable); and
- (iv) any other documents, instruments or agreements reasonably required by the Escrow Holder to effectuate the Second Closing transaction contemplated by this Agreement.

B. The School District shall deliver to the Escrow Agent the following documents executed on behalf of the School District:

- (i) the Ground Lease (if applicable);
- (ii) the Land Purchase Price (to be distributed between the RSCVA and County pursuant to Section 2.3(b) above);

and (iii) the Water Purchase Price (to be distributed to the County);

(iv) any other documents, instruments or agreements reasonably required by the Escrow Holder to effectuate the Second Closing transaction contemplated by this Agreement.

Article 10 GENERAL TERMS

10.1 Assignment. No party may assign any right or delegate any obligation under this Agreement without the written consent of all the other parties obtained in advance of the assignment or delegation. Consent is subject to the sole and absolute discretion of the consenting party but shall not be unreasonably withheld.

10.2 Binding effect; no third party beneficiary. This Agreement shall be binding on and runs to the benefit of the Parties, their respective successors and any assignees or delegates if the assignment or delegation is permitted. The Parties are public agencies who provide various services for the benefit of the public. Nonetheless, unless otherwise specifically identified in this Agreement, there are no third party beneficiaries intended by this Agreement including individual members of the public and public groups and no third parties have any standing to enforce any of the provisions of this Agreement.

10.3 Standards for approvals.

Unless otherwise specified (such as with the words "sole discretion") wherever this Agreement requires the approval of a party, or any of a party's officers, agents or employees, such approval shall not be unreasonably withheld.

10.4 Notices.

A. Unless otherwise provided herein, formal notices, demands and communications between the Parties must be in writing and must be sent to the addresses or facsimile numbers stated in Article 1 or to any address or number subsequently communicated to the sending party in writing.

B. If notice is sent by regular mail to the correct address, it will be deemed sufficiently given only when actually received by the correct addressee.

C. If notice is sent by registered or certified mail to the correct address, postage prepaid, it will be deemed sufficiently given when actually received by the addressee or three business days after it is received by the U.S. Post Office as indicated on the receipt, whichever is earlier.

D. If notice is sent by courier, or overnight delivery service (Federal Express, UPS Overnight, U.S. Postal Priority Mail), it will be deemed sufficiently given when

delivered to the address as indicated in the records of the courier or service.

10.5 Further documents. Each party agrees to honor any reasonable requests by the other party to complete, execute and deliver any document necessary to accomplish the purposes hereof at the expense of the requesting party.

10.6 Timing provisions. Time is of the essence in the performance of this Agreement. Unless otherwise specified, the term “days” means calendar days. If a deadline falls on a weekend, holiday or day when the recipient of performance is not open for business, then performance is due on the first business day of the recipient thereafter. Unless otherwise specified, performance is due by the later of 5 p.m. local time or close of business of the recipient on the day it is due.

10.7 Applicable law; jurisdiction and venue. The laws of the State of Nevada, without regard to conflicts of law principles, shall govern the interpretation and enforcement of this Agreement. All actions brought to enforce this Agreement shall be brought in the Second Judicial District Court for the State of Nevada in and for Washoe County.

10.8 Severability.

A. Each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law, taking into account permissible waivers or provisions which may be upon agreement of the Parties. If any term or provision of this Agreement or the application thereof shall be deemed by a court of competent jurisdiction to be in violation of law or public policy, then it shall be deemed modified, ipso facto, to bring it within the limits of validity or enforceability, but if it cannot be so modified, then it shall be excised from this Agreement and the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected.

B. To prevent windfall or unintended consideration, if any term or provision of this Agreement is deemed invalid or unenforceable or enforceable only to a limited extent, the Parties agree to negotiate in good faith to adjust any counter-performance, condition, or corresponding consideration.

10.9 Construction of Agreement.

A. Titles and headlines of this Agreement are intended for editorial convenience and are not to be construed as a part of this Agreement.

B. The word “include” or “including” is not intended as a limitation and shall be construed to include the words “but not limited to.”

C. Any reference to the masculine genders includes, where appropriate in the context, the feminine gender. Any term in the singular includes, where appropriate in the

context, the plural.

D. The Parties hereto were each advised by counsel in drafting and negotiating this Agreement, and both Parties contributed to its contents. No presumptions against or in favor of either party are appropriate based on who drafted this Agreement or any provision herein.

10.10 Modifications and Amendments. This Agreement may be modified or amended only by a writing signed by an authorized agent of the party to be bound by the modification or amendment.

10.11 Authority to Execute and Ratification. Each person who signs this Agreement below warrants and represents that he or she has the legal capacity to enter into this Agreement and if signing in a representative capacity, has the actual authority to bind the principal for which he or she signs and that his or her signature has the effect of binding the principal. Any action taken by the officers or agents of any of the Parties prior to the effective date of this Agreement and which is authorized by this Agreement is hereby ratified by the Party for whom that person acted.

10.12 Entire Agreement; Attachments; counterparts.

A. This Agreement (together with the recitals, attachments and documents incorporated by reference) integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof.

B. All attachments hereto and/or referred to in this Agreement are incorporated herein as though set forth in full.

C. This Agreement may be executed in counterparts and is deemed duly executed when original signature pages of all Parties are delivered to and assembled by the County.

10.13 Waiver. No failure or delay on the part of any Party to this Agreement to enforce the provisions hereof shall operate as a waiver thereof, nor shall a single or partial enforcement of any provision hereof preclude any other or further enforcement or exercise of any other right, power or remedy that any party of this Agreement may have.

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10.14 Effective Date and Term. This Agreement shall become effective once it has been accepted and executed by each of the Parties.

EXECUTED on the dates indicated:

Washoe County

County of Washoe, a political subdivision of the State of Nevada.

By _____ Date _____
Chairman, Board of County Commissioners

Attest:

By _____ Date _____

Approved as to form and content:

By _____ Date _____
Deputy District Attorney

Reno Sparks Convention and Visitors' Authority

Reno Sparks Convention and Visitors' Authority, a County Fair and Recreation Board created pursuant to NRS Chapter 244A

By _____ Date _____
President/CEO

Attest:

By _____ Date _____

Approved as to form and content:

By _____ Date _____
Attorney

Washoe County School District

A political subdivision of the State of Nevada.

By _____ Date _____
Board Chair

Attest:

By _____ Date _____

Approved as to form and content:

By _____ Date _____
Attorney

EXHIBIT A

Legal Description of Wildcreek Site

[see attached]

EXHIBIT B

Wildcreek Site Vesting Deed

[see attached]

343187

OCT 7 1974

DEED

THIS INDENTURE made this 3^d day of October, 1974, by and between JOSEPH CONFORTE and SALLY CONFORTE, his wife, of Sparks, Washoe County, Nevada, hereinafter referred to as "Grantors", and COUNTY OF WASHOE, STATE OF NEVADA, acting through its Reno-Sparks Convention Authority, hereinafter referred to as "Grantee",

WITNESSETH:

That Grantors, for and in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States of America, to them in hand paid by Grantee, the receipt whereof is hereby acknowledged, do by these presents GRANT, BARGAIN, SELL AND CONVEY unto said Grantee, all that certain piece and parcel of land situate in the County of Washoe, State of Nevada, more particularly described in Exhibit "A", attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances therunto belonging or in anywise appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the Grantee, and to its successors and assigns forever.

IN WITNESS WHEREOF the Grantors have herunto set their hands the day and year first above written.

Joseph Conforte
JOSEPH CONFORTE

Sally Conforte
SALLY CONFORTE

343187

STANLEY H. BROWN
HAROLD G. ALRIGHT
ATTORNEYS AT LAW
147 EAST LIBERTY STREET
RENO, NEVADA 89501

Return to Grantor
Continuing Co. Bureau
Reno, Nev.

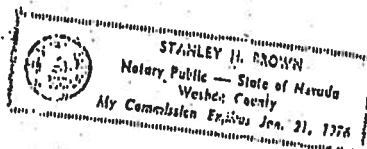
500 550 301

OCT 7 1974

1 STATE OF NEVADA)
2 COUNTY OF WASHOE) ss.

3 On this 3^d day of October, 1974, personally appeared before
4 me, a Notary Public, JOSEPH CONFORTE and SALLY CONFORTE, who
5 acknowledged that they executed the above instrument.

6
7 *Stanley H. Brown*
8 Notary Public



BOOK 850 PAGE 302

STANLEY H. BROWN
MAROLD G. ALBRIGHT
ATTORNEYS AT LAW
167 EAST LIBERTY STREET
RENO, NEVADA 89501

343147

OCT 7 1974

EXHIBIT "A"

Situate in the Southwest quarter of the Southwest quarter of Section 29; the Southeast quarter of the Southeast quarter of Section 30; the Northeast quarter of Section 31; and the Northwest quarter of Section 32, all in Township 20 North, Range 20 East, M. D. B. & M., and being described as follows:

Commencing at the Section corner common to Sections 29, 30, 31 and 32 in said Township and Range; thence South $88^{\circ}14'58''$ East 1,294.60 feet to the true point of beginning; thence from the true point of beginning, South $88^{\circ}14'58''$ East 755.85 feet; thence South $01^{\circ}45'02''$ West 404.55 feet; thence South $88^{\circ}24'50''$ East 540.00 feet; thence South $01^{\circ}35'10''$ West 1,038.52 feet to a point on the Northerly right of way line of Wedekind Road; thence along said Northerly right of way line, North $80^{\circ}40'31''$ West 308.32 feet; thence leaving said right of way line, North $04^{\circ}15'02''$ West 208.71 feet; thence South $85^{\circ}44'58''$ West 208.71 feet; thence South $04^{\circ}15'02''$ East 208.71 feet to a point on said Northerly right of way line of Wedekind Road; thence continuing along said Northerly right of way line, South $85^{\circ}44'58''$ West 405.04 feet; thence South $85^{\circ}42'48''$ West 102.69 feet; thence South $89^{\circ}58'40''$ West 154.24 feet; thence South $85^{\circ}17'50''$ West 112.52 feet; thence South $50^{\circ}56'39''$ West 124.13 feet; thence South $50^{\circ}48'30''$ West 141.70 feet to a point of intersection of the Northerly right of way line of Wedekind Road and the Northerly right of way line of McCarran Boulevard; thence along said Northerly right of way line of McCarran Boulevard, North $74^{\circ}57'40''$ West 717.48 feet; thence North $78^{\circ}00'45''$ West 540.21 feet; thence North $48^{\circ}53'14''$ West 93.45 feet to a point of intersection of the Northerly right of way line of McCarran Boulevard and the Easterly right of way line of Sullivan Lane; thence along said Easterly right of way line, North $00^{\circ}03'22''$ East 112.18 feet; thence North $13^{\circ}42'32''$ East 327.65 feet; thence North $22^{\circ}01'47''$ East 271.80 feet; thence North $62^{\circ}41'25''$ West 7.09 feet; thence North $28^{\circ}50'31''$ East 222.00 feet; thence along the arc of a tangent curve to the left with a radius of 530.00 feet, through a central angle of $51^{\circ}48'00''$, an arc distance of 479.18 feet; thence North $24^{\circ}57'29''$ West 1,672.30 feet; thence along the arc of a tangent curve to the left with a radius of 780.00 feet through a central angle of $37^{\circ}17'30''$, an arc distance of 507.87 feet; thence North $62^{\circ}14'59''$ West 270.10 feet; thence leaving said Easterly right of way line of Sullivan Lane, North $00^{\circ}24'15''$ East 318.72 feet; thence North $89^{\circ}39'38''$ East 1,303.11 feet; thence South $88^{\circ}16'57''$ East 1,300.03 feet; thence South $00^{\circ}23'48''$ West 1,307.38 feet, more or less, to the true point of beginning.

BASIS OF BEARINGS: Nevada State Coordinate System, West Zone Grid.

343187

OCT 7 1974

Official Records
Washoe County, Nev.
Record Requested By
First Commercial Title, Inc.
Arlis Brown
County Recorder
For No Doc 250

850 PAGE 303

EXHIBIT C

Parcel Map

[see attached]

LEGEND:

- [illegible]

BASIS OF BEARINGS:

THE NORTH AMERICAN AIRWAY & ENROUTE COMMUNICATIONS SYSTEM (NAECS) HIGH ACCURACY REFERENCE NETWORK (HARN) AND ALJAH-HARN) ARE DETERMINED USING REAL TIME KINEMATIC (RTK) GPS OBSERVATIONS WITH CONNECTIONS TRANSMITTED BY THE NORTHERN NAVAJO COOPERATIVE REAL TIME NETWORK GPS BEARING BETWEEN GPS REFERENCE STATION "TOW REED" (41N7430401028) AND "WABE" (31N5135000) IS TAKEN AS SOUTH 82°20'37" EAST. ALL OBSERVATIONS SHOWN ARE GROUND DISTANCES COMBINED GRID-TO-GROUND FACTOR = 1.000197336.

ADJACENT OWNER TABLE

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|-----|-----------------|--------------------------------------|
| 1. | APR 02-01-01-01 | PORTION PARCEL A, PM 101, HARGRETT |
| 2. | APR 02-01-01-01 | PORTION PARCEL A, PM 101, HARGRETT |
| 3. | APR 02-01-01-01 | PORTION PARCEL A, PM 101, HARGRETT |
| 4. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 5. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 6. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 7. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 8. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 9. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 10. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 11. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 12. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 13. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 14. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 15. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 16. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 17. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 18. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 19. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 20. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |
| 21. | APR 02-01-01-01 | PARCEL C, CANTRELL 1981 FAMILY TRUST |

EASEMENT TABLE

1. 10' COMMUNICATION EASEMENT PER DOC. NO. 450865
2. 10' ELECTRIC & COMMUNICATIONS EASEMENT PER DOC. NO. 458730
3. 30' CITY OF SPARKS ACCESS & UTILITY EASEMENT PER DOC. NO. 1333948
4. C/L ELECTRIC LINE EASEMENT PER DOC. NO. 51085
5. NO WIDTH SPECIFIED
6. 10' COMMUNICATION LINE EASEMENT PER DOC. NO. 203794
7. PRELIMINARY LOCATION OF 5' COMMUNICATION LINE EASEMENT PER DOC. NO. 191347
8. 30' WATER FACILITIES EASEMENT GRANTED HEREIN.

SURVEYOR'S REPORT

WHILE PERFORMING THE SURVEY THE BOUNDARY WAS RESOLVED BASE ON THE FOLLOWING OBSERVATIONS:

TM 3168 (M11), ROS 685 (R3) & DOCUMENT NO. 983159 (R4) WERE ROTATED 070070° CLOSURE TO MATCH MONUMENTS FOUND WHICH DEFINES THE RIGHTS-OF-WAYS OF REDWOOD ROAD, NORTH McBRIDE BOULEVARD, SULLYMAN LANE AND EL RANCHO DRIVE.

THE FOUND MONUMENTS WERE USED FOR THE REMAINDER OF THE BOUNDARY WITH RECORD VS MEASURED BEARINGS AND DISTANCES SHOWN.

861058

REGULATIVE INDEXES
SHOULD BE EXAMINED
FOR ANY SUBSEQUENT
CHANGES TO THIS MA

REFERENCES:

- RECORD OF SURVEY NO. 1841 FLE NO. 354448, 6/24/1982
PARCEL MAP NO. 1841 FLE NO. 354448, 6/24/1982
RECORD OF SURVEY NO. 345851, 7/22/1974
DEED DOCUMENT NO. 345851, 7/22/1974
PARCEL MAP NO. 181 FLE NO. 353507, 6/28/1973
PARCEL MAP NO. 181 FLE NO. 353507, 6/28/1973
DEED DOCUMENT NO. 345075, 1/27/1978
DEED DOCUMENT NO. 345075, 1/27/1978
PARCEL MAP NO. 1841 FLE NO. 1000584, 7/22/1983
PARCEL MAP NO. 181 FLE NO. 0103578, 8/19/1983
PARCEL MAP NO. 181 FLE NO. 0103578, 8/19/1983
PARCEL MAP NO. 181 FLE NO. 781814, 1/21/1988
CONCAT TRACT MAP NO. 3760 FLE NO. 238384, 10/4/1988
A RECORD OF SURVEY NO. 3760 FLE NO. 2410002, 12/29/1988
RECORD OF TRACT MAP NO. 3760 FLE NO. 2410002, 12/29/1988
PARCEL MAP NO. 3760 FLE NO. 2410002, 12/29/1988
RECORD OF SURVEY NO. 5878 FLE NO. 3006257, 10/27/2000
RECORD OF SURVEY NO. 5878 FLE NO. 3006257, 10/27/2000
RECORD OF SURVEY NO. 5878 FLE NO. 4384264, 10/22/2010
RECORD OF SURVEY NO. 5878 FLE NO. 4384264, 10/22/2010
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500 5TH AVENUE
NEW YORK 10017

APN 036-080-04
WASHOE COUNTY

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COMP 31A1B
N7434010205
C-1683797
C-2513797
(GROUND)

NOT TESTED

RND 2" BRASS CAP SW 1/16TH

--- X ---

ADJACENT OWNER TABLE

[illegible]

EASEMENT TABLE

1. 10' COMMUNICATION EASEMENT PER DOC. NO. 450665
2. 10' ELECTRIC & COMMUNICATIONS EASEMENT PER DOC. NO. 458730
3. 30' CITY OF SPARKS ACCESS & UTILITY EASEMENT PER DOC. NO. 1333948
4. C/L ELECTRIC LINE EASEMENT PER DOC. NO. 51085
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7. PRELIMINARY LOCATION OF 5' COMMUNICATION LINE EASEMENT PER DOC. NO. 191347
8. 30' WATER FACILITIES EASEMENT GRANTED HEREIN.

SURVEYOR'S REPORT

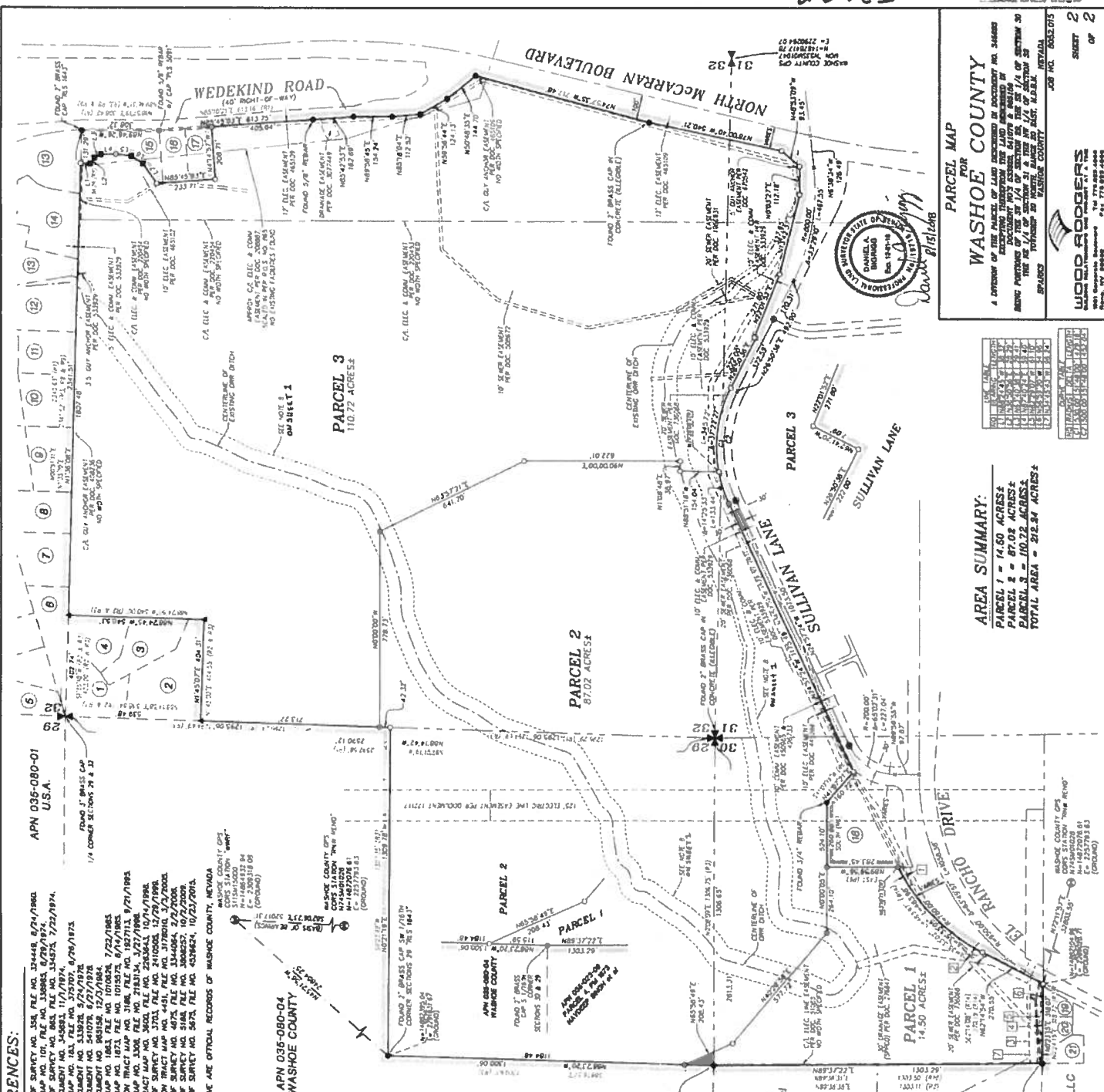
WHILE PERFORMING THE SURVEY THE BOUNDARY WAS RESOLVED BASE ON THE FOLLOWING OBSERVATIONS:


TM 3168 (M11), ROS 685 (R3) & DOCUMENT NO. 983159 (R4) WERE ROTATED 070705* CLOSEST TO EACH MONUMENTS FOUND WHICH DEFINES THE RIGHTS-OF-WAYS OF REDWOOD ROAD, NORTH McBRIDE BOULEVARD, SULLYMAN LANE AND EL RANCHO DRIVE.

THE FOUND MONUMENTS WERE USED FOR THE REMAINDER OF THE BOUNDARY WITH RECORD VS MEASURED BEARINGS AND DISTANCES SHOWN.

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REGULATIVE INDEXES
SHOULD BE EXAMINED
FOR ANY SUBSEQUENT
CHANGES TO THIS MA




WOOD RODDERS
 1001 Corporate Boulevard
 Suite 100
 Portland, ME 04106
 Tel: 774-885-4444
 Fax: 774-885-4444
 E-mail: info@woodrodders.com

Parcel Map 5369A

EXHIBIT D

Effluent Agreement

[see attached]

PLEASE RETURN TO:
Office of City Clerk
City Hall
431 Prater Way
Sparks, Nevada 89431

A-2275
A.I. 6.5
2/12/96

AGREEMENT FOR THE SALE AND USE OF TREATED EFFLUENT

THIS AGREEMENT is made and entered into by and among the CITY OF SPARKS ("City"), a municipal corporation of the State of Nevada; the RENO-SPARKS CONVENTION AND VISITORS AUTHORITY ("RSCVA"), a creation of Washoe County, Nevada; and WASHOE COUNTY ("County"), a political subdivision of the State of Nevada.

RECITALS

A. City intends to develop and construct an effluent reuse distribution system to deliver treated effluent from the Truckee Meadows Water Reclamation Facility to various public and private facilities for use as an irrigation water supply.

B. RSCVA operates the Wildcreek Golf Course and desires to improve golf course operations and conditions through the acquisition of a more reliable source of irrigation water.

C. RSCVA desires to purchase from City certain designated quantities of treated effluent to irrigate the Wildcreek Golf Course in lieu of using water diverted from the Truckee River via the Orr Ditch.

D. City is willing to sell treated effluent to RSCVA and to construct a pipeline to the Wildcreek Golf Course for the delivery of said treated effluent.

E. County holds title on behalf of RSCVA to at least 500 acre feet of valid, decreed Truckee River water rights.

F. County is willing to transfer and convey to City from the water rights referenced in Recital "E" a number of said water rights equal to the amount of treated effluent delivered to RSCVA by City.

AGREEMENT

NOW, THEREFORE, based upon the foregoing and the mutual covenants contained herein, the parties hereto do agree as follows:

1. SALE OF TREATED EFFLUENT. Beginning on April 1, 1997, or as soon thereafter as allowed by the delivery pipeline construction and/or the issuance of all required permits by any regulatory authority having jurisdiction over the construction and operation of City's effluent reuse system or associated water rights, City agrees to sell annually to RSCVA not more than 500 acre feet of treated effluent for use as irrigation water only at Wildcreek Golf Course.

! :
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CITY OF SPARKS
OFFICE OF THE CITY CLERK
MAR - 4 1996
CITY OF SPARKS
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OFFICE OF THE CITY CLERK

2. TERM AND TIME FOR DELIVERIES.

- a. City agrees to deliver treated effluent to RSCVA for a term of 25 years commencing on or about April 1, 1997 and ending March 31, 2022.
- b. City agrees to provide RSCVA with treated effluent at Wildcreek Golf Course between April 1 and October 31 of each year during the term of this agreement.

3. METER INSTALLATION. City agrees to install a meter at an appropriate location to measure instantaneous flow and cumulative flow to RSCVA and to report such flow data at least monthly to RSCVA.

4. ADDITIONAL TEMPORARY FLOWS. City agrees to make available to RSCVA additional temporary flows of treated effluent above the 500 acre feet referenced in paragraph 1. if (a) sufficient treated effluent is available to City, (b) additional water rights in an amount equal to the amount of additional effluent delivered have been transferred and conveyed to City and © the special rate referenced in paragraph 10. is paid to City for additional treated effluent temporarily delivered to RSCVA in excess of 500 acre feet annually.

5. ADDITIONAL REGULAR FLOWS. If RSCVA should desire to purchase more than 500 acre feet annually of treated effluent annually on a regular, continuing basis, City agrees to renegotiate those portions of this agreement relating to the maximum amount of treated effluent to be delivered and the purchase price of said amount, provided that sufficient treated effluent is available to City and provided, further, that nothing contained in this paragraph is intended to allow RSCVA to purchase less than 500 acre feet annually or pay less than the then current base rate or adjusted base rate for said amount.

6. PURCHASE OF TREATED EFFLUENT AND RATES. RSCVA agrees to purchase from City 500 acre feet of treated effluent per year and pay to City a base rate of \$300,000 annually, to be paid in not less than 12 equal monthly installments. The base rate shall be adjusted at the beginning of the sixth, eleventh, sixteenth, and twenty-first years of this agreement based on the results of the percentage increase in the cost of Truckee Meadows water rights purchased and/or sold by Sierra Pacific Power Company or its successor during the preceding 5-year period. If other customers are added to the effluent reuse system and they are required to make a contribution to capital in connection with the same facilities being used to serve Wildcreek Golf Course, the rates charged under this paragraph shall be adjusted to reflect said contribution to capital so long as the total revenues to Sparks remain sufficient to meet the financing, operating, and maintenance costs of the system.

7. CONVEYANCE OF WATER RIGHTS. RSCVA and County agree to transfer and convey to City 500 acre feet of valid, decreed Truckee River water rights from Claim No. 313 and/or other claims as may be required for water ordinarily diverted from the Truckee

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CITY OF SPARKS
OFFICE OF THE CITY CLERK

MAR - 4 1996

MAR 26 1996

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River . RSCVA and County agree to cooperate with City in any proceedings before the Nevada State Engineer for changes in the point of diversion or place and manner of use of said Truckee River water rights.

8. RECONVEYANCE OF WATER RIGHTS. Upon termination of this agreement, any water rights transferred and conveyed to City by RSCVA/County shall be transferred and reconveyed by City to RSCVA/County within 30 days of said termination.

9. ANNUAL FLOW PROJECTIONS. RSCVA agrees to provide City with a projection of its required treated effluent flows on or before April 1 of each year; however, regardless of whether RSCVA anticipates using the entire 500 acre feet of flow, or a higher amount mutually agreed to, RSCVA, as part of this "take or pay" agreement will pay to City annually the entire base rate, adjusted base rate or special rate for the year in question.

10. SPECIAL RATE FOR ADDITIONAL TEMPORARY FLOWS. If City provides to RSCVA additional temporary flows of treated effluent above 500 acre feet annually under paragraph 4. above, RSCVA agrees to pay City for each additional acre foot or, fraction thereof, a rate of 125% of the average acre foot cost calculated from the then current base rate or adjusted base rate. (Example: 500 acre feet @ \$300,000 = \$600/acre foot and 125% of \$600 = \$750/acre foot.)

11. PERMITS REQUIRED OF RSCVA. RSCVA agrees to acquire, comply with and maintain in effect any and all federal, state, or local regulatory permits required for it to use treated effluent for irrigation at Wildcreek Golf Course and to use and manage the treated effluent in a manner consistent with best management practices and any approved effluent management plan in effect at the time of delivery.

12. INDEMNIFICATION. RSCVA agrees to indemnify and hold City, its officers, employees and agents harmless from any liability for damage or claims for damage for personal injury, including death, as well as for claims for property or personal damage which may arise from RSCVA's use of treated effluent for irrigation at Wildcreek Golf Course. RSCVA further agrees to defend City, its officers, employees and agents from any and all suits and actions at law or in equity for damage caused, or alleged to have been caused, by reason of RSCVA's use of treated effluent for irrigation at Wildcreek Golf Course.

13. COOPERATION WITH CITY. RSCVA and County agree to cooperate with City in obtaining any regulatory permits required of City relating to the construction and operation of its effluent reuse distribution system.

14. TERM OF PURCHASES BY RSCVA. RSCVA agrees to purchase treated effluent from City for a term of 25 years commencing on or about April 1, 1997 and ending March 31, 2022.

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15. INTERRUPTION OF DELIVERIES.

a. City shall not be liable for any failure to deliver treated effluent under the terms of this agreement due to acts of God, orders from regulatory authorities or any other cause whatsoever, except City's own voluntary act or any neglect by City to exercise reasonable care and diligence in the performance of this agreement. If delivery of treated effluent is temporarily interrupted or reduced due to one or more of the conditions set forth above, payment by RSCVA of the operations and maintenance (O&M) portion of the base rate or adjusted base rate only shall be abated beginning on the 15th day of interruption or reduction of deliveries and shall remain abated until deliveries are resumed. The O&M portion of the base rate or adjusted base rate is 5% of said rate.

b. City may temporarily interrupt or reduce deliveries of treated effluent if City determines that such interruption or reduction is necessary or desirable in case of system emergencies, or an order to install equipment in, make repairs to, make replacements within, make investigations and inspections of, or perform other maintenance work on, City's or RSCVA's facilities. Except in case of emergency and in order that RSCVA's operations will not be unreasonably interfered with, City shall give notice to RSCVA of any such interruption or reduction, the reason for such interruption or reduction, and the probable duration of such interruption or reduction to the extent of City's knowledge of the situation. City shall effect the use of temporary facilities or equipment to minimize the effect of any such interruption or reduction to the extent reasonable and appropriate.

16. SEVERABILITY. If any term or provision of this agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this agreement shall be valid and shall be enforced to the extent permitted by law.

17. ATTORNEYS' FEES. If any party hereto shall institute any action or proceeding against the other or others arising out of or relating to this agreement, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, its reasonable attorneys' fees as fixed by the court in such action or proceeding or in a separate action or proceeding brought to recover such attorneys' fees.

18. ENTIRE AGREEMENT. This agreement constitutes the entire agreement among the parties hereto and integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements among the parties with respect to all or any part of the subject matter hereof.

19. SALE OF WILDCREEK GOLF COURSE. If at any time during the term of this agreement RSCVA proposes to sell Wildcreek Golf Course to another entity, RSCVA shall

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CITY OF SPARKS

MAR - 4 1996

MAR 26 1996

OFFICE OF THE CITY CLERK

give to Sparks not less than 120 days' prior written notice of its intentions and shall thereafter consult with Sparks regarding any such proposed sale and its possible consequences.

20. ASSIGNMENT. No right, duty, responsibility or obligation arising under this agreement may be assigned by any party hereto except upon written approval of the other parties, and said approval shall not be unreasonably denied.

21. SUCCESSORS AND ASSIGNS. This agreement shall be binding upon and for the benefit of the parties, their officers, employees, agents, successors and assigns.

22. AMENDMENT OF AGREEMENT. This agreement may not be altered, amended, modified or otherwise changed in any respect whatsoever except by a writing duly executed by an authorized representative of each of the parties.

23. DRAFTING OF AGREEMENT. The language of this agreement shall be construed as a whole, according to its fair meaning and intendment, and not strictly for or against any party, regardless of who drafted or was principally responsible for drafting the agreement or any specific term or condition hereof. This agreement shall be deemed to have been drafted by all the parties, and no party shall urge otherwise.

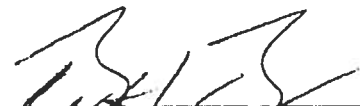
24. HEADINGS. The headings in this agreement are for convenience only. They in no way are intended to limit, alter, or affect the meaning of this agreement.

25. CONSTRUCTION AND ENFORCEMENT. This agreement shall be construed and enforced pursuant to the laws of the State of Nevada in courts of appropriate jurisdiction in the State of Nevada.

26. EFFECTIVE DATE. This agreement shall become effective when the last party hereto signs and dates said agreement.

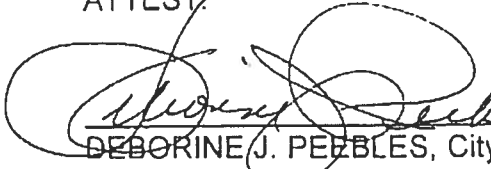
IN WITNESS HEREOF, the parties have executed this agreement as of the last date set forth below.

CITY OF SPARKS

By: 
BRUCE H. BRESLOW, Mayor

Date: March 4, 1996

ATTEST:


DEBORINE J. PEEBLES, City Clerk



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MAR - 4 1996

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MAR 26 1996
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APPROVED AS TO FORM:

Steven P. Elliott
STEVEN P. ELLIOTT
City Attorney

RENO-SPARKS CONVENTION AND
VISITORS AUTHORITY

By: Bruce H. Breslow
BRUCE H. BRESLOW, Chairman
Date: March 5, 1996

COUNTY OF WASHOE

By: Steve Bradhurst
FOR STEVE BRADHURST
Chairman
Date: MARCH 11, 1996
meeting of Dec. 27, 1996

APPROVED AS TO FORM:

By: Bart M. Schouweiler
BART M. SCHOUWEILER, ESQ.
Authority Counsel

ATTEST:

Judi Bailey
JUDI BAILEY
County Clerk

APPROVED AS TO FORM:

RICHARD GAMMICK
DISTRICT ATTORNEY

By: Madeleine Shipman
Deputy District Attorney

EXHIBIT E

Appraisal

[see attached]



JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

AN APPRAISAL
OF

**AN 87.02± ACRE PORTION OF
THE WILDCREEK GOLF COURSE &
WATER RIGHTS ASSOCIATED WITH
THE WILDCREEK GOLF COURSE**

GENERALLY LOCATED ON A PORTION OF
ASSESSOR'S PARCEL NUMBER 027-011-05,
SPARKS, WASHOE COUNTY, NEVADA

OWNED BY
WASHOE COUNTY

PREPARED FOR
THE WASHOE COUNTY SCHOOL DISTRICT

FOR THE PURPOSE OF
ESTIMATING THE FOLLOWING VALUES

Value Scenario	Date of Value
Market Value of an 87.02± Acre Portion of A.P.N. 027-011-05	August 16, 2018
Market Value of 318± Acre Feet of Municipal Water Rights Associated with Subject Property	August 16, 2018



August 20, 2018

Mr. Mike Boster
School Planner
Washoe County School District
14101 Old Virginia Road
Reno, Nevada 89521
mboster@washoeschools.net

RE: Wildcreek Golf Course Property Appraisal

This is in response to your request for an appraisal of an 87.02± acre portion of the Wildcreek Golf Course located in Sparks, Washoe County, Nevada. The 87.02± acre parcel is located on a portion Washoe County Assessor's Parcel Number 027-011-05. This appraisal report also addresses the Market Value of 318± acre feet of water rights associated with the property. The subject property is summarized in the chart below:

SUBJECT PROPERTY SUMMARY						
Washoe County Assessor's Parcel #	City	County	State	Gross Land Area (Entire Parcel)	Land Area Appraised	Owner of Record
027-011-05 (Portion)	Sparks	Washoe	Nevada	212.223± Acres	87.02± Acres*	Washoe County
* Based Upon Acreage Provided by the Washoe County School District & Wood Rodgers						

The purpose of this appraisal report is to provide an opinion of the Market Value of the fee simple interest in the subject property as of a current date of value. In addition, this appraisal report addresses the Market Value of water rights associated with the Wildcreek Golf Course property which are proposed to be purchased by the Washoe County School District. The client and intended user of the appraisal report is the Washoe County School District. The intended use of the appraisal is for use by the Washoe County School District to acquire the subject property for the development of a new high school.

Please be advised that in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that I have performed services as an appraiser regarding the property that is the subject of this appraisal within the three-year period immediately preceding the date of this letter.



JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. This report sets forth pertinent data, statistics, and other information considered necessary to establish the market value range of the subject property as of the effective date of valuation.

This appraisal has been prepared subject to the following Extraordinary Assumptions and Hypothetical Conditions:

- The subject is currently zoned Public Facility. The client has requested that the appraisal report addresses the Market Value of the subject property, based upon the Extraordinary Assumption that the Public Facility zoning will remain in place on the subject property.
- The subject property is a portion of a parcel which contains significant water rights. Based upon the instructions of the client, this appraisal report addresses the Market Value of 318± acre feet of water rights associated with the Wildcreek Golf Course. The Market Value conclusion for the water rights is based upon the Extraordinary Assumption that the water rights are able to be utilized for municipal water service.
- The subject property is an 87.02± acre portion of a larger parcel. As the subject 87.02± acre parcel is not a legally existing parcel, this report is subject to the Hypothetical Condition that the 87.02± acre parcel is a legally existing parcel as of the effective date of value.

After careful consideration of all data available, and upon thorough personal investigation of the subject property and comparable properties analyzed, it is my opinion that the market value of the subject property is set out as follows:

FINAL MARKET VALUE CONCLUSIONS				
Property Description	Value Addressed	Property Rights Appraised	Effective Date Of Value	Market Value Conclusion
87.02± Acre Portion of Wildcreek Golf Course	Market Value	Fee Simple Interest	August 16, 2018	\$1,740,000
318± Acre Feet of Water Rights	Market Value	Fee Simple Interest	August 16, 2018	\$2,385,000
* Based Upon Extraordinary Assumption That Property Remains Zoned Public Facility (PF) & No Water Rights				
** Based Upon Extraordinary Assumption That Water Rights can be Utilized for Municipal Water Service				

Respectfully Submitted,

Scott Q. Griffin, MAI
Nevada Certified General Appraiser
License Number A.0003504-CG



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SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS

SUBJECT PROPERTY SUMMARY						
Washoe County Assessor's Parcel #	City	County	State	Gross Land Area (Entire Parcel)	Land Area Appraised	Owner of Record
027-011-05 (Portion)	Sparks	Washoe	Nevada	212.223± Acres	87.02± Acres*	Washoe County
* Based Upon Acreage Provided by the Washoe County School District & Wood Rodgers						

SUBJECT PROPERTY CHARACTERISTICS SUMMARY	
Assessor's Parcel Number	027-011-05 (Portion)
Site Address	3500 Sullivan Lane, Sparks, Washoe County, NV
Gross Land Area-Entire Parcel	212.223± Acres (9,244,434± Square Feet)
Parcel Size Appraised	87.02± Acres (3,790,591± Square Feet)
Property Type	Currently Operated as a Golf Course (27 Total Holes)
Improvements	2 Maintenance Buildings/Restroom Building/Golf Course
Sparks Zoning Designation	PF (Public Facility)
Sparks Land Use Designation	CF (Community Facilities)
Flood Zone	Unshaded Zone "X"
Highest & Best Use Conclusion*	Public Facility Use*
* Based Upon Extraordinary Assumption That Property Remains Zoned Public Facility (PF)	

DATES OF APPRAISAL	
Date Description	Date
Date of Inspection	August 16, 2018
Effective Date of Value	August 16, 2018
Completion Date of Appraisal	August 20, 2018

FINAL MARKET VALUE CONCLUSIONS				
Property Description	Value Addressed	Property Rights Appraised	Effective Date Of Value	Market Value Conclusion
87.02± Acre Portion of Wildcreek Golf Course	Market Value	Fee Simple Interest	August 16, 2018	\$1,740,000
318± Acre Feet of Water Rights	Market Value	Fee Simple Interest	August 16, 2018	\$2,385,000
* Based Upon Extraordinary Assumption That Property Remains Zoned Public Facility (PF) & No Water Rights				
** Based Upon Extraordinary Assumption That Water Rights can be Utilized for Municipal Water Service				



PURPOSE OF APPRAISAL

The purpose of this appraisal report is to provide an opinion of the Market Value of the subject property as of a current date of value, as well as the Market Value of 318± acre feet of water rights associated with the property.

VALUATION SCENARIOS

Property ID	Valuation Premise	Interests Appraised
Portion Washoe County A.P.N. 027-011-05	Market Value Range of 87.02± Acre Portion of A.P.N. 027-011-05	Fee Simple Interest
Water Rights Associated With A.P.N. 027-011-05	Market Value of 318± Acre Feet of Municipal Water Rights Associated with Subject Property	Fee Simple Interest

DEFINITIONS OF PROPERTY RIGHTS APPRAISED

Fee Simple Estate Defined	Fee Simple Estate is defined as “Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.” ¹
----------------------------------	--

CLIENT, INTENDED USER & INTENDED USE OF THE APPRAISAL

Client	Washoe County School District
Intended User of Report	Washoe County School District
Intended Use of Report	The intended use of the appraisal is for use by the Washoe County School District to acquire the subject property for the development of high school.

DATES OF APPRAISAL

Date Description	Date
Date of Inspection	August 16, 2018
Effective Date of Value	August 16, 2018
Completion Date of Appraisal	August 20, 2018

¹ Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, page 90.



MARKET VALUE DEFINED

Market Value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- 3) A reasonable time is allowed for exposure in the open market;
- 4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by any one associated with the sale.²

SCOPE OF APPRAISAL

- Physical inspection of the subject property, and analysis of subject property data provided by the Washoe County Assessor's Office, the Washoe County Recorder's Office, the City of Sparks, and other governmental agencies;
- Review of data provided by the client pertinent to the appraisal report;
- Identification and analysis of the subject market;
- Analysis and description of the subject property based upon my inspection of the property and data provided by the client, Washoe County and the City of Sparks;
- Identification of the appraisal problem and description of the methodology of the appraisal report;
- Analysis of the subject site as a portion of an identified property, as provided by the client;
- Description and analysis of the area appraised, including an analysis of the subject property's physical and legal attributes;
- Completion of a Highest and Best Use Analysis;
- Research of the Official Records of Washoe County, and other reliable sources for comparable land sales data, including current listing data;
- Verification of the comparable land sales and listing data;
- Interviews with the real estate brokers, realtors, buyers and sellers with knowledge of the land market in Northern Nevada;
- Completion of a Sales Comparison Approach to Value for the identified property;
- Estimation of the Market Value of the subject property as of the effective date of value;
- Analysis and determination of the Market Value of water rights included in the appraisal;
- Analysis and determination of an appropriate exposure and marketing time for the subject property;
- Preparation of an appraisal report.

² Rules and Regulations, Federal Register, Vol. 55, No. 165, Page 34696, 12CFR Part 34.42(f)



STATEMENTS OF LIMITING CONDITIONS

EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is defined as “An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions or conclusions.”³ This appraisal has been prepared subject to the following extraordinary assumptions:

- The subject is currently zoned Public Facility. The client has requested that the appraisal report addresses the Market Value of the subject property, based upon the Extraordinary Assumption that the Public Facility zoning will remain in place on the subject property.
- The subject property is a portion of a parcel which contains significant water rights. Based upon the instructions of the client, this appraisal report addresses the Market Value of 318± acre feet of water rights associated with the Wildcreek Golf Course. The Market Value conclusion for the water rights is based upon the Extraordinary Assumption that the water rights are able to be utilized for municipal water service.

HYPOTHETICAL CONDITIONS

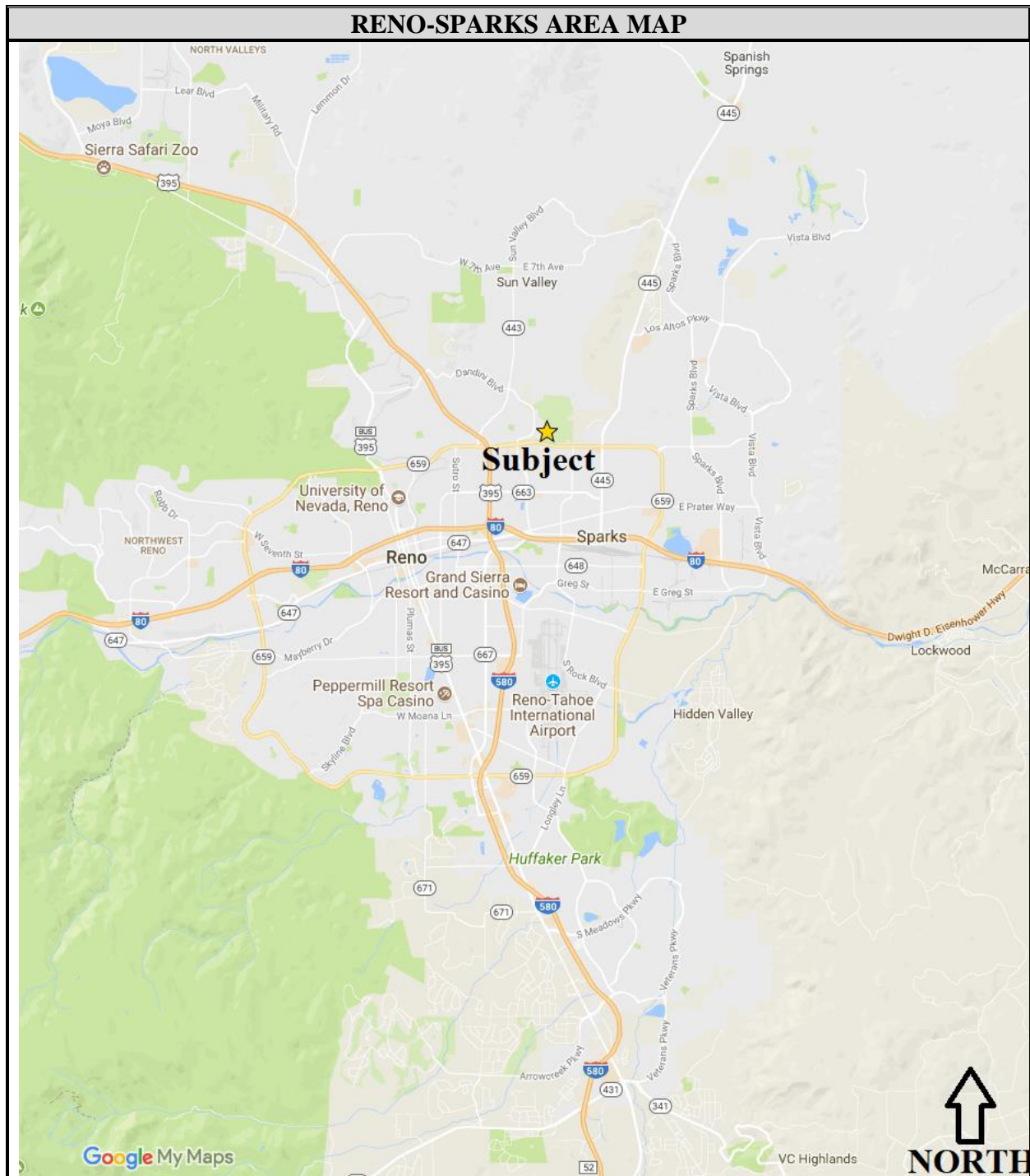
A hypothetical condition is defined as “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.”⁴ This appraisal has been prepared subject to the following hypothetical conditions:

- The subject property is an 87.02± acre portion of a larger parcel. As the subject parcel is not a legally existing parcel, this report is subject to the Hypothetical Condition that the identified 87.02± acre parcel is a legally existing parcel as of the effective date of value.

³ Source: USPAP 2016-2017 Edition, Definitions; The Appraisal Foundation, Page 3.

⁴ Source: USPAP 2016-2017 Edition, Definitions; The Appraisal Foundation, Page 3.







RENO-SPARKS AREA ANALYSIS AND DESCRIPTION

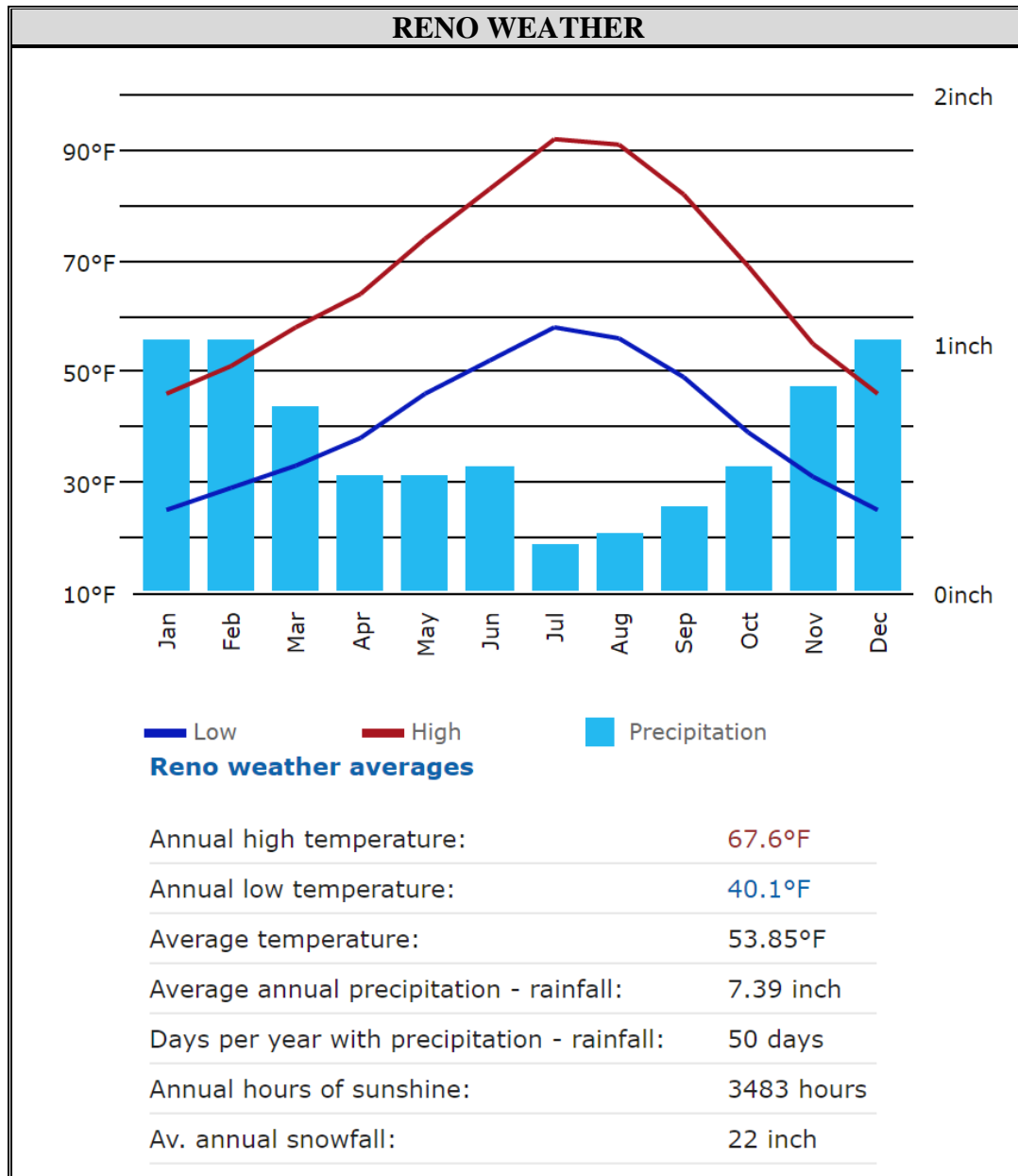
The Reno-Sparks metropolitan area is situated on the eastern slopes of the Sierra Nevada Mountain Range in a large valley known as the Truckee Meadows. Two major freeways serve the region. Interstate 80 runs in an east-west direction through Reno, while U.S. 395/I-580 runs in a north-south direction through Reno. The following summarizes Reno's vicinity to other major metropolitan areas in the region.

MILES BETWEEN RENO & MAJOR METROPOLITAN AREAS		
Market	Direction From Reno	Miles From Reno
San Francisco	West/Southwest	190± Miles
Los Angeles	Southwest	450± Miles
Portland	Northwest	440± Miles
Salt Lake City	East	520± Miles
Las Vegas	Southeast	450± Miles
Phoenix	Southeast	745± Miles

McCarran Boulevard is a ring road that encircles the Reno-Sparks area and facilitates access between the various quadrants of the region. Overall, the Reno-Sparks area has very good roadway and highway access.

The Reno-Sparks metropolitan area's location is a positive amenity due to its proximity to major California markets, as well as the recreational and scenic amenities afforded by its proximity to the Sierra-Nevada Mountains and Lake Tahoe. Lake Tahoe is a 45-minute drive from downtown Reno and is the second largest alpine lake in the world, with 72 miles of Lake Frontage. Lake Tahoe also offers the greatest concentration of downhill skiing facilities in North America.

The Truckee Meadows is located at an elevation of approximately 4,400 feet above sea level and offers a semi-arid climate. The following chart summarizes weather data for the Reno area.



The primary source of water for the region is the Truckee River, which originates at Lake Tahoe, approximately 30 miles southwest of Reno, and terminates at Pyramid Lake approximately 30 miles north of Sparks. The river flows through the heart of downtown Reno and along the southern edge of Sparks. The Truckee River is a major recreational and scenic amenity for the region.



Population, Growth and Employment

Since 1970, the Truckee Meadows have been one of the fastest growing areas in the nation, with the population increasing by over 100% by 1990. According to the Nevada State Demographer's Office at the University of Nevada, the population of Washoe County was estimated to be 451,923 in 2017. The following summarizes historical population estimates for the region.

HISTORICAL POPULATION ESTIMATES												
Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Reno	214,371	220,613	223,012	218,143	217,282	222,801	229,859	232,243	235,371	238,615	242,158	244,612
Sparks	87,846	89,449	91,684	91,237	92,331	92,302	90,214	91,551	92,396	93,581	95,726	96,928
Unincorporated	106,868	107,999	109,137	107,252	107,766	106,490	107,131	108,530	109,030	109,750	110,432	110,383
Washoe County	409,085	418,061	423,833	416,632	417,379	421,593	427,204	432,324	436,797	441,946	448,316	451,923
Source: Nevada State Demographer												

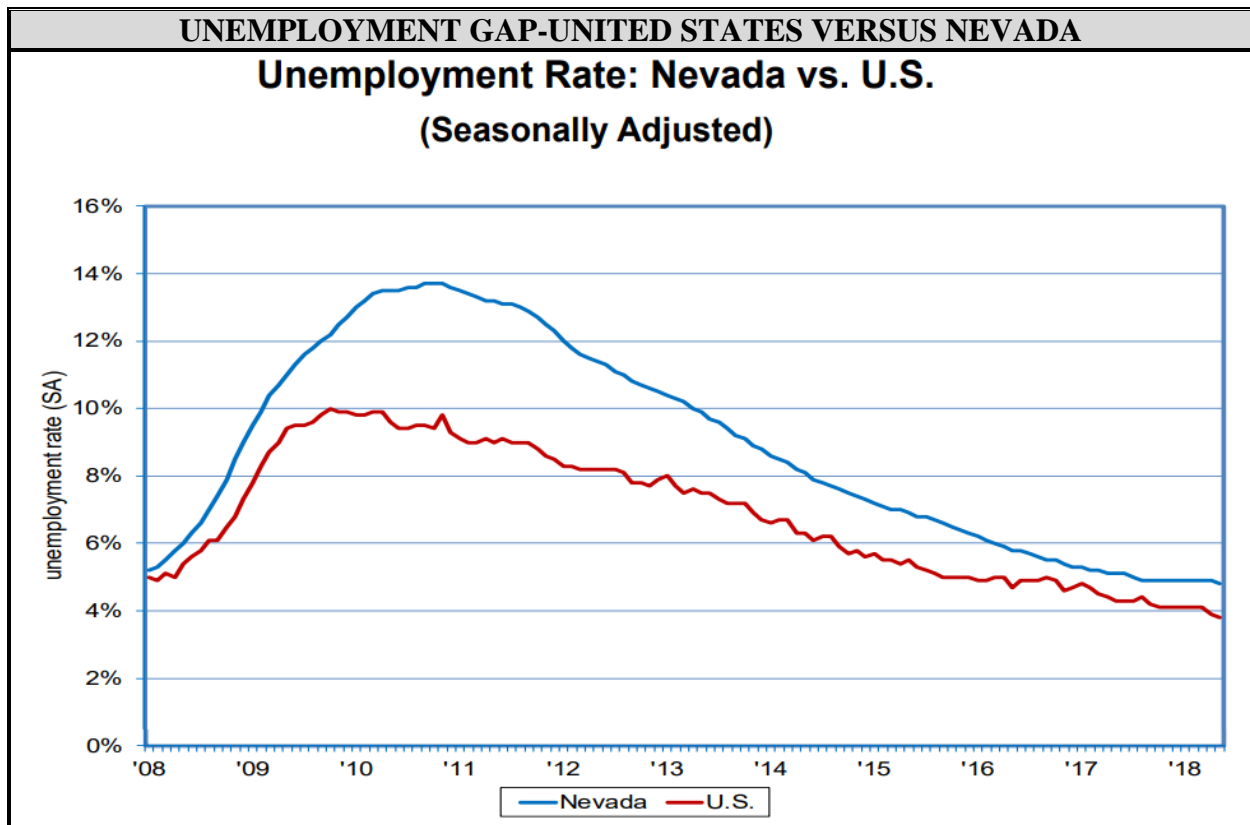
The downturn in the economy has particularly impacted the labor force in Nevada, although over the past three years unemployment has decreased significantly. Unemployment rates for Nevada and individual counties in the state are summarized on the following chart.

NEVADA UNEMPLOYMENT DATA-APRIL 2018				
Area	Labor Force	Number Employed	Number Unemployed	Unemployment Rate
Nevada	1,495,119	1,432,701	62,418	4.20%
Carson City	26,249	24,872	1,377	5.24%
Churchill County	10,573	10,131	442	4.18%
Clark County	1,097,334	1,042,410	54,924	5.00%
Douglas County	22,760	21,741	1,019	4.47%
Elko County	26,692	25,788	904	3.38%
Esmeralda County	505	481	24	4.98%
Eureka County	990	961	29	2.92%
Humboldt County	8,062	7,778	284	3.52%
Lander County	3,129	2,996	133	4.25%
Lincoln County	1,993	1,897	96	4.81%
Lyon County	21,851	20,548	1,303	5.96%
Mineral County	2,031	1,921	110	5.41%
Nye County	16,538	15,585	953	5.76%
Pershing County	2,550	2,434	116	4.54%
Storey County	2,030	1,930	100	4.92%
Washoe County	245,667	236,184	9,483	3.86%
White Pine County	4,501	4,311	190	4.22%

The unemployment rate for Washoe County and Nevada has historically averaged between 1% and 2% below the national average. However, with the economic downturn which began in 2008, Nevada was one of the hardest hit in the nation and currently has among the



highest unemployment rate in the country. Improvement has occurred in the employment market, with the State of Nevada now under 5% unemployment. The following chart summarizes the unemployment rate gap between the State of Nevada and the United States.



Nevada offers one of the most liberal tax structures in the country. Nevada levies no personal or corporate income tax. Nevada's Freeport law exempts from taxation merchandise warehoused, assembled or processed in the State of Nevada. Real estate taxes in the State of Nevada are limited by State constitution to a maximum of \$5 per \$100 of assessed valuation. The assessed valuation is 35% of the Assessor's estimate of the taxable value of the property.

Although it is not located in Washoe County, construction of the new Tesla Gigafactory in nearby Storey County within the Tahoe Reno Industrial Center is expected to have a huge impact on the entire region. On September 5, 2014, Tesla announced that the Tahoe Reno Industrial Park (TRIC), located east of Sparks, had landed the coveted Gigafactory. Over \$1.25 billion in State of Nevada incentives were approved for development of the project. In return, Tesla will be required to complete \$5 billion in capital investments on the facility through 2028.



The cost for the building and site infrastructure will be \$1.1 billion. Machinery and equipment will account for the remaining \$3.9 billion, including materials processing and product assembly. Once the 5.5 million square foot facility reaches full operation, it will produce enough batteries for 500,000 Tesla electric cars each year. As part of the deal, the USA Parkway extension was fast-tracked; this \$43 million project extends USA Parkway from its current terminus in TRIC, to U.S. Highway 50 in Silver Springs, greatly reducing travel times between Interstate 80 and U.S. Highway 50. In January 2015, Las Vegas-based Switch announced plans to build a 3 million square foot data center project in the same industrial center. The project is expected to be built in phases with a total of \$1 billion in investment with it; the first phase was completed in 2017.

Gaming and Tourism Market

It is estimated that the Reno-Sparks area currently offers approximately 25,000 hotel and motel rooms. The vast majority of the hotel-casino facilities are located within the downtown Reno core area. As a result, this area is one of the primary employment centers in the Reno-Sparks area. Additional hotel-casino developments are located in southern Reno along South Virginia Street including the Atlantis Casino resort and the Peppermill Hotel/Casino. The Grand Sierra Resort is located on the Reno-Sparks border and John Ascuaga's Nugget is located east of Reno in central Sparks. It is noted that the Nugget was recently purchased by a new owner and is undergoing major renovations. The following chart summarizes the most recent data available for gaming revenue for the Reno-Sparks/Washoe County area, as well as other areas within the state.

GAMING WIN DATA						
Area	Current Period			Fiscal Year-to Date		
	05/2018	05/2017	% Change	07/2017 - 05/2018	07/2016 - 05/2017	% Change
Statewide	1,044,079,556	991,594,550	5.29%	10,880,109,311	10,549,027,435	3.14%
Clark County	904,581,594	860,698,197	5.10%	9,380,134,830	9,130,209,000	2.74%
LV Strip	581,466,079	546,791,225	6.34%	6,077,298,400	5,974,629,280	1.72%
Downtown	53,308,790	55,228,947	-3.48%	584,991,739	562,703,794	3.96%
North Las Vegas	27,238,151	26,777,354	1.72%	268,548,261	258,710,368	3.80%
Laughlin	44,028,310	43,308,311	1.66%	465,263,694	443,703,313	4.86%
Boulder Strip	79,824,545	79,986,379	-0.20%	769,662,043	735,175,649	4.69%
Mesquite	11,329,365	10,701,228	5.87%	117,877,427	111,956,570	5.29%
Balance of County	107,386,355	97,904,753	9.68%	1,096,493,266	1,043,330,028	5.10%
Washoe County	73,103,301	68,249,299	7.11%	779,347,238	738,374,036	5.55%
Reno	53,537,964	51,180,586	4.61%	572,904,173	543,234,781	5.46%
Sparks	11,593,900	10,406,139	11.41%	120,996,322	116,765,032	3.62%
North Lake Tahoe	1,894,488	1,514,359	25.10%	24,558,033	23,195,185	5.88%
Balance of County	6,076,948	5,148,214	18.04%	60,888,710	55,179,037	10.35%
South Lake Tahoe	18,022,230	17,818,838	1.14%	208,018,529	202,436,709	2.76%
Elko County	24,429,555	22,707,686	7.58%	267,035,120	248,319,258	7.54%
Wendover	16,339,393	14,834,063	10.15%	179,304,212	163,420,376	9.72%
Balance of County	8,090,162	7,873,623	2.75%	87,730,908	84,898,882	3.34%
Carson Valley Area *	9,931,012	8,592,378	15.58%	99,730,793	92,388,220	7.95%
Other	14,011,864	13,528,152	3.58%	145,842,801	137,300,213	6.22%

* Carson Valley Area includes Carson City, Gardnerville, Minden and all other areas of Douglas County except South Lake Tahoe.

Source: Nevada Gaming Control Board

Within the past decade, legalized gaming has continued to spread across the country and gaming revenues for northern Nevada have been impacted. The opening of several Indian casinos in the State of California in recent years and the proposed openings of several other Indian Casinos in California have had a dramatic effect on the gaming economy in the Reno-Sparks area. Over the past decade, several casinos in the downtown Reno market, including the Sundowner Hotel Casino, the Comstock Hotel Casino, Fitzgerald, and the Golden Phoenix Hotel Casino, have closed.

The following summarizes data provided by the Reno-Sparks Convention and Visitors Authority, regarding visitor counts for the Reno-Sparks area.

ESTIMATED VISITOR COUNTS-RENO/SPARKS AREA										
Month	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
January	315,092	294,059	299,173	281,231	321,606	299,638	343,067	316,333	337,537	340,038
February	295,138	328,058	321,307	341,375	320,629	317,344	333,754	359,816	353,085	362,487
March	347,408	386,010	351,791	361,802	379,107	366,211	372,914	408,908	427,889	422,046
April	355,994	361,443	357,305	383,750	373,910	374,077	364,488	393,666	411,342	397,674
May	383,952	384,619	373,994	381,261	410,307	409,936	402,554	392,771	415,356	426,581
June	407,199	443,619	407,326	439,008	464,030	442,926	428,339	464,938	483,556	-
July	392,702	420,724	424,276	447,787	464,634	463,881	461,255	475,751	515,248	-
August	419,108	407,140	419,488	462,034	465,526	460,178	462,746	464,049	510,215	-
September	425,876	420,555	417,120	446,791	429,600	430,243	443,255	473,840	492,603	-
October	370,325	358,623	347,074	371,788	370,259	383,157	419,970	404,279	429,010	-
November	307,233	290,725	297,589	293,121	321,139	326,680	325,605	353,026	368,004	-
December	334,396	310,695	316,657	326,467	343,766	356,925	388,261	385,730	401,984	-
Totals	4,354,423	4,406,270	4,345,141	4,536,415	4,664,514	4,631,195	4,746,207	4,893,105	5,145,829	1,948,827
Source: Reno-Sparks Convention and Visitors Authority										

Residential Market

The residential market in the Reno-Sparks area grew tremendously in the 1990's and this growth continued until 2006, when the residential housing crisis began. The downturn in the residential market had a tremendous impact on residential development and sales within the Reno-Sparks market, resulting in very limited new construction for the past five years. Although the residential real estate market has struggled there are signs of recovery. The existing residential home sales and prices are on the rebound. Market activity has increased significantly in Northern Nevada in recent months and the residential market is on the rebound after a long period of decline. Sale offers are reported at or above list prices and sellers are receiving multiple offers.

The July 2018 Market Report presented by the Reno/Sparks Association of Realtors reports that, "The Washoe County median price is at \$389,000, which is up 10 percent compared to July 2017," said Doug McIntyre, 2018 RSAR President. "This is a record high median price



for the Reno/Sparks market. When you factor in pricing with the seasonal trend, I would anticipate that unit sales numbers may not reach 2017 levels.”

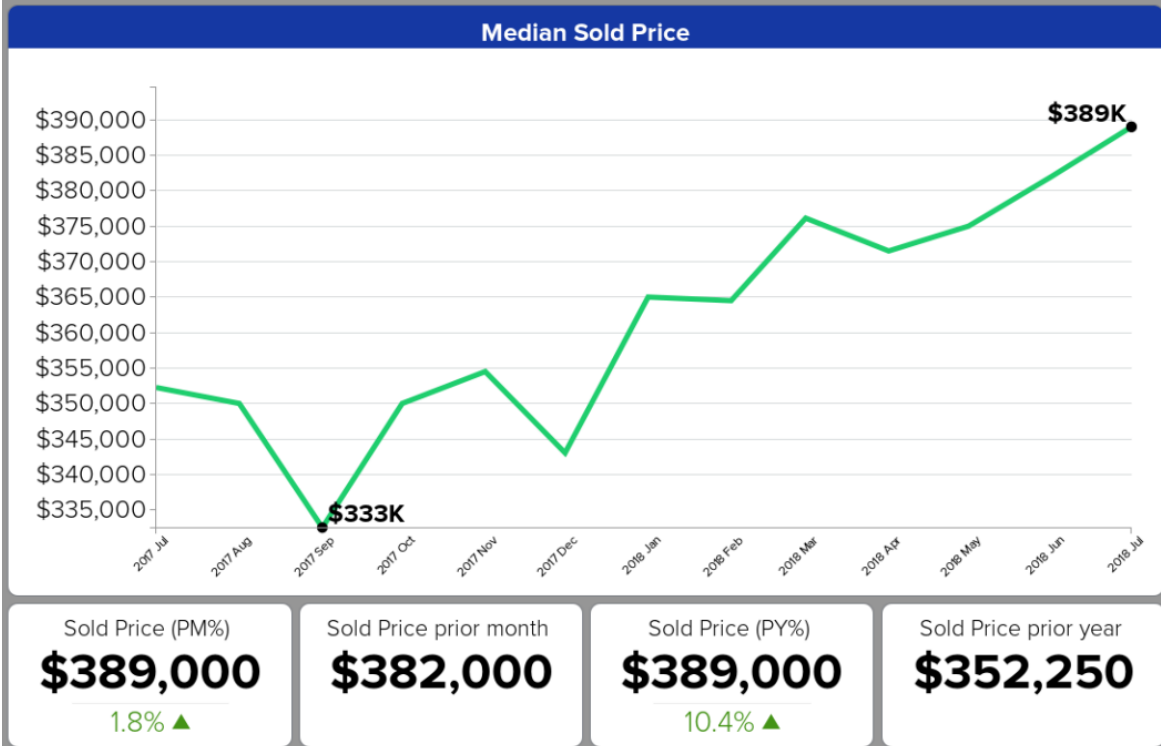
- The July median price at \$389,000 up 2% from June and up 10% from a year ago.
- July unit sales at 555 are down 7% from June and down 17% compared to July 2017.
- July new listings are down 13% at 690 compared to June and up 4% from one year ago.
- The Reno market is a seller’s market, at 2 months supply of inventory. Months supply of inventory is the time it would take to exhaust the active inventory at the current rate of sales.

Conclusions

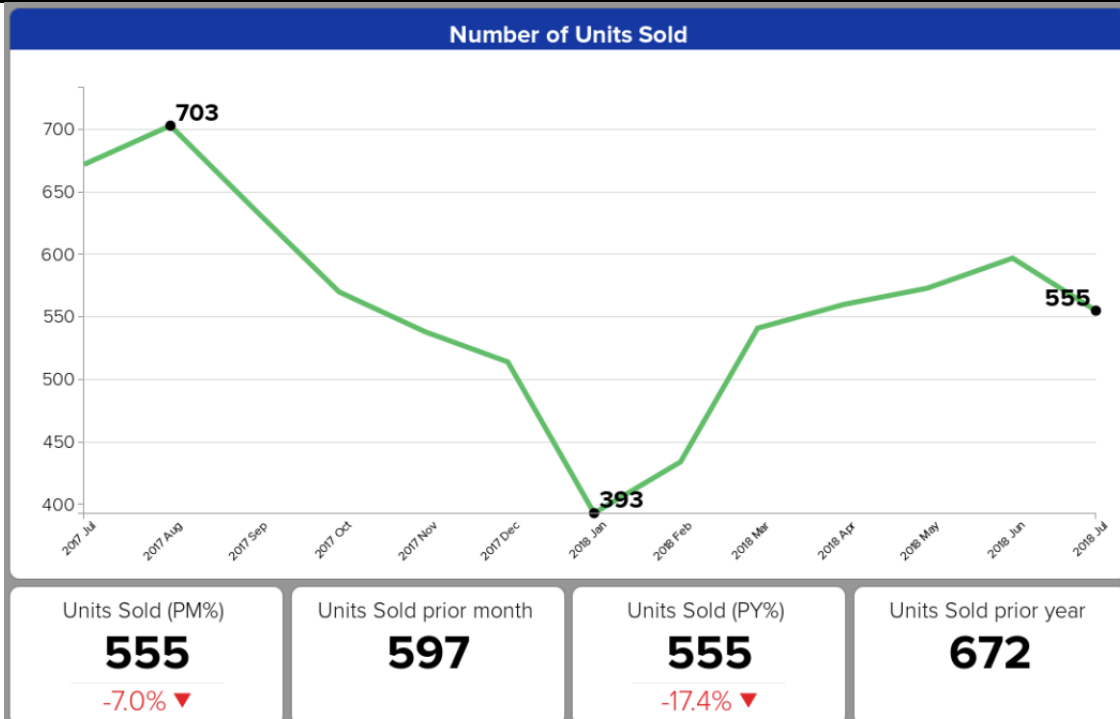
- The Washoe County median price is at \$389,000 up 10% compared to June 2017 and a new record high.
- Unit sales for the month of July were at 555 down 17% from June 2017. Year-to-date sales for 2018 are down 6% compared to the same period 2017. Coupled with the seasonal cycle, unit sales are declining under the weight of pricing.
- During the month of July, there were 690 new listings. New listings had been trending up since December but are down 13% from June which follows the seasonal trend. Year-to-date new listings are down 1% compared to the same period 2017. Year-to-date 2018, new listings total 4,608.
- The average days to contract were 37 in July down 12% compared to July 2017.
- Properties are remaining on the market an average of 72 days down 12% from July 2017.
- Sellers are receiving an average of 99.2% of list price down 5% from July 2017.



RENO-SPARKS JULY 2018 MEDIAN PRICE SOLD

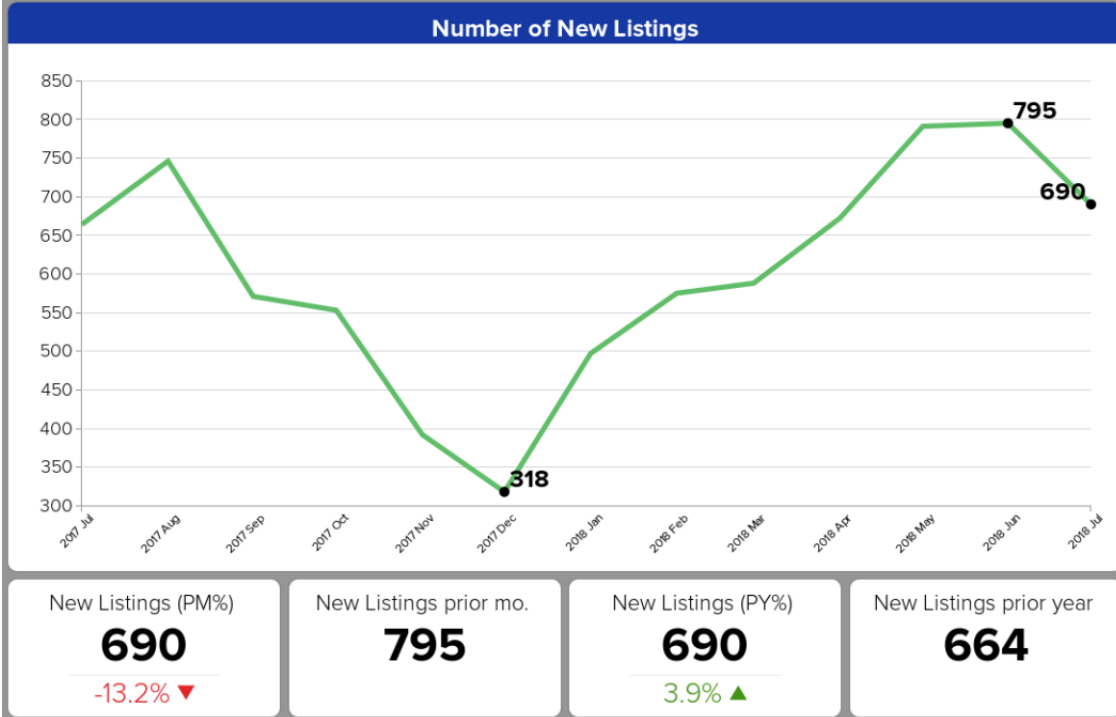


RENO-SPARKS JULY 2018 UNITS SOLD

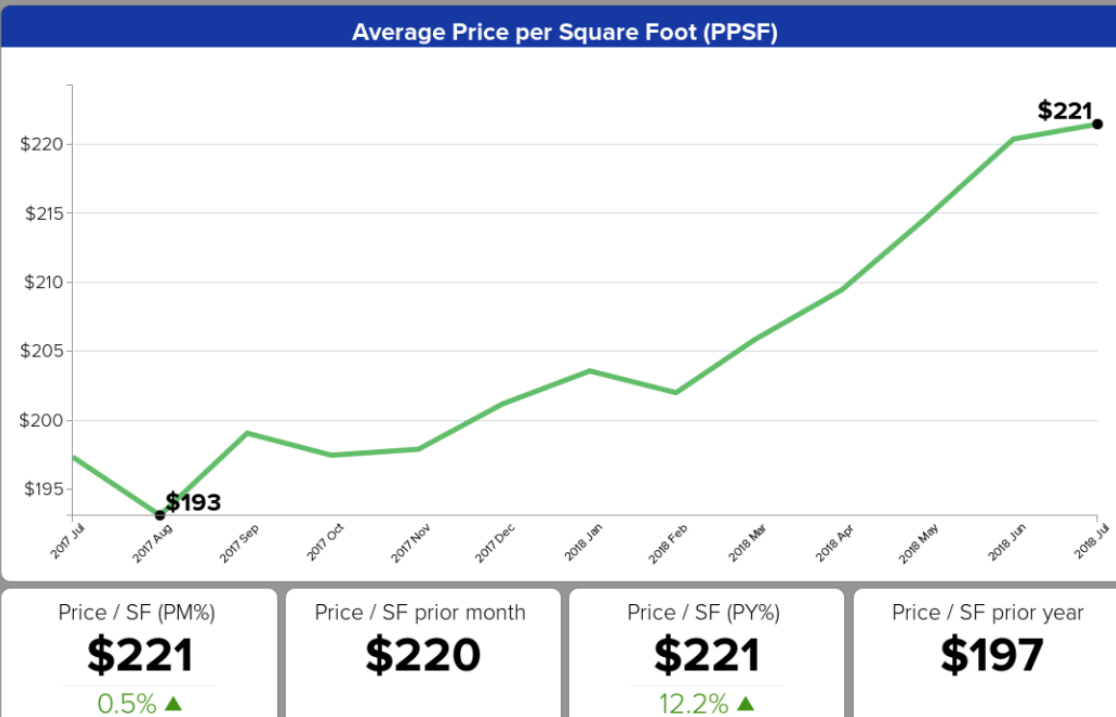




RENO-SPARKS JULY 2018 NEW LISTINGS



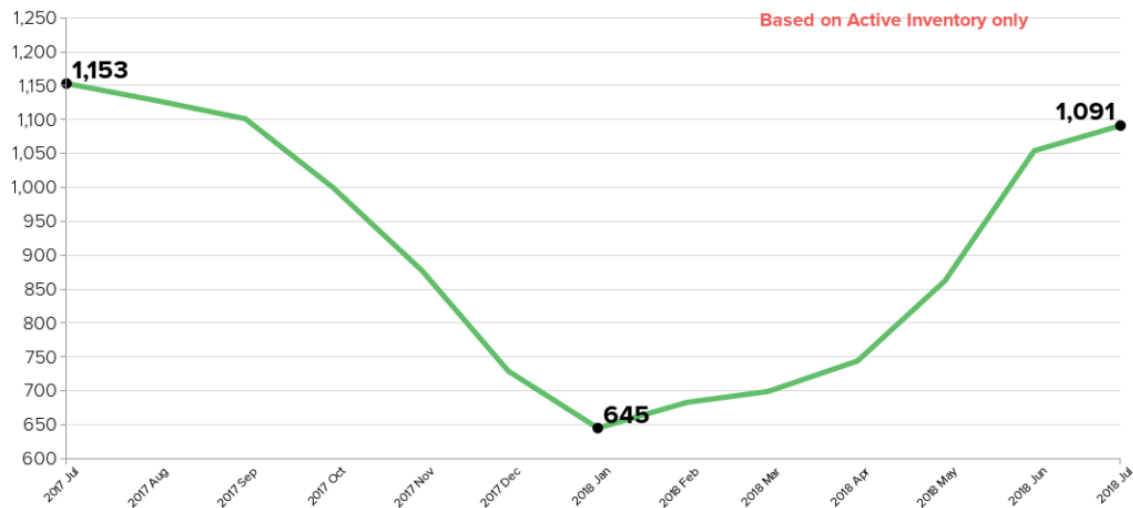
RENO-SPARKS JULY 2018 PRICE PER SQUARE FOOT





RENO-SPARKS JULY 2018 INVENTORY

Active Inventory (Number of Units)



Inventory (PM%)

1,091

3.5% ▲

Inventory prior month

1,054

Inventory (PY%)

1,091

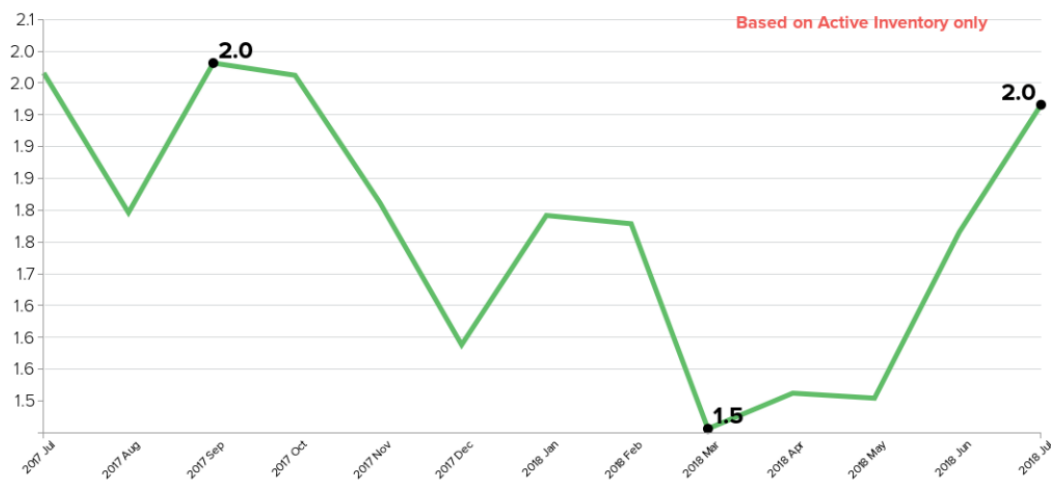
-5.4% ▼

Inventory prior year

1,153

RENO-SPARKS JULY 2018 MONTHS SUPPLY OF INVENTORY

Months Supply of Inventory (MSI)



MSI (PM%)

2.0

11.3% ▲

MSI prior month

1.8

MSI (PY%)

2.0

-2.5% ▼

MSI prior year

2.0



Improvement in the residential market is stimulating new construction. Most of the bulk finished lots within the market have been purchased by developers; most of these lots were bank owned during the recession. With job growth projected at over 50,000 new jobs in the coming years, demand for new housing in the area is expected to be extremely strong.

Multifamily Market

The following summarizes data from the 2nd Quarter 2018 *Apartment Survey*, which is a quarterly survey conducted by Johnson Perkins Griffin, LLC.

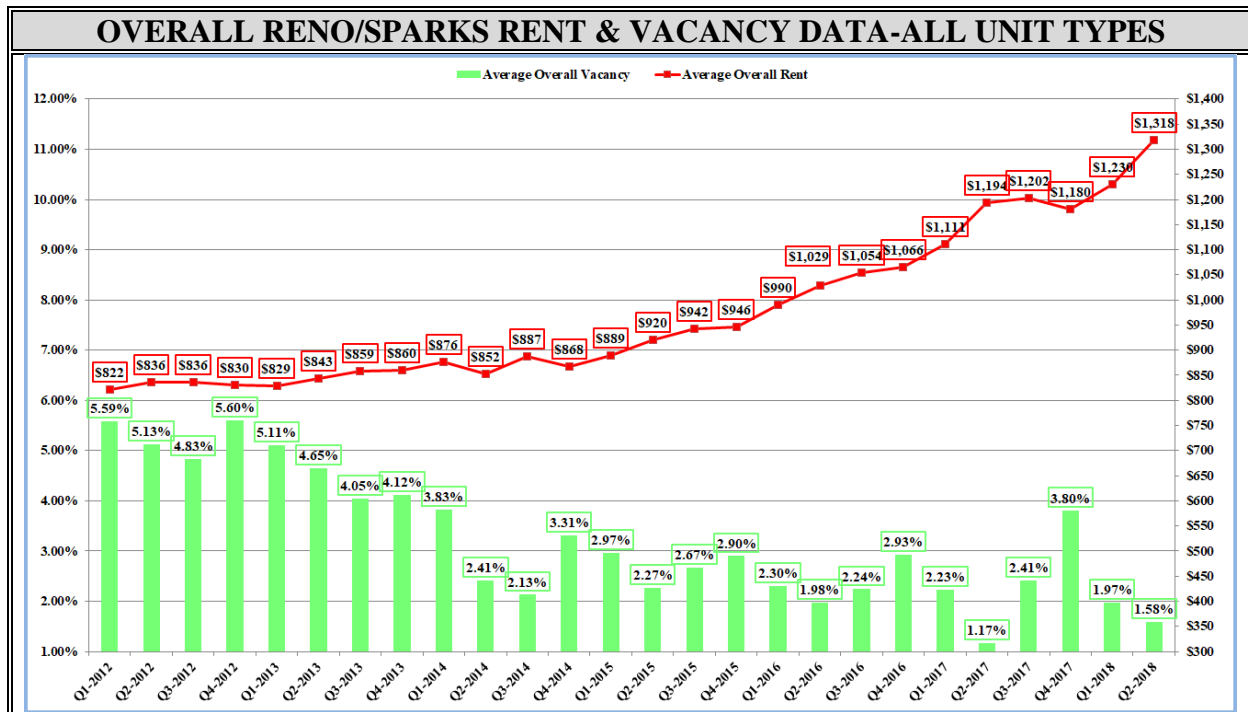
AVERAGE SIZE, RENT & VACANCY RATE BY UNIT TYPE							
CATEGORY	STUDIOS	1 BED/1 BATH	2 BED/1 BATH	2 BED/2 BATH	3 BED/2 BATH	TOWNHOME	TOTALS
Average SF-By Unit Type	404 SF	724 SF	862 SF	1,047 SF	1,283 SF	1,256 SF	896 SF
Average Rent-By Unit Type	\$781	\$1,170	\$1,210	\$1,475	\$1,754	\$1,508	\$1,318
Average Rent/SF-By Unit Type	\$1.93	\$1.62	\$1.40	\$1.41	\$1.37	\$1.20	\$1.47
Indicated Vacancy Rate-By Unit Type	1.76%	1.86%	1.25%	1.46%	1.40%	1.35%	1.58%

OVERALL AVERAGE RENT & VACANCY-PRIOR & CURRENT QUARTER			
Category	1 st Quarter 2018	2 nd Quarter 2018	Change
Average Vacancy	1.97%	1.58%	-39 Basis Points
Average Rent	\$1,230	\$1,318	+\$88 or +7.15%

COMPARISON OF RENTAL RATES & VACANCY RATES TO PRIOR QUARTER						
UNIT TYPE	AVERAGE RENT			AVERAGE VACANCY		
	1st Qtr. 2018	2nd Qtr. 2018	Result	1st Qtr. 2018	2nd Qtr. 2018	Result
Studio	\$744	\$781	+\$37	1.17%	1.76%	+0.59%
1 Bedroom/1 Bath	\$1,092	\$1,170	+\$78	2.11%	1.86%	-0.25%
2 Bedroom/1 Bath	\$1,122	\$1,210	+\$88	1.93%	1.25%	-0.68%
2 Bedroom/2 Bath	\$1,387	\$1,475	+\$88	2.04%	1.46%	-0.58%
3 Bedroom/2 Bath	\$1,631	\$1,754	+\$123	0.89%	1.40%	+0.51%
Townhouse	\$1,436	\$1,508	+\$72	2.70%	1.35%	-1.35%
TOTALS	\$1,230	\$1,318	+\$88	1.97%	1.58%	-0.39%



RENTAL AND VACANCY RATES BY SUB-MARKET AREA							
Area	Sub-Market	AVERAGE RENT			AVERAGE VACANCY		
		1st Qtr. 2018	2nd Qtr. 2018	Result	1st Qtr. 2018	2nd Qtr. 2018	Result
1	Northwest Reno	\$1,304	\$1,386	+\$82	1.91%	1.74%	-0.17%
2	Northeast Reno	\$1,115	\$1,198	+\$83	1.44%	3.12%	+1.67%
3	W. Sparks/N. Valley	\$1,067	\$1,140	+\$73	2.04%	0.99%	-1.05%
4	East Sparks	\$1,440	\$1,553	+\$114	2.65%	3.08%	+0.44%
5	West Reno	\$1,095	\$1,103	+\$8	0.44%	0.00%	-0.44%
6	Southwest Reno	\$1,123	\$1,215	+\$93	2.16%	0.88%	-1.28%
7	Brinkby/Grove	\$898	\$912	+\$14	0.83%	0.33%	-0.50%
8	Airport	\$1,089	\$1,164	+\$74	0.54%	1.07%	+0.54%
9	Lakeridge	\$1,284	\$1,375	+\$92	3.67%	2.24%	-1.44%
10	Southeast Reno	\$1,254	\$1,353	+\$99	1.53%	0.62%	-0.91%
11	Downtown Urban	\$1,387	\$1,429	+\$41	3.14%	3.38%	+0.24%
Overall Reno-Sparks		\$1,230	\$1,318	+\$88	1.97%	1.58%	-0.39%



Category	2 nd Quarter 2018
Average Square Feet Per Unit Surveyed	896± Square Feet
Average Rent For Units Surveyed	\$1,318 Per Month
Average Rent Per Square Foot For Units Surveyed	\$1.47 Per Square Foot
Average Overall Vacancy Rate For Units Surveyed	1.58%



Industrial Market

In an effort to diversify the economic base of the area, community leaders have focused upon the expansion of the industrial segment of the economy. The industrial industry has experienced substantial growth over the past decade as a result of the region's central location, good transportation, infrastructure and liberal tax laws. At the present time, over 500 major U.S. and foreign corporations have headquarters or located large facilities in the area, including Amazon.com, International Gaming Technology (IGT), Barnes and Noble, Patagonia, Sherwin Williams, Wal-Mart Distribution Center, J.C. Penney's Catalog Distribution Center, and R.R. Donnelley, one of the nation's largest publishers.

On September 5, 2014, Tesla announced that the Tahoe Reno Industrial Park (TRIC), located east of Sparks, had landed the coveted Gigafactory. Over \$1.25 billion in State of Nevada incentives were approved for development of the project. In return, Tesla will be required to complete \$5 billion in capital investments on the facility through 2028. The cost for the building and site infrastructure will be \$1.1 billion. Machinery and equipment will account for the remaining \$3.9 billion, including materials processing and product assembly. Once the 5.5 million square foot facility reaches full operation, it will produce enough batteries for 500,000 Tesla electric cars each year. As part of the deal, the USA Parkway extension was fast-tracked; this \$43 million project extended USA Parkway from its current terminus in TRIC, to U.S. Highway 50 in Silver Springs, greatly reducing travel times between Interstate 80 and U.S. Highway 50.

As most major cities in the western portion of the United States are located within relatively close proximity and driving time to Northern Nevada, the Reno-Sparks area is a major distribution warehousing center. This development is further being enhanced by the favorable tax environment in the state of Nevada. Leases for industrial users in the Reno-Sparks market are typically based upon triple net lease terms. The CBRE *Reno Industrial Market View 2nd Quarter 2018 Report* indicates the following:



COMMENTARY-CBRE RENO INDUSTRIAL MARKET VIEW 2ND QUARTER 2018

Industrial leasing demand surged in Q2 2018 logging over 1.8 million sq. ft. of net absorption and 2.5 million sq. ft. of gross absorption. This pattern is very similar to what played out in the first half of 2017. While this alone is impressive, what is just around the corner will reinforce the attractiveness and health of the Northern Nevada industrial market and the continued need for expansion of the industrial base.

It is important to note that a large volume of the overall demand was small in scale. In fact, only five transactions registered over 100,000 sq. ft. totaling 837,000 sq. ft. The remaining million sq. ft. of net absorption was accounted for by 34 separate transactions (over 5,000 sq. ft.). This niche market represents the most critically underserved from a supply standpoint and not surprisingly the property size experiencing the most dramatic rent growth. Furthermore, given the scarcity of new development projects in the construction pipeline designed to satiate the market demand, the forecast is for continued aggressive rent growth and a highly competitive landscape for the foreseeable future.

Polaris acquired 43 acres of land in Fernley to construct a 515,000 sq. ft. cross-docked distribution

facility. Additionally, as previously mentioned, there are two to three transactions at or above 600,000 sq. ft. on the horizon as large tenants are looking to call Northern Nevada home. The prospective transactions will have an impact on both projects currently under construction, or shadow inventory, as well as planned projects. The result of which will surely trigger another phase of speculative development of scale to meet the mid to long range demand pipeline.

Northern Nevada is certainly the focal point of developers (locally as well as new to the market) and investors alike. Several new industrial developers and capital sources will join the active ranks locally, as Reno/Sparks/Northern Nevada has been embraced as a Tier 1 west coast market by most institutions. Investor demand was also robust in Q2 2018 with Prism Realty Corporation acquiring over 1.0 million sq. ft. from Panattoni in North Reno. The assets were 100% leased to four tenants and the sale equates to \$76.56 per sq. ft. With extraordinary competition in core markets, it is forecasted the +/- 5% capitalization rate mark becoming a "new norm" for underwriting and acquisition of Class A industrial product locally.

The following charts summarize the overall and submarket industrial markets, and include data related to rental rates and vacancies. The data is from the CBRE *Reno Industrial Market View 2nd Quarter 2018*.



INDUSTRIAL RENTS & VACANCIES BY SUBMARKET

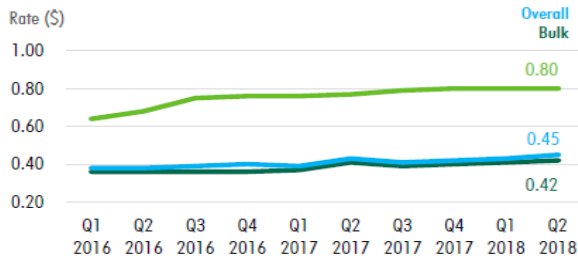
Figure 2: Reno Industrial Market Statistics

Submarket	Net Rentable Area	Total Vacancy %	Total Availability %	Q2 Net Absorption	YTD Net Absorption	Average Asking Rate \$
Central / Airport	9,269,884	2.5	7.1	171,067	159,787	0.73
Bulk	6,691,754	3.0	8.6	169,824	158,544	0.67
Flex	2,578,130	1.3	3.2	1,243	1,243	0.92
East Valley	19,358,824	0.9	4.3	0	0	0.38
Bulk	19,236,137	0.9	4.3	0	0	0.35
Flex	122,687	0.0	11.4	0	0	0.70
North Valley	18,968,710	3.7	6.2	263,550	179,600	0.38
Bulk	18,644,698	3.7	6.2	263,550	179,600	0.38
Flex	324,012	2.0	2.0	0	0	0.60
South Reno	9,607,281	1.8	3.7	57,125	120,412	0.52
Bulk	7,588,912	1.6	3.5	48,539	111,547	0.42
Flex	2,018,369	2.3	4.3	8,586	8,865	0.85
Sparks	28,607,627	2.6	9.5	823,409	913,181	0.42
Bulk	25,504,599	2.9	10.5	816,809	899,981	0.41
Flex	3,103,028	0.5	1.6	6,600	13,200	0.71
West Reno	1,954,791	2.0	2.1	224,970	243,940	0.58
Bulk	1,585,369	0.8	0.8	206,000	206,000	0.55
Flex	369,422	7.2	7.7	18,970	37,940	0.60
Market Total	87,767,117	2.2	6.4	1,838,756	1,915,555	0.45
Bulk	79,251,469	2.2	6.7	50,950	1,555,672	0.41
Flex	8,515,648	1.5	3.1	25,849	61,248	0.79

Source: CBRE Research, Q2 2018.

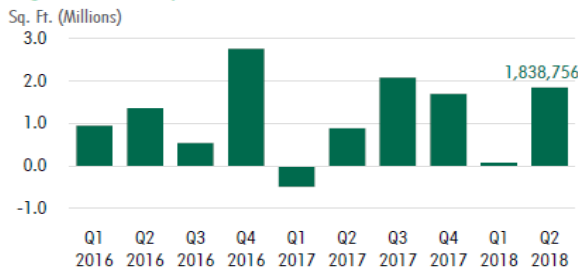
HISTORICAL INDUSTRIAL DATA

Figure 4: Lease Rates



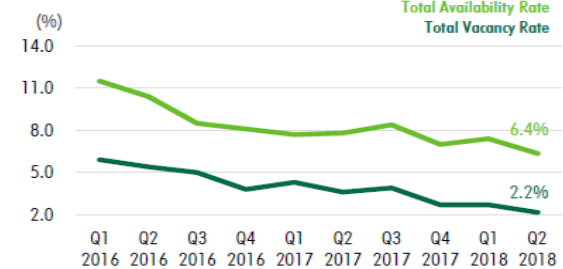
Source: CBRE Research, Q2 2018.

Figure 5: Net Absorption



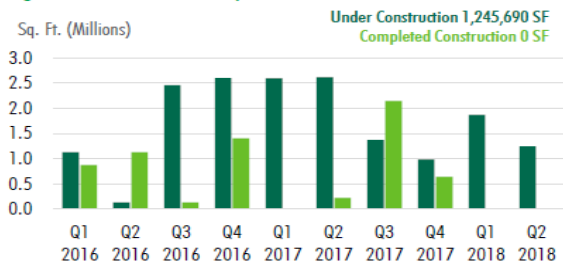
Source: CBRE Research, Q2 2018.

Figure 6: Vacancy & Availability



Source: CBRE Research, Q2 2018.

Figure 7: Construction Activity



Source: CBRE Research, Q2 2018.



Retail Market

The Reno-Sparks area now offers three regional shopping centers and more than 100 neighborhood or local shopping centers. The three major regional centers are Meadowood Mall, the Summit Sierra Mall, and the Legends at Sparks Marina.

According to the Nevada Department of Taxation 2010/2011 to 2016/2017 fiscal taxable sales show an increase from year-to-date numbers for each of the past six years. The following chart summarizes taxable sales totals for Washoe County from 1997/1998 (fiscal years).

WASHOE COUNTY TAXABLE SALES HISTORY		
Fiscal Year	Taxable Sales	Percentage Change
1997/1998	\$4,377,547,590	3.22%
1998/1999	\$4,679,515,860	6.90%
1999/2000	\$4,966,612,920	6.14%
2000/2001	\$5,194,146,044	4.58%
2001/2002	\$5,292,178,588	1.89%
2002/2003	\$5,481,582,915	3.47%
2003/2004	\$6,003,368,280	9.52%
2004/2005	\$6,660,263,045	10.6%
2005/2006	\$7,268,593,250	9.13%
2006/2007	\$7,202,640,557	-0.91%
2007/2008	\$6,823,700,706	-5.3%
2008/2009	\$5,707,791,051	-16.35%
2009/2010	\$5,176,981,699	-9.30%
2010/2011	\$5,282,936,232	2.05%
2011/2012	\$5,522,605,351	4.54%
2012/2013	\$5,824,726,136	5.47%
2013/2014	\$6,370,684,534	9.37%
2014/2015	\$6,817,588,648	7.02%
2015/2016	\$7,550,466,734	10.70%
2016/2017	\$7,989,009,111	5.81%
Source: Nevada Department of Taxation		

Leases for retail space in the Reno-Sparks market are typically based upon triple net lease terms or modified gross lease terms. Under triple net lease terms, tenants typically pay a base rental rate, and are also responsible for paying most operating expenses associated with the property, including utilities, taxes, insurance, management, typical repairs and maintenance, and other expense items. In multi-tenant projects, these additional fees are most often billed back to tenants; these are often referred to as Common Area Maintenance (CAM) fees. The CBRE *Reno Retail Market View 2nd Quarter 2018 Report* indicates the following:



COMMENTARY-CBRE RENO RETAIL MARKET VIEW 2ND QUARTER 2018

The Reno retail market wrapped up Q2 2018 with 32,829 sq. ft. of positive net absorption, its 13th straight quarter with positive net absorption. The vacancy rate continued to drop and closed the quarter at 7.5% after decreasing by 10 basis points (bps). The average asking lease rate suggests that the market is still thriving, increasing by \$0.02 and ending the quarter at \$1.44 NNN. This trend is expected to continue in the near term as tenant demand remains prevalent across the market.

Reno currently has three projects under construction, two of which are scheduled for delivery in Q3 2018 providing 11,740 sq. ft. of new product to the market. The most substantial of these projects is 1370 Big Fish Drive (6,940 sq. ft.), which is located in the Sparks submarket. Healthy construction activity is likely to continue during the near term as demand from retailers show no signs of slowing down.

Q2 2018 provided plenty of leasing activity, most of which came from larger leases. The quarter's most significant lease was Harbor Freight Tools and Tractor Supply signing a 53,105 sq. ft. lease in the Ironhorse Shopping Center. Big Lots was another contributor to the positive net absorption as the company leased a space in the Spanish Springs Shopping Center (28,799 sq. ft.).

The year started off with steady sales activity and Q2 2018 was even more robust. The most notable sale of the quarter occurred with Canon Commercial, Inc. purchasing The Commons, a 106,772 sq. ft. center. A similarly noteworthy deal was the purchase of Parkside Center (102,832 sq. ft.) by the Realty Income Corporation. During Q2 2018, the Reno retail market expanded upon a solid start to the year. It is expected that both leasing and sales activity will continue to be strong during the remainder of the year.

The following charts summarize the overall and submarket retail markets, and include data related to rental rates and vacancies. The data is from the CBRE *Reno Retail Market View 2nd Quarter 2018*.



RETAIL RENTS & VACANCIES BY SUBMARKET

Figure 2: Reno Retail Market Statistics

Submarket	Gross Leasable Area	Total Vacancy %	Total Availability %	Q2 Net Absorption	YTD Net Absorption	Average Asking Rate \$
Central/Airport	1,757,965	17.2	19.0	21,352	49,715	1.33
Downtown	385,397	19.6	19.6	0	0	2.28
Meadowood	3,285,664	5.5	6.6	(69,233)	(63,625)	1.23
North Valleys	791,887	4.2	4.5	0	4,917	1.38
Northwest Reno	1,813,641	3.0	3.2	0	8,708	1.41
South Reno	2,523,397	6.5	6.6	0	16,816	1.53
Southwest Reno	757,064	7.3	8.7	(1,194)	(3,044)	1.39
Spanish Springs	1,612,633	9.3	9.3	28,799	28,799	1.38
Sparks	3,728,556	6.2	6.5	53,105	61,387	1.44
Market Total	16,656,204	7.5	8.1	32,829	103,673	1.44

Source: CBRE Research, Q2 2018.

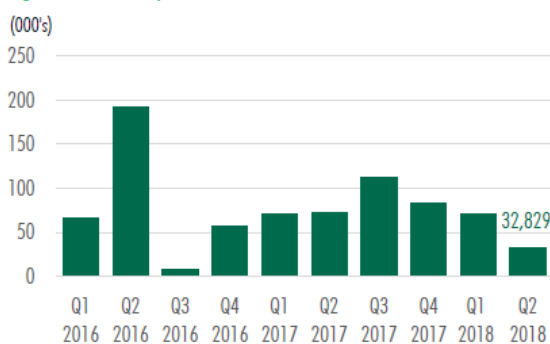
HISTORICAL RETAIL DATA

Figure 6: Lease Rates



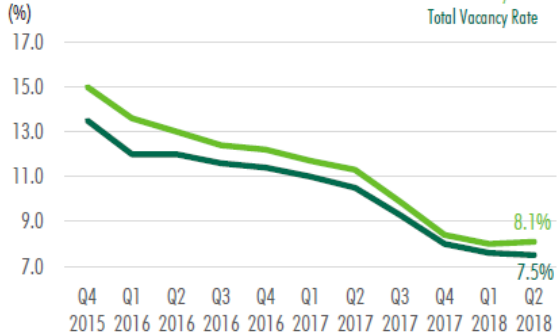
Source: CBRE Research, Q2 2018.

Figure 7: Net Absorption



Source: CBRE Research, Q2 2018.

Figure 8: Vacancy & Availability



Source: CBRE Research, Q2 2018.

Figure 9: Construction Activity



Source: CBRE Research, Q2 2018.



Office Market

The Reno-Sparks office market consists of a variety of product types, from older second and third generation properties, to new, high-end Class A office space. Leases for professional office uses in the Reno-Sparks market are typically based upon full service gross lease terms or modified gross lease terms. Under full service gross lease terms, owners are responsible for all operating costs associated with the building. Typically, these leases incorporate base year expense stops, with tenants responsible for any increases in operating expenses over the base year. Under modified gross lease terms, the tenant is typically responsible for utilities and janitorial service. Due to increases in utility expenses, many property owners now market properties on modified gross lease terms, with some even marketing properties on triple net lease terms, in which the tenant is responsible for all operating expenses associated with the building. The CBRE *Reno Office Market View 2nd Quarter 2018 Report* indicates the following:

COMMENTARY-CBRE RENO OFFICE MARKET VIEW 2ND QUARTER 2018

The Reno office market continued to see decreasing vacancy and while the net absorption numbers were not as high as the previous quarter, the market still ended with 10,471 sq. ft. of positive activity. The vacancy rate decreased 160 basis points (bps) to close the quarter at 9.2%. This represents a 320 bps decrease from Q2 2017. The average asking lease rate experienced a \$0.04 dip, closing at \$1.53 FSG; with the Class A lease rate averaging \$1.84 FSG.

The vacancy rate among Class A office product continued to drop with a 140 bps decrease this quarter, closing at 6.6%. This represents a 500 bps decrease from the same time last year. The positive performance experienced during the first half of year is a clear illustration of the desirability of the Reno office market. Class A product posted strong net absorption numbers yet again, with Meadowood totaling 25,739 sq. ft. of positive net absorption for the quarter. While Meadowood posted positive numbers, Reno also had a few submarkets with negative activity, leading to the relatively modest positive net absorption overall.

The largest sale transactions of the quarter belonged to Lansing Companies, who purchased the 106,463 sq. ft. U.S. Bank Centre on 5190 Neil Road for \$14.8 million. For lease transactions, Reno experienced increased activity during Q2 2018, mainly coming out of the South Reno submarket. The largest lease during Q2 2018 was a renewal and expansion by TriNet USA, taking approximately 38,000 sq. ft. at 9805 Double R Blvd.

Following last quarter, McKenzie Properties is continuing to construct a Class A office building located at 5520 Kietzke Lane. With a starting lease rate of \$2.75 per sq. ft. and completion has been rescheduled to October of this year. Incidentally, despite no new leases in the building this quarter, it is expected that McKenzie Properties will be fully leased by the completion date.

Given the region's current and projected growth, investment activity is expected to remain strong, with two of the biggest sales being investment. CAP rates have decreased in the past year, enticing some landlords to bring stabilized properties to market, this remain even with the minor rent drop.

The following charts summarize the overall and submarket office markets, and include data related to rental rates and vacancies. The data is from the CBRE *Reno Office Market View 2nd Quarter 2018*.



OFFICE RENTS & VACANCIES BY SUBMARKET

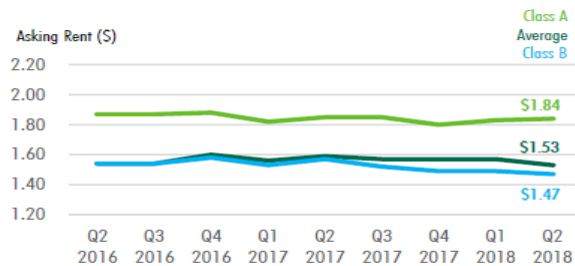
Figure 2: Reno Office Market Statistics

Submarket	Net Rentable Area	Total Vacancy %	Total Availability %	Q2 Net Absorption	YTD Net Absorption	Average Asking Rate \$
Airport	557,145	8.3	9.8	(2,650)	5,548	1.24
Class A	32,376	-	-	-	-	-
Class B	351,247	7.1	8.9	-	3,794	1.36
Central	715,639	17.8	39.2	(20,872)	(23,654)	1.25
Class A	-	-	-	-	-	-
Class B	334,444	16.0	30.6	(214)	3,753	1.36
Downtown	1,366,328	8.2	9.5	9,546	36,178	1.72
Class A	810,695	6.9	8.3	985	20,615	1.87
Class B	273,830	12.4	14.8	3,045	10,047	1.76
Meadowood	1,781,520	9.4	14.5	25,739	48,255	1.60
Class A	1,100,707	6.9	14.7	31,985	52,243	1.82
Class B	482,573	9.6	10.2	(8,992)	(8,992)	1.51
South Reno	1,399,415	6.5	10.6	(3,452)	(3,397)	1.73
Class A	1,112,924	6.5	10.5	(2,012)	(8,830)	1.84
Class B	286,491	6.5	10.6	(1,440)	5,433	1.38
Sparks	162,423	7.0	9.1	2,160	3,020	1.05
Class A	-	-	-	-	-	-
Class B	93,693	9.5	9.5	-	-	1.25
West Reno	37,495	-	-	-	-	-
Class A	14,493	-	-	-	-	-
Class B	23,002	-	-	-	-	-
Market Total	6,019,965	9.2	14.7	10,471	65,950	1.53
Class A	3,071,195	6.6	11.3	30,958	64,028	1.84
Class B	1,845,280	10.1	14.2	(7,601)	14,035	1.47

Source: CBRE Research, Q2 2018.

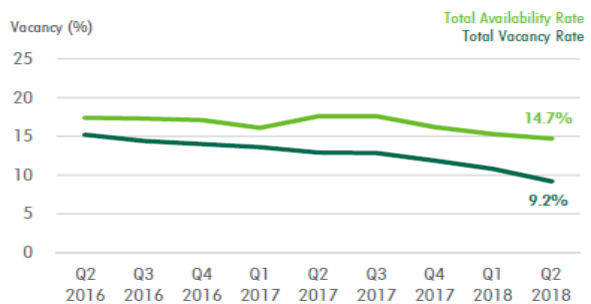
HISTORICAL OFFICE DATA

Figure 4: Lease Rates



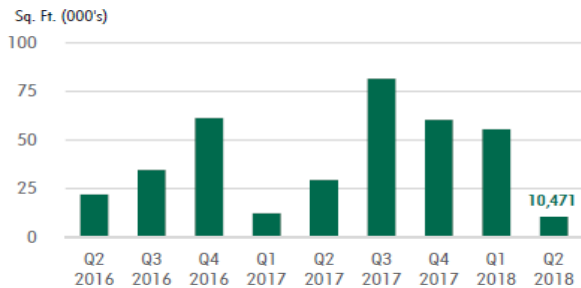
Source: CBRE Research, Q2 2018.

Figure 6: Vacancy & Availability



Source: CBRE Research, Q2 2018.

Figure 5: Net Absorption

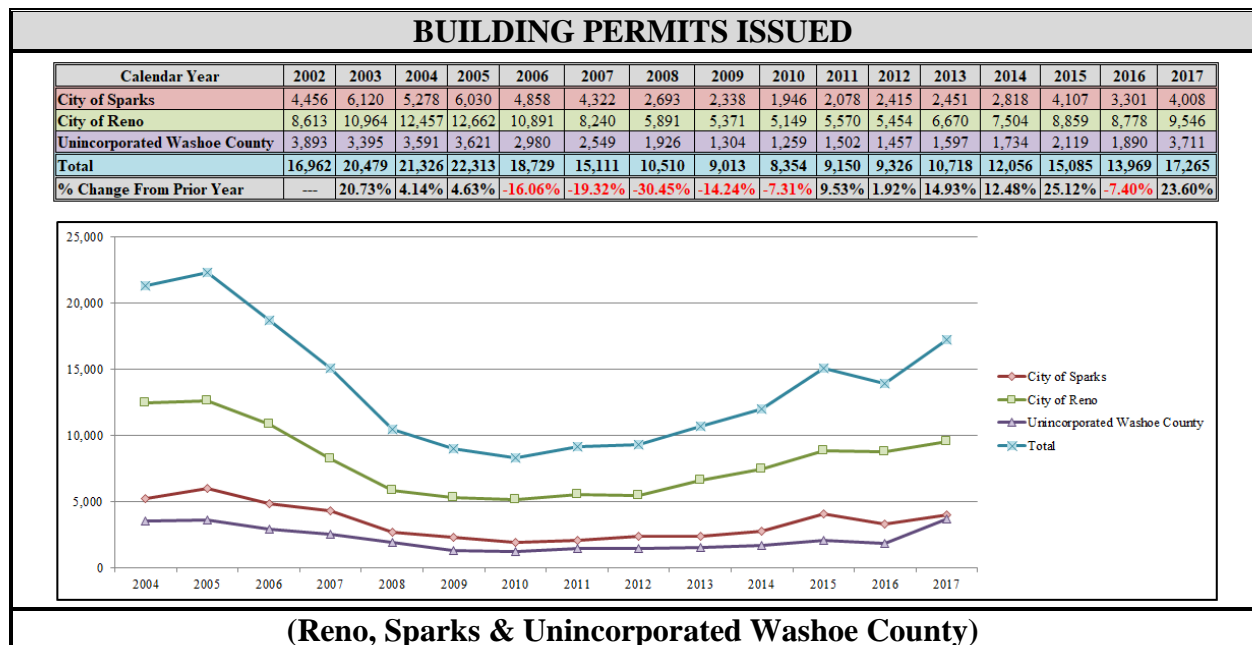


Source: CBRE Research, Q2 2018.



Construction Activity

Construction activity in the area was limited during the housing crisis, but has shown signs of recovery. Within the Reno-Sparks market, building permits issued began to drop in 2006, and dropped every year through 2010; beginning in 2011, building permit activity continued to increase through 2015. As the chart and graph below indicate, at the peak of the market in 2005, 22,313 total building permits were issued in Washoe County, including the City of Reno and the City of Sparks. In 2016, the latest full calendar year, 14,487 building permits, or 35% less than 2005, were issued.



Transportation

The Reno-Tahoe International Airport serves the Reno-Sparks area. The airport offers daily departures to over 30 North American destinations with non-stop or one-stop service. This level of service is normally found in cities with populations four to five times the size of the Reno-Sparks area. The following chart summarizes passenger statistics for the Reno-Tahoe International Airport.



RENO-TAHOE INTERNATIONAL AIRPORT STATISTICS

Total Passengers						
May-18						
	Passengers		% Diff.	Passengers		% Diff.
	2016	2017		2018		
JAN	259,868	284,553	9.5%	312,125	9.7%	
FEB	269,807	286,322	6.1%	296,726	3.6%	
MAR	311,974	353,651	13.4%	356,112	0.7%	
1st Quarter	841,649	924,526	9.8%	964,963	4.4%	
APR	273,707	302,078	10.4%	325,428	7.7%	
MAY	288,763	317,935	10.1%	345,740	8.7%	
JUN	338,954	367,600	8.5%			
2nd Quarter	901,424	987,613	9.6%			
JUL	356,768	400,754	12.3%			
AUG	349,934	393,478	12.4%			
SEP	325,698	345,280	6.0%			
3rd Quarter	1,032,400	1,139,512	10.4%			
OCT	304,447	336,433	10.5%			
NOV	270,367	300,308	11.1%			
DEC	300,543	326,989	8.8%			
4th Quarter	875,357	963,730	10.1%			
TOTAL	3,650,830	4,015,381	10.0%			
YTD Total		1,544,539		1,636,131	5.9%	

Total Enplaned Passengers					
May-18					
Month	2016	2017	2018	% Diff.	
JAN	130,546	143,070	156,747	9.6%	
FEB	133,669	143,000	147,568	3.2%	
MAR	156,542	179,473	181,141	0.9%	
APR	136,453	150,827	161,913	7.4%	
MAY	144,228	156,943	171,430	9.2%	
JUN	168,313	182,045			
JUL	177,619	199,224			
AUG	171,150	192,726			
SEP	169,166	179,829			
OCT	153,936	169,259			
NOV	135,217	149,714			
DEC	146,741	161,640			
TOTAL	1,823,580	2,007,750			
YTD Total		773,313	818,799	5.9%	

Total Cargo						
May-18						
	2016	2017	% Diff.	2018		% Diff.
	Cargo in Pounds			Pounds	Metric	
JAN	11,939,003	12,749,916	6.8%	11,795,775	5,350	-7.5%
FEB	10,947,416	12,023,060	9.8%	11,417,480	5,178	-5.0%
MAR	13,004,808	13,595,007	4.5%	13,053,097	5,920	-4.0%
1st Quarter	35,891,227	38,367,983	6.9%	36,266,352	16,447	-5.5%
APR	12,341,233	11,974,440	-3.0%	10,826,085	4,910	-9.6%
MAY	12,088,321	12,671,643	4.8%	12,245,815	5,554	-3.4%
JUN	13,432,224	12,396,234	-7.7%			
2nd Quarter	37,861,778	37,042,317	-2.2%			
JUL	12,691,135	11,454,156	-9.7%			
AUG	13,977,442	13,472,975	-3.6%			
SEP	13,347,173	12,436,806	-6.8%			
3rd Quarter	40,015,750	37,363,937	-6.6%			
OCT	12,305,525	12,169,329	-1.1%			
NOV	13,089,468	12,446,633	-4.9%			
DEC	17,247,162	14,882,745	-13.7%			
4th Quarter	42,642,155	39,498,707	-7.4%			
TOTAL	156,410,910	152,272,944	-2.6%			
YTD Total		63,014,066		59,338,252	26,911	-5.8%

Total Deplaned Passengers				
Month	2016	2017	2018	% Diff.
JAN	129,322	141,483	155,378	9.8%
FEB	136,138	143,322	149,158	4.1%
MAR	155,432	174,178	174,971	0.5%
APR	137,254	151,251	163,515	8.1%
MAY	144,535	160,992	174,310	8.3%
JUN	170,641	185,555		
JUL	179,149	201,530		
AUG	178,784	200,752		
SEP	156,532	165,451		
OCT	150,511	167,174		
NOV	135,150	150,594		
DEC	153,802	165,349		
TOTAL	1,827,250	2,007,631		
YTD Total		771,226	817,332	6.0%

Enplaned Passengers & Load Factor				
Airline	Enplaned PAX	May-18	May-17	Diff.
Alaska/Horizon	17,472	80.2%	76.9%	3.3
Allegiant Air	3,124	74.0%	73.6%	0.3
American	33,910	77.6%	82.9%	-5.2
Delta	12,989	83.2%	80.0%	3.2
Frontier	3,308	70.7%	n/a	n/a
JetBlue	6,029	77.3%	81.9%	-4.6
Southwest	75,102	72.9%	68.6%	4.3
United	18,189	78.6%	74.6%	4.0
Volaris	1,047	73.1%	65.1%	8.0

The Reno-Sparks area also has adequate rail service and bus service. The area has excellent access to trucking facilities, with over 60 firms serving the Reno area. Rail service through the area is provided by Union Pacific Railroad. The rail lines pass through downtown Reno with most of the rail traffic involving freight transportation. Additionally, Amtrak provides passenger rail service to the area.



Hospitals, Education and Public Services

The Reno-Sparks area has four private general hospitals and one Veterans' Administration hospital. While the area is considered to have good hospital facilities, the hospitals in Nevada are some of the more expensive in the country. The two largest hospitals, St. Mary's and Renown, have both opened satellite hospitals in south Reno, and have both undergone major expansions at their main facilities.

The Washoe County School District provides public schools. The University of Nevada-Reno is situated on a 200-acre campus just north of downtown Reno. There are approximately 21,300 students currently enrolled at the University. The area is also served by the Truckee Meadows Community College, which has an enrollment of approximately 11,600 students per year.

Each of the municipalities in the Reno-Sparks area offers police and fire protection. Both the police and fire protection is highly rated. Municipal recreational facilities in the Reno-Sparks area include a number of golf courses, several indoor/outdoor swimming pools, numerous public parks and several public libraries. RTC Ride provides public transportation to the region.

Summary

In summary, the Reno-Sparks area has experienced rapid population growth over the past several decades due to the excellent quality of life. Historically, the gaming industry has been the principal economic base for the area. With the legalization of gaming across the United States, the area's principal industry is experiencing a major challenge.

In response to this challenge, the National Bowling Stadium and Downtown Events Center have been built, the Reno-Sparks Convention Center has been expanded and renovated, special events have been expanded, the City of Reno is actively supporting downtown revitalization, and a AAA professional baseball stadium was completed in April of 2009. Tesla began construction on their new Gigafactory just east of Sparks in the Tahoe Reno Industrial Park in 2014. The area has experienced success in broadening the economic base with the expansion of the hi-tech and back office industries.



NEIGHBORHOOD DESCRIPTION

The subject neighborhood is situated in the northwest portion of Sparks. The subject neighborhood is bounded on the north by Sun Valley, the east by Pyramid Way, on the south by the Interstate 80 freeway and on the west by the Sparks City Limits. The major roadways servicing the subject neighborhood include North McCarran Boulevard, Sullivan Lane, Pyramid Way, Prater Way, Oddie Boulevard, Rock Boulevard, Victorian Avenue, El Rancho Drive, the U.S. 395 Freeway, and Interstate 80. The subject is situated in a neighborhood with a mixture of commercial and residential uses. The subject neighborhood is felt to have good accessibility to all portions of the Reno-Sparks area.

Major Roadways

The Interstate 80 Freeway, which forms the south boundary of the subject neighborhood, is a limited access, all weather Freeway connecting the San Francisco Bay area as well as the Sacramento area to the west with Salt Lake City to the east. The freeway, which lies north of the downtown Reno casino and business core area, passes through the center of the downtown Sparks core area. Access to the Interstate 80 Freeway in the subject neighborhood is from Rock Boulevard, Pyramid Way and McCarran Boulevard. The Interstate 80 Freeway provides good access from the subject neighborhood to the major employment centers of Reno and Sparks.

Prater Way extends in an east-west direction through the southern portion of the subject neighborhood. This roadway is a four-lane, two-way, asphalt paved roadway improved with concrete curbs, gutters, and sidewalks. Prater Way originates in east Sparks and terminates at the Victorian Avenue and Fourth Street intersection near the Reno-Sparks city line. Prater Way provides good access from Vista Boulevard in the eastern portion of the city of Sparks to the northeasterly portion of the city of Reno.

Originating at its interchange with Interstate 80, Pyramid Way, also identified as State Route 445, is a major north-south roadway through the eastern portion of the subject neighborhood. This roadway is a four-lane, two-way, asphalt paved roadway improved with concrete curbs, gutters, and sidewalks. The roadway provides a principal access into the residential communities of Sparks in the Spanish Springs Valley area. Ultimately, the roadway terminates at Pyramid Lake, 33 miles north of Sparks.

McCarran Boulevard is a limited access ring road that encircles the Reno-Sparks area. McCarran Boulevard provides access to all parts of the Reno-Sparks area from the subject



neighborhood. Construction of a major new interchange is nearing completion at the corner of McCarran Boulevard and Pyramid Way, which was undertaken to alleviate traffic at this major intersection.

Additional secondary roadways servicing the subject neighborhood include Oddie Boulevard, Sullivan Lane, El Rancho Drive and Victorian Avenue. Oddie Boulevard is an east-west roadway which has a full interchange with the U.S. 395 Freeway/I-580 in the western portion of the neighborhood. Oddie Boulevard extends west under the Freeway, where it becomes North Wells Avenue in Reno.

Sullivan Lane extends in a north-south direction and is a two-lane, two-way, asphalt-paved roadway. Sullivan Lane originates at Prater Way and extends in a northerly direction through the subject neighborhood with intersections at North McCarran Boulevard and terminating at its intersection with El Rancho Drive. Portions of Sullivan Lane are improved with streetlights, concrete curbs, gutters, and sidewalks.

El Rancho Drive extends in a north-south direction through the west-central portion of the subject neighborhood. Portions of this roadway are improved with streetlights as well as curbs, gutters and sidewalks. El Rancho Drive originates at Victorian Avenue in the southerly portion of the subject neighborhood and extends north past North McCarran Boulevard and terminates at its intersection with Clearacre Lane in the southerly portions of Sun Valley.

Victorian Avenue is a two-way, four-lane, asphalt paved roadway extending through the southerly portions of Sparks and the subject neighborhood. Victorian Avenue originates at North McCarran Boulevard in the central portion of the city of Sparks and extends westerly, paralleling Interstate 80 before terminating at Prater Way.

Due to the close proximity to Interstate 80, the U.S. 395 Freeway, Oddie Boulevard, Prater Way, Pyramid Way, McCarran Boulevard and Victorian Avenue, the subject neighborhood is considered to have good accessibility to most portions of the Reno-Sparks area.

Commercial Uses

Development in the subject neighborhood includes a wide variety of commercial and residential utilizations. The commercial uses are confined primarily to Pyramid Way, Oddie Boulevard, Victorian Avenue and Prater Way. The majority of the remainder of the subject



neighborhood involves residential uses including single family detached homes, condominium and townhouse projects, mobile home parks and various apartment complexes.

The largest commercial developments in the subject neighborhood are located on both sides of Oddie Boulevard and involve several neighborhood shopping centers. The neighborhood shopping centers include Paradise Plaza, Silverada Mall and the Oddie Mall. The Lowe's home improvement store that was formerly located in the Silverada Mall was closed and relocated to a new building located in the Legends shopping center in Sparks; the property has been purchased by Renown Health for office space.

In addition to the aforementioned shopping centers, another shopping center is located in the northwest portion of the subject neighborhood and is known as the Northtowne Marketplace; this project was formerly anchored by a WalMart, which relocated. The former WalMart space is currently occupied by a call center user. Other major tenants in this center include WinCo Foods and a Pet Supercenter.

The Greenbrae East Shopping Center and the Greenbrae West Shopping Center are located adjacent to each other, and are generally located on the north side of Greenbrae Lane, between Pyramid Way and 4th Street. Across Pyramid Way from these centers is the Pyramid Center, a shopping center anchored by Scolari's supermarket. Each of these shopping centers is older and is currently in fair to average condition.

The Sparks Mercantile Shopping Center is located at the southwest corner of Pyramid Way and McCarran Boulevard in the northeast portion of the subject neighborhood. This center is anchored by Raley's supermarket, which had closed their store further south on Pyramid Way. This good quality shopping center also includes a variety of pad and in-line tenants, including Starbucks, Bully's restaurant and McDonald's.

In addition to the major shopping centers servicing the subject neighborhood, there are several smaller strip centers. The Sierra Center is located at the intersection of Sullivan Lane and Greenbrae Drive and the Ross Center is located at the west side of Rock Boulevard, south of Merchant Street. There are also several freestanding retail-commercial and restaurant buildings along Oddie Boulevard.



While the primary commercial developments on Oddie Boulevard are shopping centers, the commercial development on Prater Way and Victorian Avenue generally include older, freestanding retail-commercial and shop buildings. At the present time, Victorian Avenue is primarily improved with older commercial buildings including weekly motels, car lots, repair shops, convenience stores and a variety of retail businesses. For the most part, this portion of the neighborhood has seen little new construction and many of the businesses situated along this section of Victorian Avenue are older single-family residences which have been converted to commercial uses.

Within the eastern portion of the neighborhood, between 15th Street and Pyramid Way, Victorian Avenue is known as Victorian Square, and is improved with a hotel-casino and ancillary uses including restaurants, bars and retail shops. Development of Victorian Square is the result of the efforts of the Sparks Redevelopment Agency, and has transformed this section of Victorian Avenue into a large pedestrian walkway with public areas, decorative sidewalks, and outdoor lighting and landscaped areas. Recent new developments in Victorian Square include several new apartment complexes, including Fountainhouse and Square One, as well as The Bridges, which is currently under construction. Additionally, a movie theater in Victorian Square is being converted to a luxury movie theater. Several other major projects are planned for Victorian Square, with hopes to make the area a walkable downtown living and shopping area.

Victorian Square is also home to a transit center, named Centennial Plaza. This center was developed by the Regional Transportation Commission on the south side of Victorian Avenue, between 14th Street and extending west of 15th Street. This transit center has 15 covered bus bays and resembles a railroad roundhouse.

Victorian Square is the primary tourist attraction in the city of Sparks and a number of special events, including a major rib cook-off, chili cook-offs, farmer's markets, craft fairs and parades are held annually.

The largest hotel-casino in Sparks is located in Victorian Square; John Ascuaga's Nugget offers 75,000± square feet of gaming area, approximately 110,000± square feet of convention space, and 1,382± hotel rooms with a variety of restaurants, lounges and showrooms. The Nugget is one of the more popular hotel-casinos in northern Nevada, and has expanded several times over the past 20 years. The Nugget also includes a multi-level parking garage located to

the east of the hotel-casino and south of Interstate 80. Recent major upgrades have been made to the property by new ownership.

From Pyramid Way to Nichols Boulevard, the north side of Victorian Avenue is improved with a variety of older commercial buildings and converted single family residences. East of Pyramid Way, the south side of Victorian Avenue abuts the right-of-way of Interstate 80.

Residential Uses

In addition to the commercial developments in the subject neighborhood, a majority of the neighborhood is improved with residential uses including detached single-family residences, duplexes, townhomes, condominiums, mobile home parks and apartments.

A majority of the single-family residential development in the subject neighborhood have average quality detached homes ranging in size from 800± square feet to 1,800± square feet. These homes are typically 30 to 60 years old and are in fair to average condition at the present time. In addition to the single-family residential developments in the subject neighborhood there are several mobile home parks. These mobile home parks generally are older, lesser quality units typically in fair to average condition at the present time.

Within Victorian Square, new residential developments are currently taking place. Reno based Silverwing Development completed construction of Fountainhouse west of and adjacent to the movie theater. Fountainhouse is a multi-use, residential/retail community located in Victorian Square. This project has 236 multi-family units and 8,400 square feet of retail space. Silverwing Development is currently developing two other projects in Victorian Square, The Bridges and Deco. The Bridges is a 194-unit project with studio, one and two-bedroom apartments with secured covered parking, nine distinct public areas including two outdoor atriums, four rooftop gathering areas, two covered outdoor large screen lounge areas, managed WIFI, dog grooming, bike storage (secured), a clubhouse game room and extensive 24/7 accessed gym. An additional 12,500 square feet of retail commercial space is situated on site. The 209-unit Deco project is being constructed over an existing parking garage, and will feature modern studios and one and two-bedroom units, as well as penthouse suites, all equipped with balconies.



Also in Victorian Square, LandCap Investment Partners completed the renovation of the former Silver Club Hotel, a six-story building, into 100 urban style apartments called Square One. The entire building was renovated with modern, contemporary styled updates.

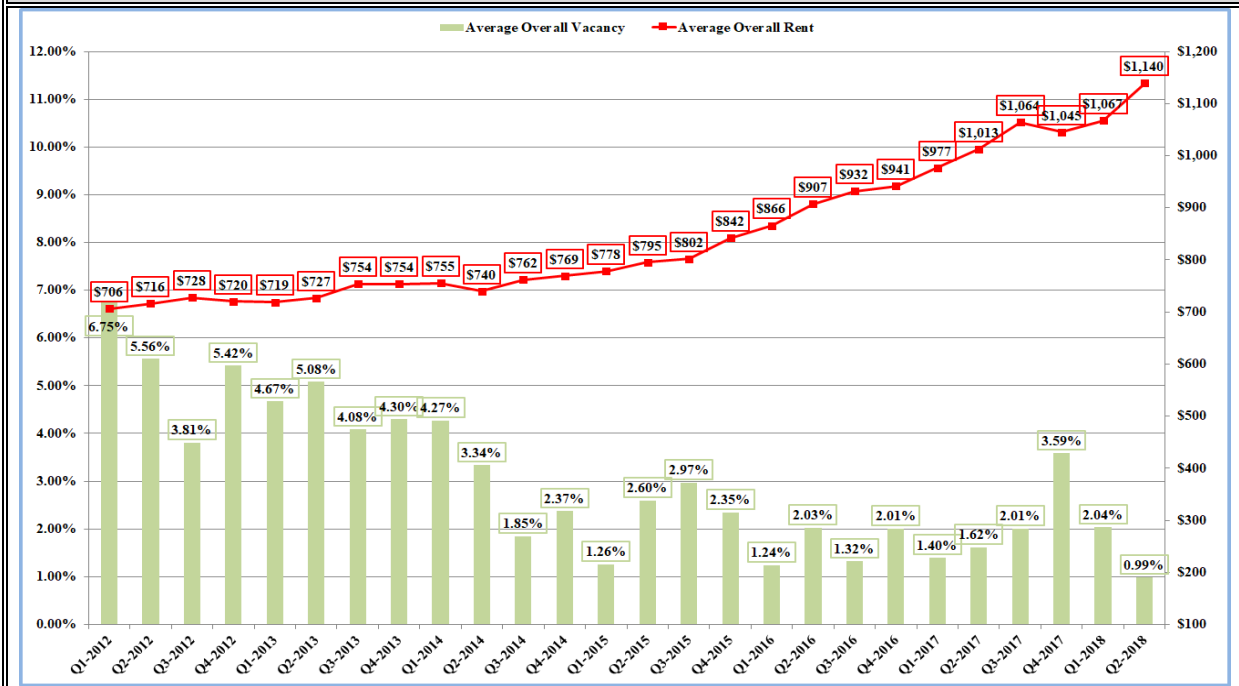
For the most part, existing apartment developments in the subject neighborhood primarily are two-story or three-story garden style apartment projects. The apartment complexes located throughout the neighborhood include Sandpebble Apartments, Spanish Oaks Apartments, Stonegate Apartments, Sierra Woods Apartments, Sierra Point Apartments, Lansdowne House Apartments, Courtside Garden Apartments, Sierra View Apartments and The Village at Wildcreek Apartments.

There are also many smaller, multi-family residential developments scattered throughout the subject neighborhood. These developments typically range in size from 4 to 16 units and typically range in age between 5 and 25 years. Most of the smaller multi-family residential developments are average quality construction and are in average condition at the present time. The Northern Nevada Community Housing Resource Board (NNCHRB) has developed the Aspen Village affordable housing project located on Sullivan Lane in Sparks, and they are currently developing another project on Oddie Boulevard.

The subject is located within the West Sparks/North Valleys Apartment market. This appraisal firm conducts a quarterly apartment survey. The data for the subject submarket, as of the 2nd Quarter 2018, is set forth below.



AREA 3-WEST SPARKS/NORTH VALLEYS AVERAGE RENT & VACANCY DATA



Category	2 nd Quarter 2018
Total Projects Surveyed	13 Projects
Total Units Surveyed	3,034 Units
Average Square Feet Per Unit Surveyed	861± Square Feet
Average Rent For Units Surveyed	\$1,140 Per Month
Average Rent Per Square Foot For Units Surveyed	\$1.32 Per Square Foot
Average Overall Vacancy Rate For Units Surveyed	0.99%
# of Projects Offering Concessions As Of Date Surveyed	3 Projects

Other Uses

The subject neighborhood is centrally located with access to a wide variety of educational facilities. A number of elementary schools are located within the subject neighborhood, including Robert Mitchell Elementary School, Greenbrae Elementary School, Rita Cannan Elementary School, Kate Smith Elementary School and Agnes Risley Elementary School.

Middle schools located in the subject neighborhood include Sparks Middle School and George Dilworth Middle School. Sparks High School is located on 15th Street in the eastern portion of the subject neighborhood. The University of Nevada, Reno campus is located approximately three miles west of the subject neighborhood.



All utilities are available to the subject neighborhood including electricity, natural gas, telephone service, sewer, water and cable television. Electricity and natural gas service is provided by NV Energy, with the water service provided by Truckee Meadows Water Authority. Sewer service to the subject neighborhood is provided by the City of Sparks. Telephone and cable service are provided by various carriers.

There are a number of parks located within and in close proximity to the subject neighborhood. The largest, Paradise Park, is located on the southwest corner of Oddie Boulevard and El Rancho Drive. Paradise Park has a lake and a children's playground area. Other neighborhood parks and recreational facilities include Deer Park, Burgess Park and Oppio Park. Additionally, the Wildcreek Golf Course is located within the subject neighborhood.

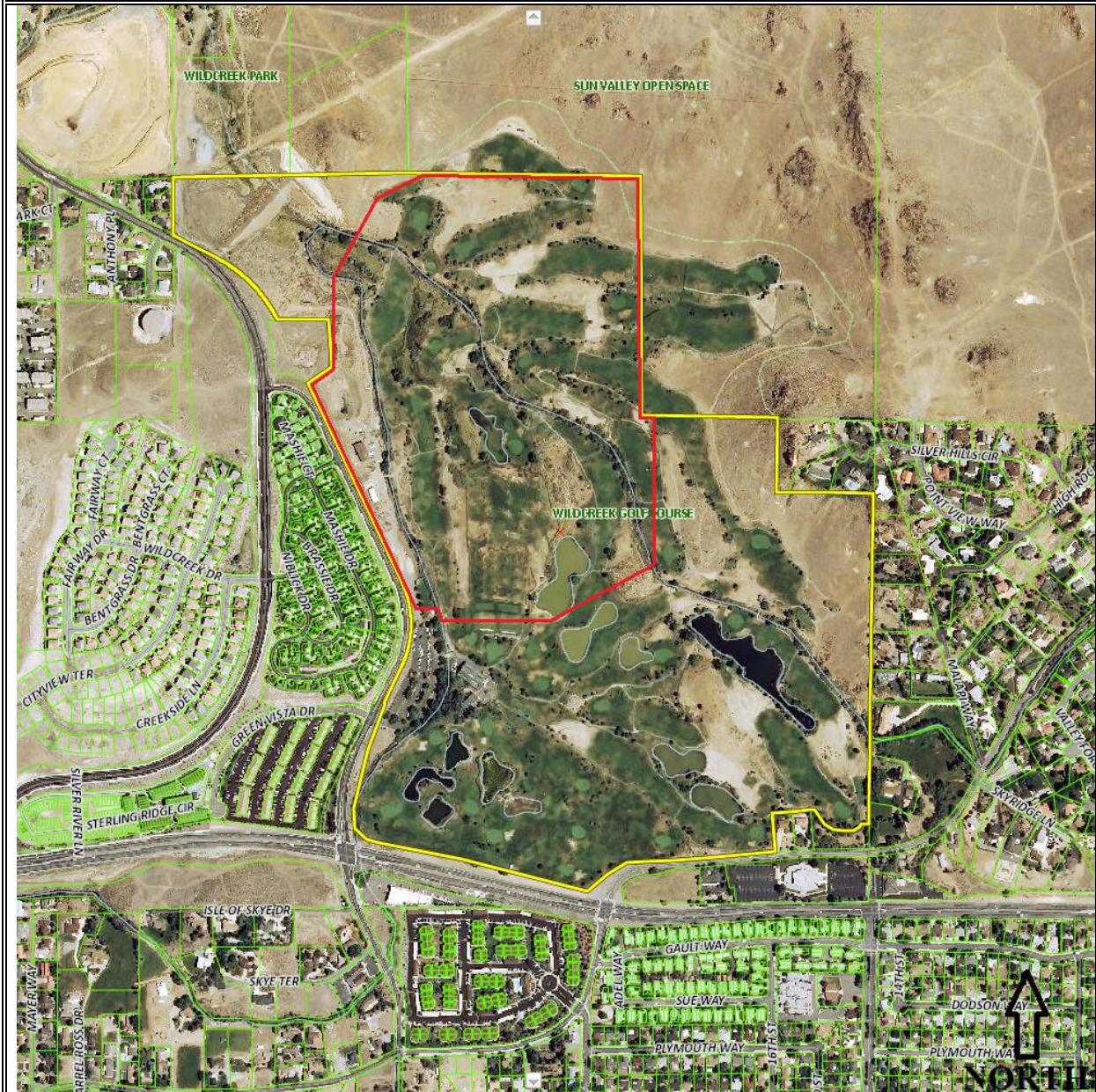
Summary

In summary, development within the subject neighborhood includes a mixture of commercial, residential, multi-family and mobile home utilizations. In general, the single-family residences in the subject neighborhood typically involve older, average quality homes in fair to average condition at the present time. The multi-family residential developments range from duplexes to large apartment complexes. Commercial development is primarily confined to the areas of Oddie Boulevard, Pyramid Way, Victorian Avenue and Prater Way. The subject neighborhood, which is an older, established area with second and third generation improvements, has recently seen new development in the Victorian Square area, and reuse of existing vacated big box buildings. The neighborhood will likely see some new commercial development in the future.



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SUBJECT AERIAL MAP



**.P.N. 027-011-05 OUTLINED IN YELLOW
PORTION BEING APPRAISED OUTLINED IN RED (APPROXIMATED)**

SOURCE: WASHOE COUNTY GIS



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SUBJECT PHOTOGRAPHS



**VIEW OF SULLIVAN LANE
FACING NORTH IN THE VICINITY OF WILDCREEK GOLF COURSE**



**VIEW OF SULLIVAN LANE
FACING SOUTH IN THE VICINITY OF WILDCREEK GOLF COURSE**



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SUBJECT PHOTOGRAPHS



VIEW OF THE SUBJECT FACING NORTHEAST FROM SULLIVAN LANE



VIEW OF THE SUBJECT FACING EAST FROM SULLIVAN LANE



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SUBJECT PHOTOGRAPHS



VIEW OF A MAINTENANCE BUILDING ON THE SUBJECT SITE



VIEW OF A MAINTENANCE BUILDING ON THE SUBJECT SITE



SUBJECT PHOTOGRAPHS



VIEW OF THE SUBJECT FACING NORTHEAST



VIEW OF THE NORTH PORTION OF THE SUBJECT SITE



SUBJECT PHOTOGRAPHS



VIEW OF THE EASTERN PORTION OF THE SUBJECT SITE FACING SOUTH



VIEW OF THE EXISTING GOLF COURSE



SUBJECT PHOTOGRAPHS



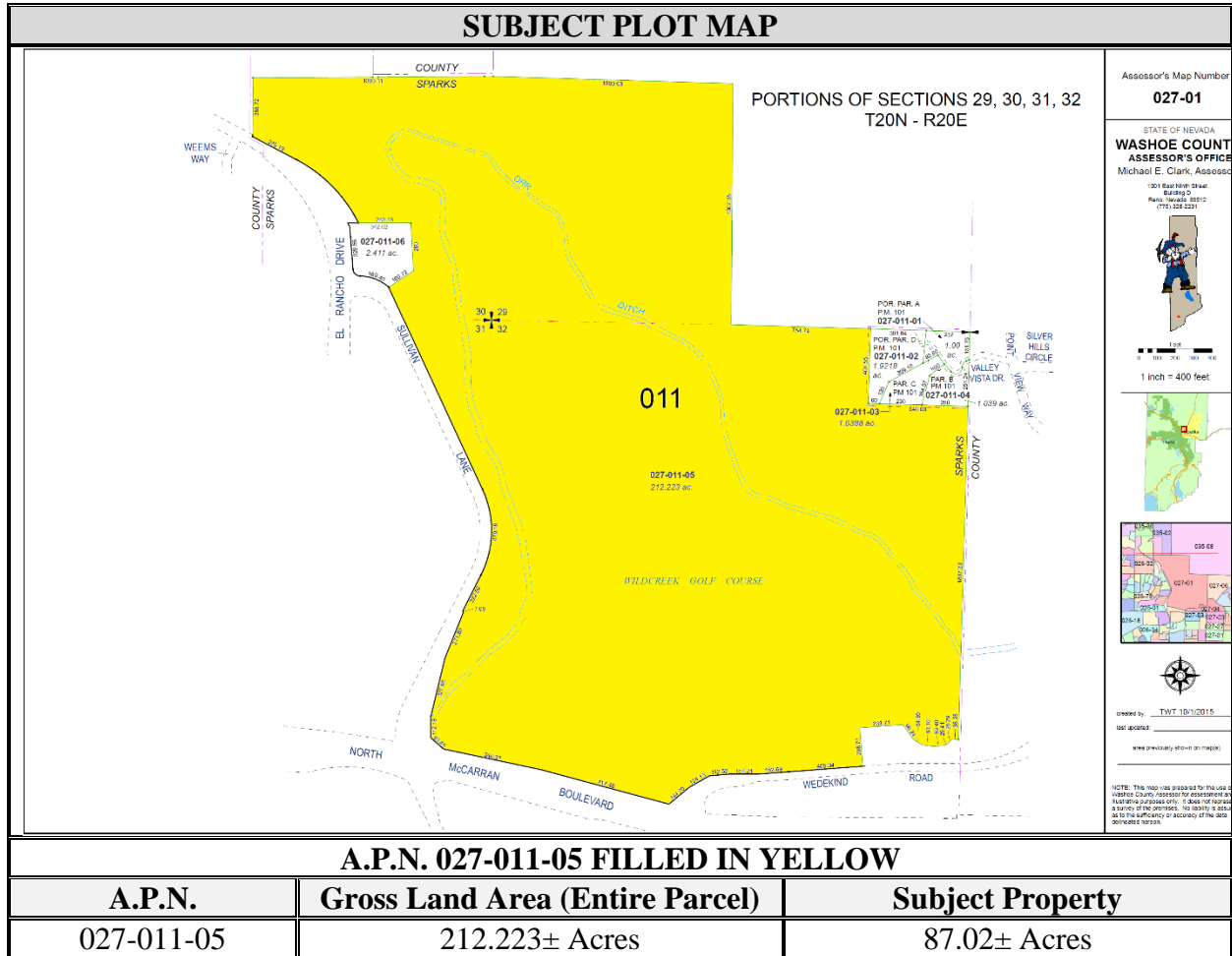
VIEW OF A POND ON THE SUBJECT PROPERTY



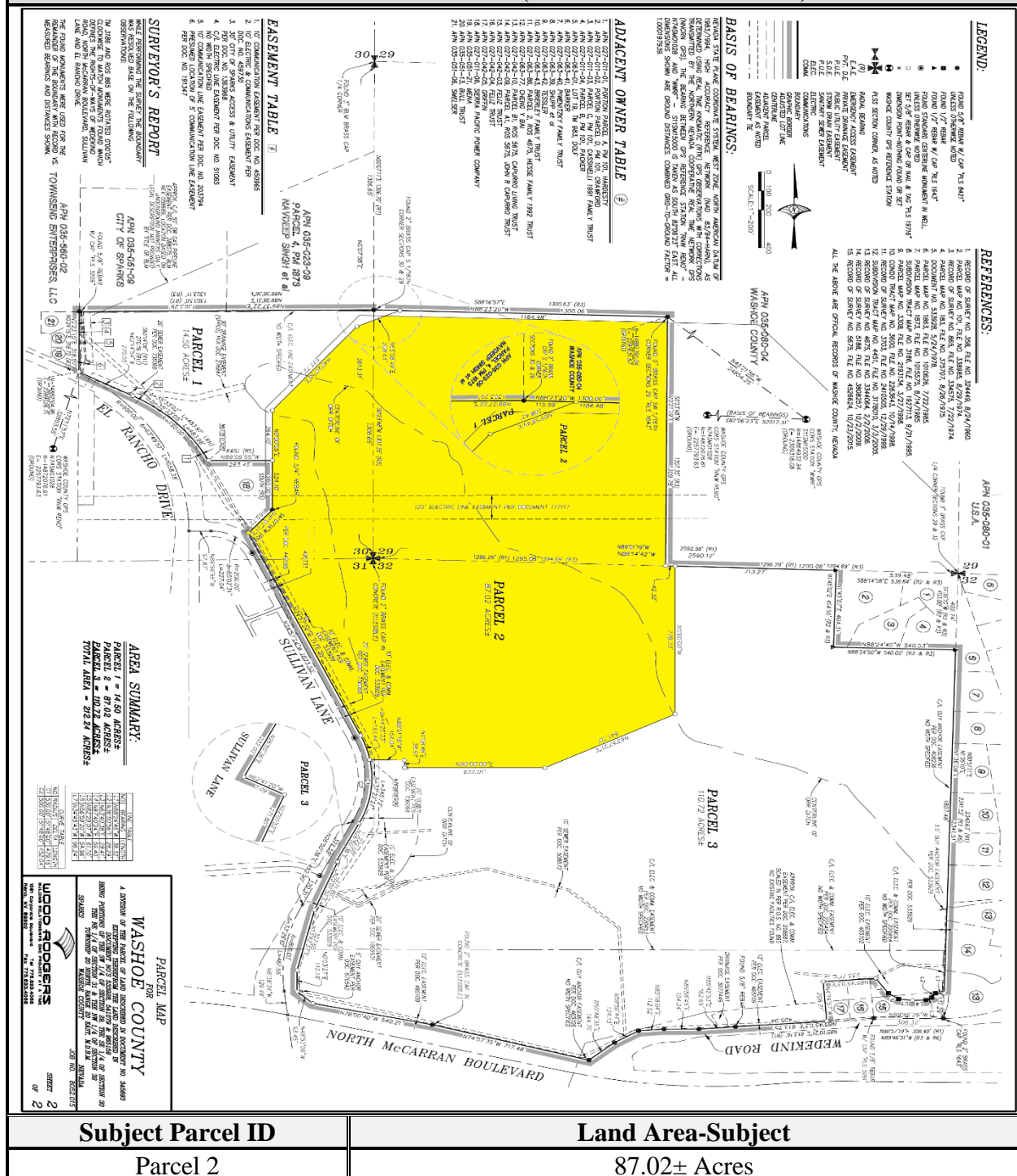
VIEW OF A RESTROOM BUILDING ON THE SUBJECT PROPERTY

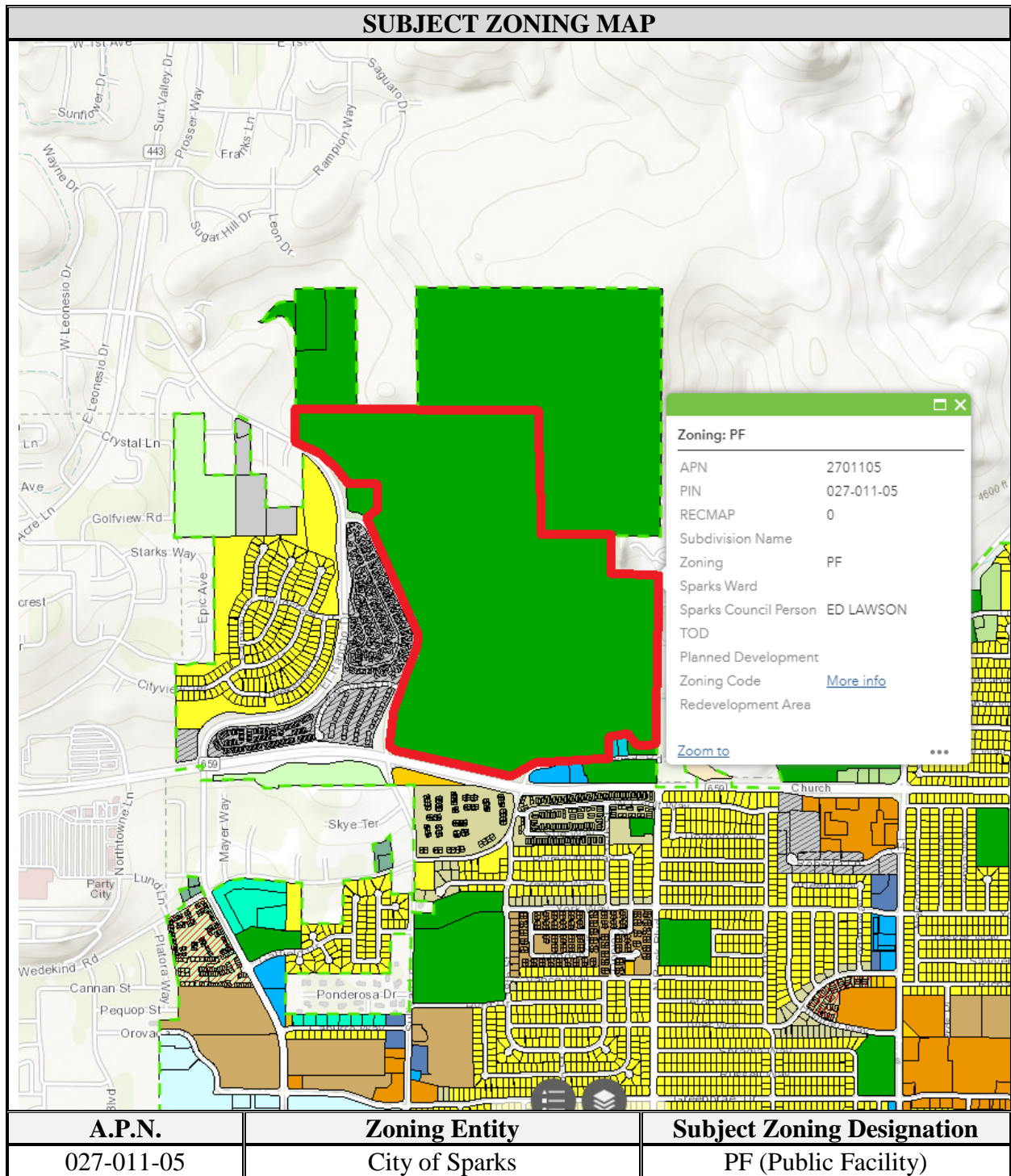


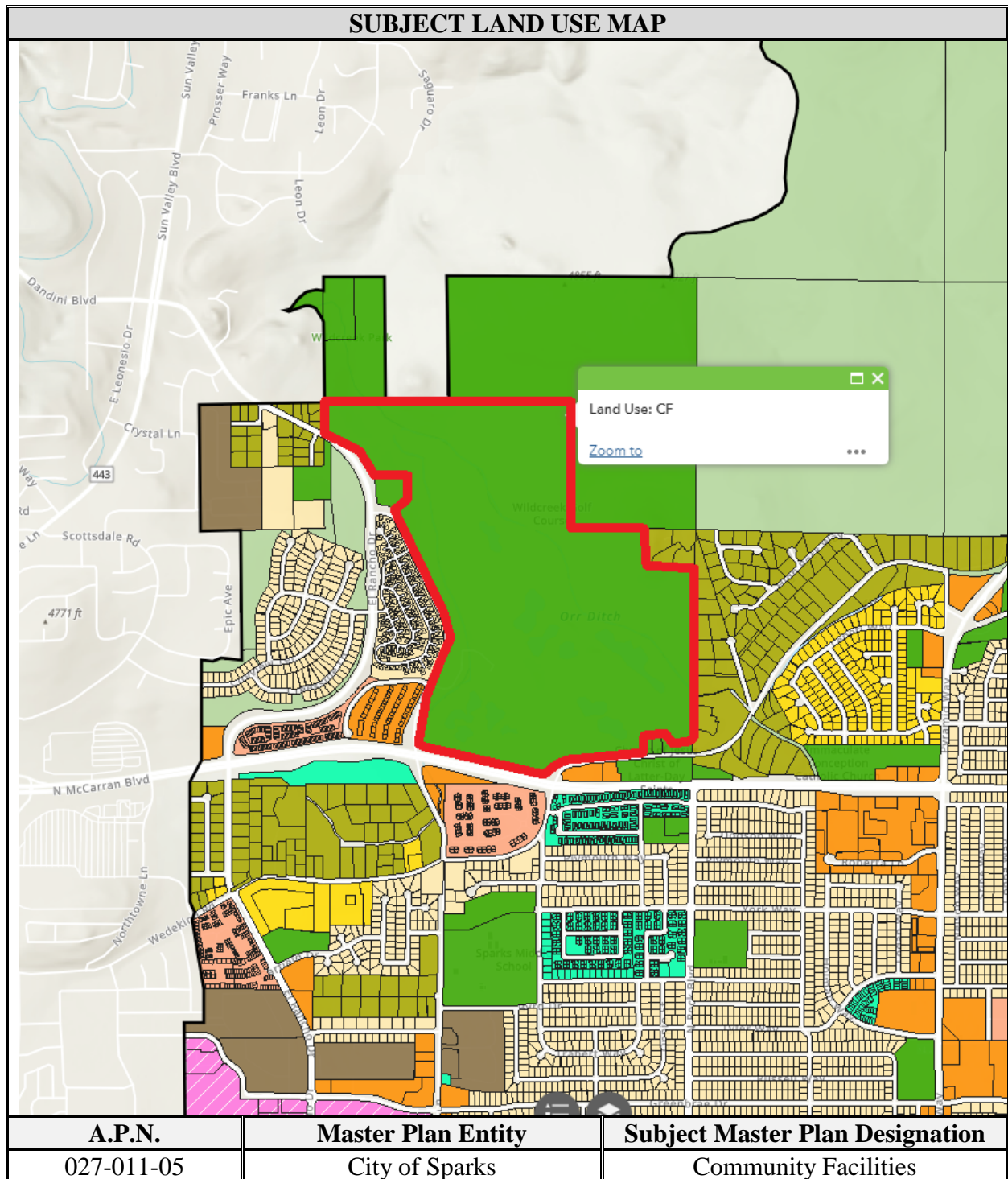
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SUBJECT PARCEL MAP (NOT YET RECORDED)









SUBJECT PROPERTY IDENTIFICATION AND SITE DESCRIPTION

SUBJECT PROPERTY SUMMARY						
Washoe County Assessor's Parcel #	City	County	State	Gross Land Area (Entire Parcel)	Land Area Appraised	Owner of Record
027-011-05 (Portion)	Sparks	Washoe	Nevada	212.223± Acres	87.02± Acres*	Washoe County
* Based Upon Acreage Provided by the Washoe County School District & Wood Rodgers						

SUBJECT PROPERTY CHARACTERISTICS SUMMARY	
Assessor's Parcel Number	027-011-05 (Portion)
Site Address	3500 Sullivan Lane, Sparks, Washoe County, NV
Gross Land Area-Entire Parcel	212.223± Acres (9,244,434± Square Feet)
Parcel Size Appraised	87.02± Acres (3,790,591± Square Feet)
Property Type	Currently Operated as a Golf Course (27 Holes)
Improvements	2 Maintenance Buildings/Restroom Building/Golf Course
Sparks Zoning Designation	PF (Public Facility)
Sparks Land Use Designation	CF (Community Facilities)
Flood Zone	Unshaded Zone "X"

SUBJECT PROPERTY LEGAL DESCRIPTION	
Map Identification	Township & Range
87.02± Acre Portion of Washoe County Assessor's Parcel Number 027-011-05	A Portion of Sections 31 & 32, Township 20 North, Range 20 East, M.D.B. & M.

SUBJECT PROPERTY GENERAL LOCATION
The subject property is an 87.02± acre portion of a 212.223± acre parcel located in Sparks, Washoe County, Nevada. The subject is generally located on the east side of Sullivan Lane, 1,500± feet north of North McCarran Boulevard, Sparks, Washoe County, Nevada.

SUBJECT PROPERTY FRONTAGE/ACCESS		
A.P.N.	Road Frontage	Access
027-011-05 (Portion)	North McCarran Boulevard, Sullivan Lane & Wedekind Road	Sullivan Lane
The subject property is currently accessed from Sullivan Lane along the site's western property line via curb cuts which provide access into public parking areas near the golf course clubhouse.		



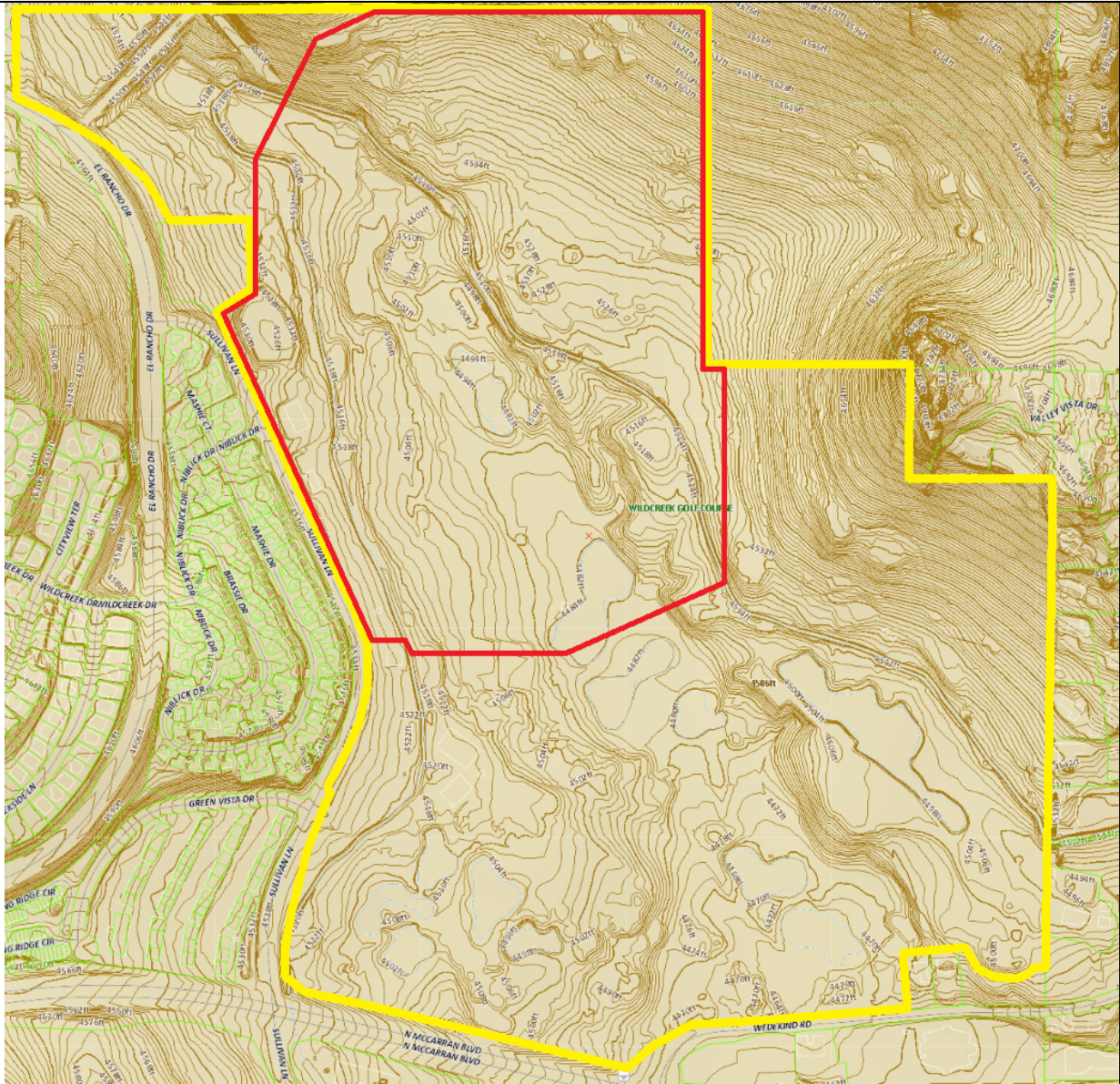
SUBJECT PROPERTY ZONING & LAND USE DESIGNATION & CONFORMANCE				
A.P.N.	City of Reno Zoning Designation	City of Reno Land Use Designation	Subject's Compliance	
027-011-05 (Portion)	PF (Public Facilities)	CF (Community Facilities)	In Compliance	
According to the City of Sparks, the subject is currently zoned Public Facilities and has a land use of Community Facilities. The chart below summarizes allowed uses in the Public Facilities zoning district, as set forth in the City of Sparks Municipal Code, and the Community Facilities land use summary as provided by the City of Sparks.				
PUBLIC FACILITIES ALLOWED USES				
Permitted Use		Conditional Use	Administrative Review	
Group Home Life Care Halfway House ATM Office Church/Worship Center Correctional Institutions Public Maintenance Facility Public Safety Facility Social Assistance Services College/Technical School Personal Instructional Services Hospital Cultural Institution Entertainment Facility/Theater Park/Open Space Recreational Facility-Minor Bike Share Kiosk Heliport Transportation Passenger Terminal Wireless Communication Tower		RV Park Cemetery Recreational Facility-Major Mining & Quarrying Utility-Major Utility-Minor Renewable Energy Production	School (Public or Private)	
TABLE 4 – OTHER LAND USES				
Land Use Category	Uses	Characteristics and Location	Existing Land Use Category	Zoning Districts
COMMUNITY FACILITIES (CF)	<p>Primary Uses: Government offices, police stations, fire stations, public schools, parks, libraries, community centers, cemeteries, public services such as electrical substations, water and wastewater facilities and other similar uses, religious institutions, golf courses, community gardens</p> <p>Other Uses: Public utility structures</p> <p>Minimum Density: None</p>	<p>Lands and buildings intended to be used for public and civic use, utilities and/or religious institutions.</p> <p>These uses are located and planned throughout the City.</p> <p>The uses may be regional or city wide in scale and intensity (such as large athletic fields, community parks, biking and hiking trails) while others are intended to serve surrounding neighborhood needs such as playgrounds and pocket parks or public schools.</p> <p>Generally compatible with most other urban land uses, especially residential.</p> <p>Parks and schools should have pedestrian and bike trail access.</p>	PARK PF PI SCHOOL SCHOOL/PARK	PF



SUBJECT PROPERTY TOPOGRAPHY CHARACTERISTICS

Washoe County Assessor's Parcel Number 027-011-05 has level to steeply sloping, undulating topography. In general, the northern and eastern portions of the site have steeper topography which rises up to the northeast, while the south and west portions of the site have level to gently sloping, undulating topography. The map below depicts the subject site's topography.

SUBJECT TOPOGRAPHY MAP



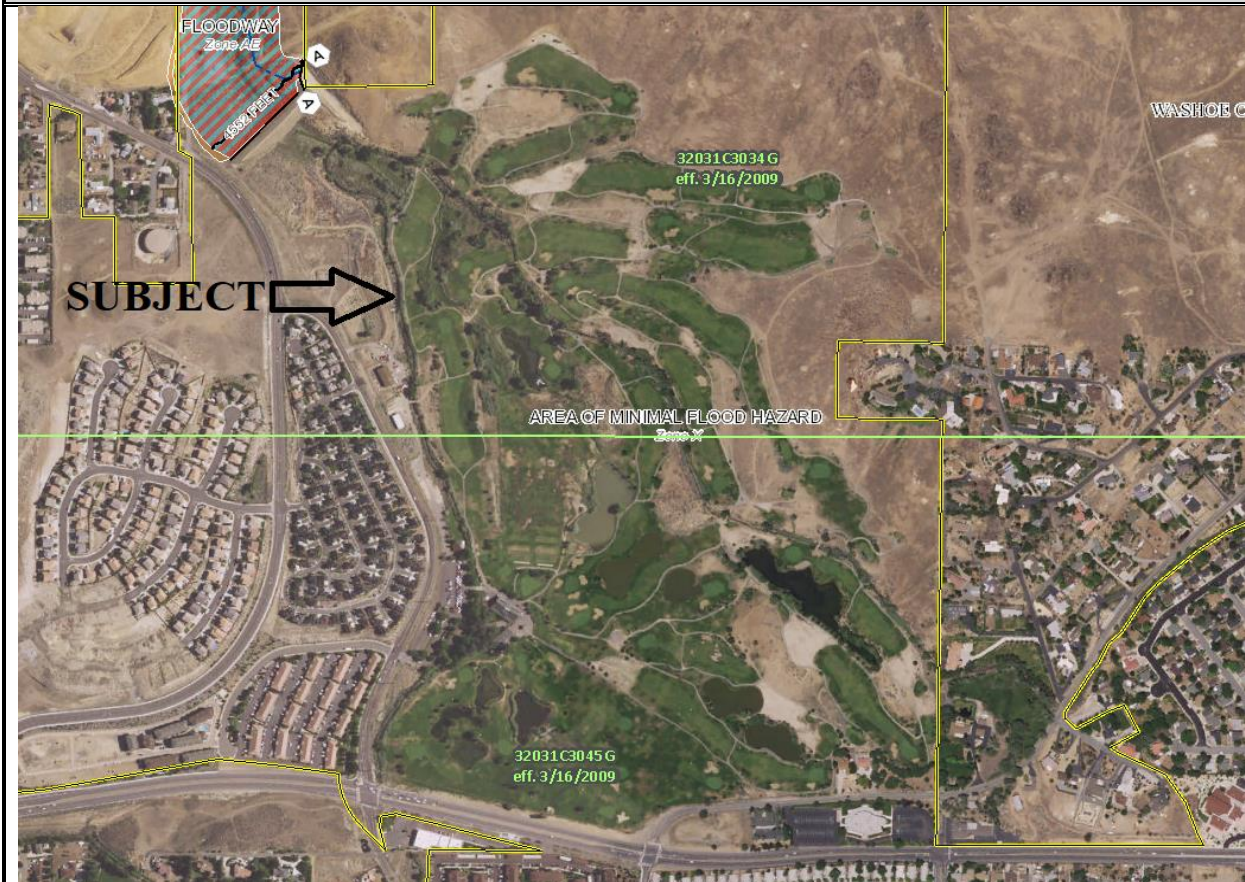
A.P.N. 027-011-05 OUTLINED IN YELLOW
PORTION BEING APPRAISED OUTLINED IN RED (APPROXIMATED)



SUBJECT PROPERTY FLOOD ZONE INFORMATION

The subject property is located within an Unshaded Zone “X”. The Zone “X” designation does not require flood insurance. It is noted that the subject is encumbered by the Orr Ditch, along with several ponds. The map below depicts the subject’s flood zone, as provided by FEMA.

SUBJECT FLOOD ZONE MAP



IDENTIFIED LARGER PARCEL OUTLINED IN YELLOW (APPROXIMATED)

ZONE	DESCRIPTION		
C and X (unshaded)	Area of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level. Zone C may have ponding and local drainage problems that don't warrant a detailed study or designation as base floodplain. Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood.		
A.P.N.	Flood Zone Designation	FEMA Map #	Effective Date of Flood Zone Designation
027-011-05 (Portion)	Unshaded Zone “X”	32031C3045G & 32031C3034G	March 16, 2009
SOURCE: FEMA			



SUBJECT PROPERTY ENVIRONMENTAL ANALYSIS

The following sets forth general findings and conclusions set forth in a Phase I Environmental Site Assessment prepared by McGinley & Associates on September 14, 2017. The appraisal report has been completed assuming the data set forth in the Phase I, which found no major items of hazardous substances or environmental concerns on the site.

Findings

General Findings

- The Subject Property has operated as the Wildcreek Golf Course since the late-1970s and was utilized as pasture land and a possible ranch prior to its development as a golf course.
- According to the information provided by EDR, the Wildcreek Golf Course is recorded as: a Resource Conservation and Recovery Act (RCRA) conditionally exempt small quantity generator (CESQG) site, a NV underground storage tank (UST) site, an Environmental Protection Agency's Facility Index Database System (FINDS) site, an Environmental Protection Agency's Enforcement and Compliance History Online Database (ECHO) site and a National Pollutant Discharge Elimination System Permit (NPDES) site.
- De minimis staining was observed in numerous locations throughout the Subject Property. The stains were observed primarily in locations where equipment is stored or where petroleum products are handled. The stains appeared to be the result of drips and/or minor spills and are considered to be de minimis in nature.
- A leaking electrical transformer was observed to the south of the maintenance building on the Subject Property. Stained soil was observed proximal to the unit, however the staining is considered to be de minimis in nature. MGA confirmed with NV Energy that PCB's are not utilized in this transformer or in the other transformers located on the Subject Property.
- Numerous containers used to store a range of petroleum products and hazardous substances were observed throughout the Subject Property. The contents of the containers consisted primarily of: new and used automotive fluids, lubricants, mineral spirits/solvents, cleaning products, paints and paint thinners, water additives/supplements, pesticides, herbicides, rodenticides, fungicides and fertilizers. At the time of the site reconnaissance, the observed containers used to store these substances appeared to be in good condition with no obvious signs of leaking or severe damage.
- Two 2,000-gallon USTs (east of maintenance building) and one 1,000-gallon UST (immediately west of golf cart facility) previously existed at the Subject Property. The former USTs were used to store gasoline and diesel fuel for the golf course, but were removed in November 1998. Based on available regulatory information, it does not appear that the USTs leaked. The USTs were replaced by a 1,000-gallon AST, which is currently located on the Subject Property, above the location of the removed USTs.
- A concentrated area of discarded debris was observed within the northwestern portion of the Subject Property. Golf course personnel indicated that this area is used for discarding golf course landscaping debris. The discarded debris consisted primarily of: tree branches and brush, lumber, concrete, metal/plastic piping and some miscellaneous household trash. No evidence of dumping petroleum products and/or hazardous materials was observed in this area of the Subject Property.
- The Wildcreek Golf Course currently maintains a National Pollutant Discharge Elimination System (NPDES) groundwater discharge permit associated with utilization of reclaimed water for irrigation purposes. Information obtained from the NDEP indicates that the permit was last renewed in March 2013 and expired in March 2018.

Historical Recognized Environmental Conditions (HREC)

No historical recognized environmental conditions were found for the Subject Property.

Controlled Recognized Environmental Conditions (CREC)

No controlled recognized environmental conditions were found for the Subject Property.

Recognized Environmental Conditions (REC)

No recognized environmental conditions were found for the Subject Property.

Conclusions

MGA has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527 of the Wildcreek Golf Course (APN 027-011-05) located in the City of Sparks, Nevada, the property. Any exceptions to, or deletions from, this practice are described in Section 7 of this report.

Upon conclusion of our Phase I ESA, and based on the information reviewed, this assessment has revealed no evidence of recognized environmental conditions or controlled recognized environmental conditions in connection with the Subject Property. Based on the information reviewed for this assessment, MGA is of the opinion that no additional investigations at the Subject Property are warranted at this time. However, MGA suggests that that leaking electrical transformer observed on the Subject Property be repaired or replaced. In addition, it is recommended that the de minimis petroleum staining caused by the leaking transformer be cleaned up and any contaminated soil should be disposed of in accordance with local, state and federal regulations.



SUBJECT PROPERTY WATER RIGHTS

Washoe County Assessor's Parcel Number 027-011-05, which the subject is a portion of, does have appurtenant water rights. According to Ms. Vivian Carvin, who researched water rights on the property, the subject includes portions of Permit Numbers 78563 and 78564. The following summarizes Ms. Carvin's findings, as provided to Wood Rodgers in a letter dated October 5, 2017.

Results of Research:

SURFACE WATER:

Permit No. 78563 - Certificate No. 18122:

506.784 AFA (Duty of 4.0 acre feet per acre from all sources) from Wells Creek
Manner of Use is Recreation to Irrigate Wildcreek Golf Course
on APN's 027-011-05 and 035-080-04.

Permit No. 78564 – Certificate No. 18123:

69.20 AFA (Duty of 4.0 acre feet per acre from all sources) from Truckee River via Orr Ditch
Manner of Use is Recreation to Irrigate Wildcreek Golf Course
on APN's 027-011-05 and 035-080-04.

Permit Nos. 78563 and 78563 have a combined duty of not to exceed 520.19 acre feet per acre from all sources. There is a total of 43.2 afa on 10.8 acres within APN 035-080-04.
Water right Permits are in the name of Reno-Sparks Convention and Visitors Authority and land is in the name of Washoe County

GROUND WATER:

There were no wells or ground water found on APN 027-011-05.

CONCLUSION:

The water rights that are appurtenant to APN 027-011-05 are portions of Permit Nos. 78563 and 78564, being 119.39 acres at a duty of 4 acre feet per acre for a total of **477.56 afa**. The remaining 43.2 afa of water would be appurtenant to APN 035-080-04

In addition to the above water rights, the subject ownership has also reportedly transferred 448.88± acre feet of Truckee River water rights to the Truckee Meadows Water Authority (TMWA), in order to utilize 500± acre feet of effluent on the existing golf course on the property. The Market Value analysis for the 87.02± acres does not include water rights. A separate analysis will address the Market Value of 318± acre feet of water rights on the subject site which are assumed to be usable for municipal water service.



SUBJECT PROPERTY UTILITIES & PUBLIC SERVICES		
Utility Service	Provider	Availability
Electricity	NV Energy	On-Site
Gas Service	NV Energy	On-Site
Telephone	Various Carriers	On-Site
Water	TMWA	On-Site
Sewer	City of Sparks	On-Site
Internet	Various Carriers	On-Site
Fire Protection	City of Sparks Fire Department	Covered
Police Protection	City of Sparks Police Department	Covered
The subject currently has immediate access to electricity, water, gas, phone and internet services. In addition, the subject site does have access to an effluent line, which is reportedly located toward the southeast portion of the site, and effluent can be utilized for irrigation on the site.		

SUBJECT PROPERTY EASEMENTS			
Title Report Provided	Title Company	Effective Date	Title Report ID
Yes	Ticor Title of Nevada, Inc.	06/07/2017	017-02907-TO
Prior to issuance of this appraisal report, I was provided with a Title Report prepared by Ticor Title of Nevada, Inc. This report indicates numerous exceptions to coverage, including many easements encumbering the entire property. A copy of the Title Report is set forth in the Addenda of this report. Based upon a review of the Title Report, and based upon discussions with the client and representatives of Wood Rodgers, Inc., the easements do not materially impact the development potential of the site. It is noted that various utility easements, including power line easements, must be accounted for in any development of the subject property.			

SUBJECT PROPERTY EARTHQUAKE ZONE
The subject region is located in a zone which encompasses areas which have a number of local faults and where there is a relatively strong probability of moderate to strong seismic activity. The <i>Uniform Building Code</i> does require special construction techniques as a result of earthquake hazards. Additionally, a structural engineer typically reviews plans for residential and commercial buildings in order to assess earthquake hazards. As a result, for the purposes of this analysis, it is being assumed that the subject property is not impacted by earthquake hazards to a greater degree than is typical for the area.

SUBJECT PROPERTY SOIL CHARACTERISTICS
A survey of the soils on the subject site has not been provided to me. This appraisal report and the market value conclusions set forth in the report, assume that the subject soils have sufficient load bearing properties for development of the site to its highest and best use.



SUBJECT PROPERTY IMPROVEMENTS

The subject property is a portion of a parcel which is improved with an 18-hole golf course, a 9-hole executive par 3 course, a driving range, a 12,596± square foot clubhouse building constructed in 1979, a storage building, two maintenance buildings, a covered picnic structure, restroom structures, various irrigation equipment and other improvements associated with the golf course. Additionally, the subject is improved with various parking areas and cart paths. Improvements on the site were in average condition as of the date of inspection. The subject's 87.02± acre site is improved with the two maintenance buildings, restroom buildings, cart paths, and portions of the 18-hole golf course, including the driving range. The clubhouse, storage building, parking areas and picnic structure are not located on the 87.02± acre site.

SUBJECT SALES & USE HISTORY

A.P.N.	Recorded Sales- Last 10 Years	Currently Under Contract	Currently Listed For Sale
027-011-05 (Portion)	No	No	No

The subject property has not been involved in any arm's length transactions over the past 10-year period. The client of this report, the Washoe County School District, has agreed to purchase the 87.02± acres of the site being appraised for the construction of a new high school.

SUBJECT ASSESSMENTS, TAXABLE VALUES

A.P.N. 027-011-05 (ENTIRE PARCEL)

Valuation History for 027-011-05										
Roll Year	Land Taxable Value	Parcel New Construction	Supplemental Roll	Buildings Taxable Value	Total Taxable Value	Tax Cap Value	Land Assessed	Building Assessed	Secured Total Assessed	Land Use
2018 FV	801,131	0		2,093,321	2,894,452	0	280,396	732,662	1,013,058	450
2018 NR	801,131	0		2,093,321	2,894,452		280,396	732,662	1,013,058	450
2018 VN2	801,131	0		2,093,321	2,894,452		280,396	732,662	1,013,058	450
2017 FV	781,182	0		2,148,757	2,929,939	2,929,940	273,414	752,065	1,025,479	450
2016 FV	772,693	0		2,205,127	2,977,820	2,977,820	270,443	771,794	1,042,237	450
2015 FV	762,719	0		2,241,127	3,003,846	3,003,846	266,952	784,394	1,051,346	440
2014 FV	746,590	0		2,319,801	3,066,391	3,066,391	261,307	811,930	1,073,237	440
2013 FV	728,339	0		2,405,074	3,133,413	3,133,415	254,919	841,776	1,096,695	440
2012 FV	716,243	0		2,411,218	3,127,461	3,127,460	250,685	843,926	1,094,611	044
2011 FV	697,992	0		2,497,861	3,195,853	3,195,851	244,297	874,251	1,118,548	044
2010 FV	691,800	0		2,589,797	3,281,597	3,281,595	242,130	906,429	1,148,559	044

The taxable value of the property is based upon the Assessor's estimate of the full cash value of the site. The taxable value of the improvements is based upon the replacement cost new of the improvements which the Assessor estimates utilizing *Marshall Valuation Service* a nationally recognized and accepted cost estimating publication. Straight line depreciation of 1.5% per year is deducted from the replacement cost new of the improvements.



SUBJECT REAL PROPERTY TAXES (ENTIRE PARCEL)

A.P.N. 027-011-05

Installments

Period	Due Date	Tax Year	Tax	Penalty/Fee	Interest	Total Due
INST 1	8/20/2018	2018	\$946.35	\$0.00	\$0.00	\$946.35
Total Due:			\$946.35	\$0.00	\$0.00	\$946.35

Tax Detail

	Gross Tax	Credit	Net Tax
▼ <u>City of Sparks</u>	\$9,723.33	(\$9,723.33)	\$0.00
▼ <u>Remediation</u>	\$34.21	\$0.00	\$34.21
▼ <u>State of Nevada</u>	\$1,722.20	(\$1,722.20)	\$0.00
▼ <u>Washoe County</u>	\$14,098.74	(\$14,098.74)	\$0.00
▼ <u>Washoe County Sc</u>	\$11,533.67	(\$11,533.67)	\$0.00
▼ <u>Water District</u>	\$912.14	\$0.00	\$912.14
Total Tax	\$38,024.29	(\$37,077.94)	\$946.35

The subject property is owned by Washoe County, and is therefore exempt from real property taxes. If the property were to be owned by a private entity, the property would be subject to real property taxes.

HIGHEST AND BEST USE ANALYSIS

Highest and best use is defined in the 6th Edition of *The Dictionary of Real Estate Appraisal* (Appraisal Institute, Chicago, 2015) as:

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

Physically Possible

The subject property is an 87.02± acre portion of a 212.223± acre parcel. The subject parcel is summarized in the chart below.

SUBJECT PROPERTY CHARACTERISTICS SUMMARY	
Assessor's Parcel Number	027-011-05 (Portion)
Site Address	3500 Sullivan Lane, Sparks, Washoe County, NV
Gross Land Area-Entire Parcel	212.223± Acres (9,244,434± Square Feet)
Parcel Size Appraised	87.02± Acres (3,790,591± Square Feet)
Property Type	Currently Operated as a Golf Course (27 Holes)
Improvements	2 Maintenance Buildings/Restroom Building/Golf Course
City of Sparks Zoning Designation	PF (Public Facility)
City of Sparks Land Use Designation	CF (Community Facilities)
Flood Zone	Unshaded Zone "X"

The subject property has adequate physical characteristics for development. The subject site has sufficient size, adequate shape, utilities immediately available, and adequate topography and soils for development. The subject site is encumbered by the Orr Ditch as well as several ponds, which must be addressed if the property were to be developed; the Orr Ditch could be incorporated as open space in a development, or could be undergrounded through the property.

Overall, the physically possible uses of the site include a wide variety of development possibilities, including commercial and residential uses.



Legally Permissible

The following summarizes the subject's current zoning and land use designations, and discusses zoning on the site.

SUBJECT PROPERTY ZONING & LAND USE DESIGNATION & CONFORMANCE			
A.P.N.	City of Reno Zoning Designation	City of Reno Land Use Designation	Subject's Compliance
027-011-05 (Portion)	PF (Public Facilities)	CF (Community Facilities)	In Compliance
According to the City of Sparks, the subject is currently zoned Public Facilities and has a land use of Community Facilities. The chart below summarizes allowed uses in the Public Facilities zoning district, as set forth in the City of Sparks Municipal Code, and the Community Facilities land use summary as provided by the City of Sparks.			
PUBLIC FACILITIES ALLOWED USES			
Permitted Use		Conditional Use	Administrative Review
Group Home Life Care Halfway House ATM Office Church/Worship Center Correctional Institutions Public Maintenance Facility Public Safety Facility Social Assistance Services College/Technical School Personal Instructional Services Hospital Cultural Institution Entertainment Facility/Theater Park/Open Space Recreational Facility-Minor Bike Share Kiosk Heliport Transportation Passenger Terminal Wireless Communication Tower		RV Park Cemetery Recreational Facility-Major Mining & Quarrying Utility-Major Utility-Minor Renewable Energy Production	School (Public or Private)

This appraisal report, and the market value conclusions set forth in the report, are based upon the Extraordinary Assumption that the subject site will remain in the Public Facility (PF) zoning district. As is indicated in the chart above, legally permissible uses on a PF zoned property are limited to uses associated with public uses, and do not include residential, industrial, or retail development. It is noted that office uses are an allowed use, as are various public uses such as schools and hospitals.



Financially Feasible & Maximally Productive

The highest and best use of the subject property must be financially feasible and represent the maximally productive use of the property. To be financially feasible, there must be adequate demand to support the highest and best use of the property.

The subject, under its current and assumed PF zoning designation, would allow various public facility uses and office development. Development with residential, retail or industrial would not be allowed for the most part, unless it was part of a Public Facility use.

Based upon the physically possible uses of the property, and based upon the subject's current and assumed Public Facility zoning, I have determined that the highest and best use of the site would be for development or use with a Public Facility use. The client of this appraisal report intends to purchase the site for development with a new high school, which would represent a maximally productive use of the site.

Highest and Best Use as Improved

The subject is a portion of a property currently operated as a golf course. According to the subject ownership, the golf course has lost money over the past several years and has not been economically viable. It is my opinion that the current operation as a golf course may not represent the highest and best use of the property, assuming a Public Facility zoning designation. Another use, such as that proposed by the Washoe County School District, likely represents the highest and best use of the property. Therefore, it is my opinion that the current improvements no longer represent the highest and best use of the property.



INTRODUCTION TO VALUATION ANALYSIS-LAND VALUE

There are three approaches to value an appraiser generally must consider in estimating the value of a property. These approaches include the Cost Approach, the Income Approach and the Sales Comparison Approach.

Valuation Techniques

This appraisal is being prepared for the purpose of estimating the Market Value of the identified subject property as of the effective date of value. As this appraisal report is addressing the Market Value of land, the Sales Comparison Approach to Value is the method utilized to determine the Market Value of the larger parcel.

The Sales Comparison Approach is based upon the principal of substitution, which holds that the value of a property tends to be set by the price that would be paid to acquire a substitute property of similar utility and desirability. In valuing the Fee Simple Market Value of the subject property as of the effective date of value, the Sales Comparison Approach to Value will be completed. This approach to value is felt to represent the best indicator of market value for the subject property as of the effective date of value.

Selection of Sales

In selecting comparable land sales data, I have researched the Official Records of Washoe County, interviewed numerous realtors and brokers in the market, and have researched other providers of real estate data in the market including *Multiple Listing Service*, *CoStar*, and *Loopnet*. I have also analyzed sales within nearby areas with similar physical and legal characteristics as the subject. The chart below summarizes the sales data utilized to value the subject parcel, which is followed by a sales map, profile sheets and the valuation of the subject property as of the effective date of value.

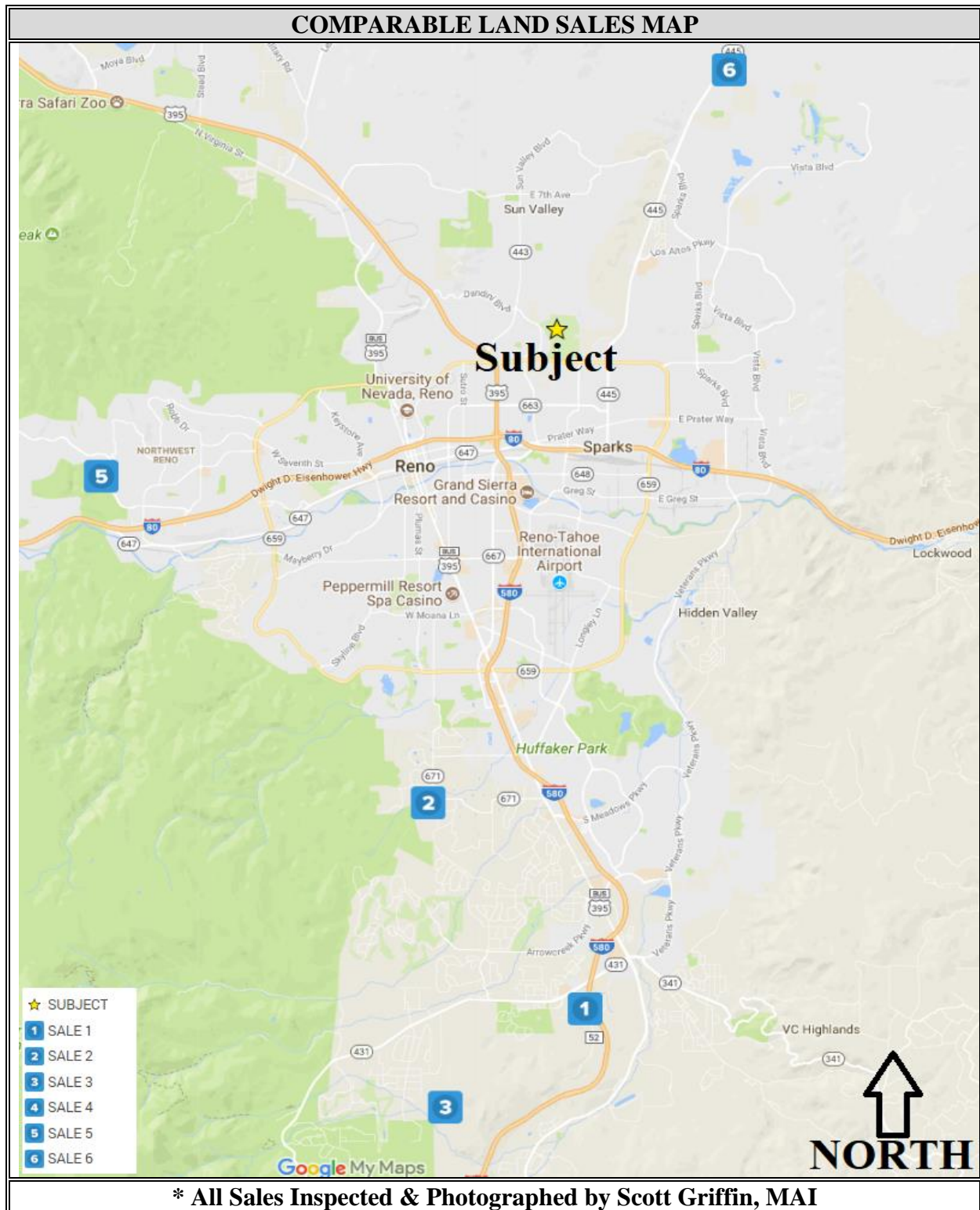


COMPARABLE LAND SALES SUMMARY

Sale #	Property Name A.P.N.s Location	Recording Date Sale Price	Document # Grantor Grantee	Utilities Topography Flood Zones	Zoning Approvals Water Rights Included	Total Land Acres Total Land Square Feet	Sale Price/Acre Sale Price/SF
1	Redfield Campus Business Park 144-070-03 South Reno Reno, NV	5/22/2017 \$4,500,000	4706369 Nell J. Redfield Foundation Chikkar LLC	Must Be Extended Level to Steep "X"	Mixed Use No Approvals Other Than Zoning No Water Rights	66.667 Acres 2,904,015 SF	\$67,500/Acre \$1.55/SF
2	Shadow Canyon Ranch 041-130-58 Southwest Reno Reno, NV	6/12/2017 \$3,900,000	4712928 Deborah C. Day, Trustee Valerie Ayer Gordon, et al.	Must Be Extended Level to Gentle "X", "AE" & Floodway	HDR, MDR & GR No Approvals Other Than Zoning 217.64 Acre Feet	72.800 Acres 3,171,168 SF	\$53,571/Acre \$1.23/SF
3	Ascente 045-252-15 (Portion) South Suburban Reno Washoe County, NV	10/18/2017 \$1,611,849	4754794 Gary Nelson, Trustee, et al. NNV1 Partners, LLC	Must Be Extended Level to Steep "X"	LDS, MDS & OS Yes-225 Homes No Water Rights	184.860 Acres 8,052,502 SF	\$8,719/Acre \$0.20/SF
4	Pebble Creek Estates 538-171-12 Spanish Springs Washoe County, NV	1/5/2018 \$2,200,000	4777478 Mystic Mountain, LLC Artisan Mystic Mountain, LLC	Must Be Extended Level to Gentle "X"	LDS Tentative Map-83 Lots No Water Rights	83.270 Acres 3,627,241 SF	\$26,420/Acre \$0.61/SF
5	Vacant Land-Somersett 232-060-21 & 23 Somersett (Northwest Reno) Reno, NV	2/22/2018 \$1,000,000	4789906 Toll North Reno, LLC First Roundabout, LLC	Subbed to Site Level to Steep "X"	PUD No Approvals Other Than Zoning No Water Rights	69.618 Acres 3,032,560 SF	\$14,364/Acre \$0.33/SF
6	Stonebrook 528-020-16, 19, 20 & 21 Spanish Springs Sparks, NV	6/15/2018 \$12,500,000	4823473 Nanloa Investment Company, LLC Denver Street Apartments, LLC	Must Be Extended Level "X"	NUD No Approvals Other Than Zoning	168.064 Acres 7,320,868 SF	\$74,376/Acre \$1.71/SF
Subject Property	Wildcreek Golf Course (Portion) 027-011-05 (Portion) North Sparks Sparks, NV	Date of Appraisal 8/16/2018	--- Current Owner- Washoe County	On Portions of Site Level-Moderate "X"	PF No Approvals Other Than Zoning No Water Rights Included In Value of Land	\$7.020 Acres 3,790,591 SF	--- ---

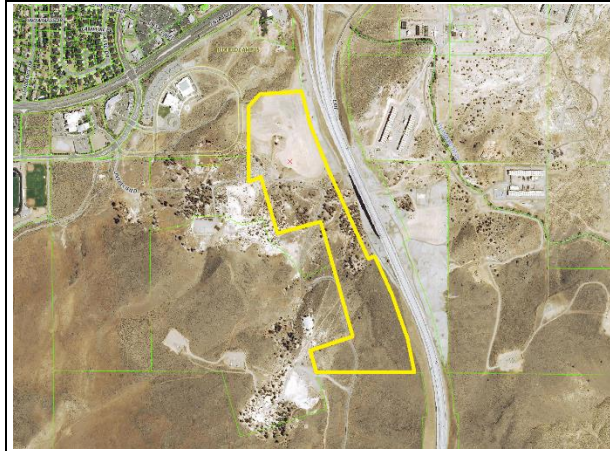


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REAL ESTATE APPRAISERS & CONSULTANTS





COMPARABLE LAND SALE PROFILE SHEET
SALE 1



Property Type:	Vacant Land	Submarket:	South Reno
Address:	No Physical Address	City:	Reno
General Location:	West Side I-580	County:	Washoe
A.P.N.:	144-070-03	State:	Nevada
Topography:	Level to Moderate	Frontage:	I-580 Right-of-Way
Zoning:	Mixed Use	Utilities:	Must be Extended
Parcel Acreage:	66.667± Acres	Water Rights:	None Included
Parcel Square Feet:	2,904,015± Square Feet	Improvements:	None-Vacant
Recording Date:	May 22, 2017	Price Per Acre:	\$67,500
Sale Price:	\$4,500,000	Price/Square Foot:	\$1.55
Document #:	4706369	Terms of Sale:	Cash to Seller
Transfer Taxes:	\$18,450.00	Conditions of Sale:	None Noted
Grantor:	Nell J. Redfield Foundation	Time on Market:	Approximately 3± Years
Grantee:	Chilkur LLC	Verification:	Pat Morrissey-Selling Broker
Comments: This sale is a 66.667± acre parcel located on the west side of the I-580 Freeway right-of-way, southeast of the Redfield Campus along Mt. Rose Highway in the south portion of Reno, Washoe County, Nevada. Access to this site is through the Redfield Campus, although at the time of sale only dirt roads provided access to the site. The property has level to moderately sloping topography, and enjoys good visibility from the I-580 Freeway. The property is zoned Mixed Use, which allows a wide variety of commercial and residential developments. Prior to development, the site will require the extension of utilities. No water rights were included in the sale. The property was originally listed for \$6 million.			



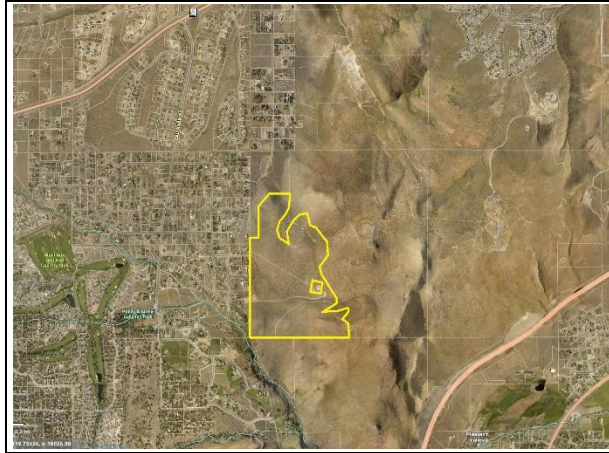
COMPARABLE LAND SALE PROFILE SHEET SALE 2



Property Type:	Vacant Land	Submarket:	Southwest Reno
Address:	8900 Lakeside Drive	City:	Reno
General Location:	SWC Lakeside Dr. & Holcomb Ln.	County:	Washoe
A.P.N.:	041-130-58	State:	Nevada
Topography:	Level to Moderate	Frontage:	Lombardi Lane
Zoning:	HDR, MDR & GR	Utilities:	Electricity & Phone
Parcel Acreage:	72.800± Acres	Water Rights:	217.64 Acre Feet Surface Rights
Parcel Square Feet:	2,904,015± Square Feet	Improvements:	None-Vacant
Recording Date:	June 12, 2017	Price Per Acre:	\$53,571
Sale Price:	\$3,900,000	Price/Square Foot:	\$1.23
Document #:	4712928	Terms of Sale:	Cash to Seller
Transfer Taxes:	\$15,990.00	Conditions of Sale:	None Noted
Grantor:	Deborah C. Day, Trustee	Time on Market:	Approximately 3± Years
Grantee:	Chilkur LLC	Verification:	David Geddes-Dickson Commercial
Comments: This sale is a 72.80± acre parcel located at the southwest corner of Lakeside Drive and Holcomb Lane, along the west side of Lombardi Lane in southwest Reno, Washoe County, Nevada. This property is known as the Shadow Canyon Ranch, and has been utilized for pasture in the past. The sale included 217.64± acre feet of water rights. At the time of sale, the property was listed for \$4,250,000. The property is zoned a mix of High Density Rural (HDR), Medium Density Rural (MDR), and General Rural (GR).			



COMPARABLE LAND SALE PROFILE SHEET
SALE 3



Property Type:	Vacant Land	Submarket:	South Suburban
Address:	No Site Address	City:	Unincorporated
General Location:	East Side Patti Lane	County:	Washoe
A.P.N.:	045-252-15 (Portion)	State:	Nevada
Topography:	Level to Steep	Frontage:	Limited-Dirt Roads
Zoning:	LDS, MDS & OS	Utilities:	Must be Extended
Parcel Acreage:	184.860± Acres	Water Rights:	None Included
Parcel Square Feet:	8,052,502± Square Feet	Improvements:	None-Vacant
Recording Date:	October 18, 2017	Price Per Acre:	\$8,719
Sale Price:	\$1,611,849	Price/Square Foot:	\$0.20
Document #:	4754794	Terms of Sale:	Cash to Seller
Transfer Taxes:	\$6,609.20	Conditions of Sale:	None Noted
Grantor:	Gary Nelson & Jeannie Janning, etal	Time on Market:	N/A
Grantee:	NNV1 Partners, LLC	Verification:	Mark Krueger-Archcrest Commercial
Comments: This sale is a 184.83± acre parcel located in the South Suburban area of the Truckee Meadows, within an unincorporated area of Washoe County. The property involves a takedown of a portion of a project named Ascenté, a planned residential community. The property had approvals for development with up to 225 homesites. The property will require extensive grading, and the extension of utility services to the site prior to development with homes. The property has level to steeply sloping topography. According to Mr. Mark Krueger of Archcrest Commercial, the property will be marketed with four separate villages to home builders for future residential development.			



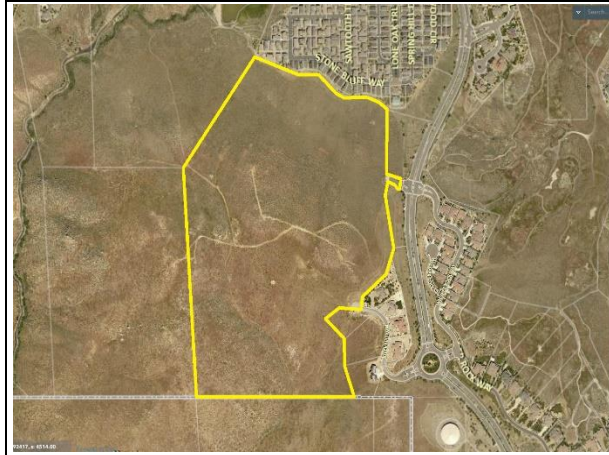
COMPARABLE LAND SALE PROFILE SHEET SALE 4



Property Type:	Vacant Land	Submarket:	Spanish Springs
Address:	No Site Address	City:	Unincorporated
General Location:	West Terminus Pebble Creek Drive	County:	Washoe
A.P.N.:	538-171-12	State:	Nevada
Topography:	Level to Moderate	Frontage:	Limited-Must Be Extended
Zoning:	LDS	Utilities:	Must be Extended
Parcel Acreage:	83.27± Acres	Water Rights:	None Included
Parcel Square Feet:	3,627,241± Square Feet	Improvements:	None-Vacant
Recording Date:	January 5, 2018	Price Per Acre:	\$26,420
Sale Price:	\$2,200,000	Price/Square Foot:	\$0.61
Document #:	4777478	Terms of Sale:	50% Cash; 50% Seller (Short-Term)
Transfer Taxes:	\$9,020.00	Conditions of Sale:	None Noted
Grantor:	Mystic Mountain, LLC	Time on Market:	N/A
Grantee:	Artisan Mystic Mountain, LLC	Verification:	Jessie Haw-Seller
Comments: This sale is an 83.27± acre parcel located in the Spanish Springs submarket within an unincorporated area of Washoe County. The property had a tentative map for 83 single-family residential lots at the time of sale. According to the seller, no water rights were included in the transaction. The property has level to gently sloping topography. Development of the site will require grading and the extension of roads and infrastructure from the east and north.			



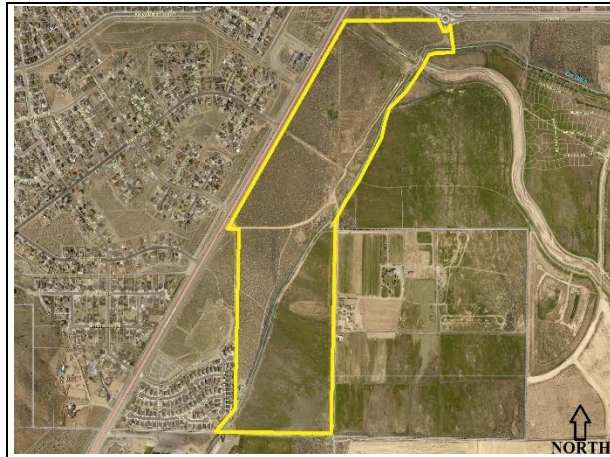
COMPARABLE LAND SALE PROFILE SHEET
SALE 5



Property Type:	Vacant Land	Submarket:	Somersett
Address:	No Physical Address	City:	Reno
General Location:	West of Somersett Parkway	County:	Washoe
A.P.N.:	232-060-21 & 23	State:	Nevada
Topography:	Level to Steep	Frontage:	Limited-Street Entry
Zoning:	PUD	Utilities:	Adjacent to Site
Parcel Acreage:	69.618± Acres	Water Rights:	None Included
Parcel Square Feet:	3,032,556± Square Feet	Improvements:	None-Vacant
Recording Date:	February 22, 2018	Price Per Acre:	\$14,364
Sale Price:	\$1,000,000	Price/Square Foot:	\$0.33
Document #:	4789906	Terms of Sale:	Cash to Seller
Transfer Taxes:	\$4,100.00	Conditions of Sale:	None Noted
Grantor:	Toll North Reno, LLC	Time on Market:	N/A
Grantee:	First Roundabout, LLC	Verification:	Michael Merchant; Public Records
Comments: This sale is two parcels totaling 69.618± acres located on the west side of Somersett Parkway in northwest Reno, Nevada. The property involves raw land, which is within the Somersett Planned Unit Development. According to the buyer, the sale included 1,209.33 traffic impact credits, which had a face value of \$262,000; the buyer indicated that they valued these credits at about \$100,000. The buyers intend on developing approximately 62± residential lots with approximately 7,000± square foot lot sizes.			



COMPARABLE LAND SALE PROFILE SHEET
SALE 6



Property Type:	Vacant Land	Submarket:	Spanish Springs (Sparks)
Address:	No Physical Address	City:	Sparks
General Location:	East of Pyramid Highway	County:	Washoe
A.P.N.:	525-020-16, 19, 20 & 21	State:	Nevada
Topography:	Level	Frontage:	Pyramid Highway
Zoning:	NUD	Utilities:	Adjacent to Site-Must Be Extended
Parcel Acreage:	168.064± Acres	Water Rights:	186± Acre Feet
Parcel Square Feet:	7,320,868± Square Feet	Improvements:	None-Vacant
Recording Date:	June 15, 2018	Price Per Acre:	\$74,376
Sale Price:	\$12,500,000	Price/Square Foot:	\$1.71
Document #:	4823473	Terms of Sale:	Cash to Seller
Transfer Taxes:	\$51,250.00	Conditions of Sale:	None Noted
Grantor:	Naniloa Investment Company, LLC	Time on Market:	Several Years
Grantee:	Denver Street Apartments, LLC	Verification:	Sean Alibrando-Buyer
Comments: This sale is four parcels totaling 168.064± acres generally located on the east side of Pyramid Highway, south of La Posada Drive in the Spanish Springs area of Sparks, Nevada. The sale included 186± acre feet of water rights. At the time of sale, according to the City of Sparks Comprehensive Plan, the property involved a number of land uses including Multi-Family (Less Than 24 Units Per Acre), Employment Center, Commercial, Intermediate Density Residential and Open Space. As part of the buyer's due diligence, they were proposing to change some areas of the underlying land use designations. The buyer indicated that if land uses were successfully changed, the subject site would contain approximately 45.9± acres of Commercial (C) land, 33.6± acres of Employment Commercial (EC) land, 19.1± acres of Multi-Family Residential (MF24) land, 46.9± acres of Intermediate Density Residential (IDR) Land, and 13.1± acres of Open Space (OS) land.			



MARKET VALUE ANALYSIS & CONCLUSION

In analyzing the Market Value of the subject property, a total of six land sales were considered. The chart below summarizes the sales.

SUMMARY OF LAND SALES ANALYZED						
Sale	Property ID	A.P.N.	Date of Sale	Sale Price	Land Acres	Price Per Acre
1	Redfield Campus Business Park	144-070-03	5/22/2017	\$4,500,000	66.667 AC	\$67,500
2	Shadow Canyon Ranch	041-130-58	6/12/2017	\$3,900,000	72.800 AC	\$53,571
3	Ascente	045-252-15 (Portion)	10/18/2017	\$1,611,849	184.860 AC	\$8,719
4	Pebble Creek Estates	538-171-12	1/5/2018	\$2,200,000	83.270 AC	\$26,420
5	Vacant Land-Somerset	232-060-21 & 23	2/22/2018	\$1,000,000	69.618 AC	\$14,364
6	Stonebrook	528-020-16, 19, 20 & 21	6/15/2018	\$12,500,000	168.064 AC	\$74,376
		LOW	5/22/2017	\$1,000,000	66.667 AC	\$8,719
		HIGH	6/15/2018	\$12,500,000	184.860 AC	\$74,376
		AVERAGE	11/15/2017	\$4,285,308	107.547 AC	\$40,825
		MEDIAN	11/26/2017	\$3,050,000	78.035 AC	\$39,996

Discussion of Adjustments

The comparable properties utilized in this analysis will be compared and correlated to the subject property based upon several adjustment criteria. These include property rights conveyed, financing terms, conditions of sale, market conditions, location, physical characteristics, zoning/use, and non-realty components of value. The sales will be analyzed based upon a sale price per acre basis.

Within the adjustment to sales section, most adjustments made will be qualitative adjustments, due to a lack of sale and resale activity from which to garner quantitative adjustments. In qualitatively adjusting the sales, an upward (+) adjustment is made to the comparable sale's price per acre when the subject is superior to the sale for specific criteria; likewise, a downward adjustment (-) is made to the comparable sale's price per acre when the subject is inferior to the sale for specific criteria. If the comparable sale is similar to the subject for specific criteria, then no adjustment is warranted (=).

Several of the comparable land sales included water rights. In this appraisal, no water rights are included in the valuation of the subject property. As there is a market for water rights and there is sufficient data with which to make quantitative adjustments for water rights, the sales which included water rights will be adjusted quantitatively; the sales which included water rights will be adjusted downward on a per acre basis.



Quantitative Adjustments

Water Rights Adjustment

Although the subject property does have a significant amount of water rights, this portion of the appraisal report assumes that there are not water rights attributable to the land; a separate analysis of the Market Value of water rights will be completed. Two of the sales included water rights, while four of the sales did not include water rights. The two sales which included water rights had 217.64± acre feet (Sale 2) and 186± acre feet (Sale 6) of water rights; both sales must be adjusted downward for water rights. The remaining sales do not require adjustments for water rights.

In order to determine an appropriate adjustment, I have reviewed several water rights transactions which have occurred in the marketplace. The following chart summarizes numerous water rights transactions which have occurred.

WATER RIGHTS SALES CHART					
Recording Date Sale Price	Document # County	Claim # Permit #	Permitted Use At Time of Sale	Acre-Feet Annually (AFA)	Sale Price Per Acre Foot
5/27/2011 \$2,586,880	4008048 Washoe	384/385/644 47020/47021	Irrigation/ Stockwater	323.36	\$8,000
1/17/2012 \$4,293,650	4075567 Washoe	346/347 None	Irrigation	898.73	\$4,777
4/5/2012 \$267,500	4100276 Washoe	94 & 94A 81144	Municipal/ Domestic	50.00	\$5,350
7/23/2012 \$140,000	4133978 Washoe	94 & 94A 81144	Municipal/ Domestic	22.00	\$6,364
9/12/2012 \$140,000	4150797 Washoe	94 & 94A 81144	Municipal/ Domestic	20.00	\$7,000
4/30/2013 \$194,750	4232122 Washoe	N/A 65580-65582	Municipal/ Domestic	38.95	\$5,000
5/16/2013 \$35,000	4237774 Washoe	346/347 None	Irrigation	7.00	\$5,000
11/14/2013 \$58,000	4299124 Washoe	N/A 66823	Municipal/ Domestic	19.26	\$3,011
12/31/2013 \$490,150	4313095 Washoe	118 None	Municipal/ Domestic	98.03	\$5,000
6/9/2014 \$147,430	4362020 Washoe	N/A 81394	Municipal/ Domestic	26.86	\$5,489
4/10/2015 \$3,083,364	4456769 Washoe	Various N/A	Municipal/ Domestic	501.36	\$6,150
9/30/2015 \$2,177,038	4518720 Washoe	207/208.5 N/A	Municipal/ Domestic	353.99	\$6,150
2/29/2016 \$1,537,500	4564762 Washoe	47 N/A	Municipal/ Domestic	250.00	\$6,150
1/6/2017 \$2,896,000	4669035 Washoe	14 N/A	Municipal/ Domestic	362.00	\$8,000
1/31/2017 \$1,129,293	4675689 Washoe	206.5/207/207.5 N/A	Municipal/ Domestic	192.22	\$5,875



In general, water rights have ranged in price per acre foot of between \$5,000 and \$8,000, depending on place of use, permitted use, and quantity of water rights. Water rights may also be purchased from the Truckee Meadows Water Authority (TMWA), who currently charges \$7,600 per acre foot. Water rights are available on the open market, and as is evidenced in the chart above, water rights purchases are generally below or near TMWA rates.

Based upon a review of the water rights sales, and with consideration given to the amount of water rights included in the sales and the subject, I have adjusted the sales for water rights at \$7,500 per acre foot. The chart below summarizes the water rights adjustments made to the sales.

WATER RIGHTS ADJUSTMENT CHART							
Sale #	Acres	Price/Acre	Acre Feet Water Included	Value Per Acre Foot	Total Adjustment	Per Acre Adjustment	Adjusted Per Acre Price
1	66.667 AC	\$67,500	0.00 AF	\$7,500	\$0	\$0	\$67,500
2	72.800 AC	\$53,571	217.64 AF	\$7,500	(\$1,632,300)	(\$22,422)	\$31,150
3	184.860 AC	\$8,719	0.00 AF	\$7,500	\$0	\$0	\$8,719
4	83.270 AC	\$26,420	0.00 AF	\$7,500	\$0	\$0	\$26,420
5	69.618 AC	\$14,364	0.00 AF	\$7,500	\$0	\$0	\$14,364
6	168.064 AC	\$74,376	186.00 AF	\$7,500	(\$1,395,000)	(\$8,300)	\$66,076
Subject	87.020 AC	N/A	0.00 AF	\$7,500	N/A	N/A	N/A

After adjusting for water rights, the sales indicate an adjusted price per acre range between \$8,719 per acre and \$67,500 per acre.

Qualitative Adjustments

In the following analysis, comparisons will be made to the subject parcel and the comparable sales data. Due to a lack of paired sales data, qualitative adjustments will be made to the comparable data for the remaining adjustment criteria.

Property Rights Conveyed

In this analysis I am estimating the fee simple market value of the subject property. Each of the sales analyzed involved the sale of the fee simple interest of the property; therefore, no adjustments for property rights are required to the sales when comparing them to the subject's fee simple estate.



PROPERTY RIGHTS CONVEYED ADJUSTMENT SUMMARY		
Property	Interest Conveyed	Adjustment Required
1	Fee Simple	No Adjustment
2	Fee Simple	No Adjustment
3	Fee Simple	No Adjustment
4	Fee Simple	No Adjustment
5	Fee Simple	No Adjustment
6	Fee Simple	No Adjustment
Subject	Fee Simple	=

Financing-Terms of Sale (Cash Equivalency)

All of the other sales involved cash equivalent sale terms, and do not require adjustments for cash equivalency.

FINANCING TERMS ADJUSTMENT SUMMARY		
Property	Terms of Sale	Adjustment Required
1	Cash to Seller	No Adjustment
2	Cash to Seller	No Adjustment
3	Cash to Seller	No Adjustment
4	Cash to Seller	No Adjustment
5	Cash to Seller	No Adjustment
6	Cash to Seller	No Adjustment
Subject	Assumes Cash Equivalent Terms	=

Conditions of Sale

Based upon interviews with the persons involved in each of the sales utilized in this analysis, no adjustments are necessary for conditions of sale for any of the sales.

CONDITIONS OF SALE ADJUSTMENT SUMMARY		
Property	Conditions of Sale	Adjustment Required
1	None Noted	No Adjustment
2	None Noted	No Adjustment
3	None Noted	No Adjustment
4	None Noted	No Adjustment
5	None Noted	No Adjustment
6	None Noted	No Adjustment
Subject	Assumes None	=



Buyer Expenditures

Each of the sales involved vacant, raw land sales. Although the subject does have some miscellaneous improvements, they are not felt to contribute value to an 87.02± acre site. No adjustments for buyer expenditures are necessary to the sales for buyer expenditures.

BUYER EXPENDITURE ADJUSTMENT SUMMARY		
Property	Buyer Expenditure	Adjustment Required
1	None Noted	No Adjustment
2	None Noted	No Adjustment
3	None Noted	No Adjustment
4	None Noted	No Adjustment
5	None Noted	No Adjustment
6	None Noted	No Adjustment
Subject	Assumes None	=

Market Conditions

The sales occurred between May 2017 and June 2018. Although none of the comparable sales has been involved in a sale/resale over this period, I have analyzed other market factors to determine if a market conditions adjustment is warranted. Additionally, I have interviewed a number of buyers, sellers and brokers in the market. Each of the interviewees indicated that demand for vacant land has increased significantly in the Reno-Sparks market over the several years, and this trend has continued into 2017 and 2018. Overall, upward qualitative adjustments for market conditions are made to the sales; the three 2017 sales require larger qualitative adjustments for market conditions.

MARKET CONDITIONS ADJUSTMENT SUMMARY		
Property	Date of Sale	Adjustment Required
1	5/22/2017	Larger Upward Adjustment
2	6/12/2017	Larger Upward Adjustment
3	10/18/2017	Larger Upward Adjustment
4	1/5/2018	Upward Adjustment
5	2/22/2018	Upward Adjustment
6	6/15/2018	Upward Adjustment
Subject	08/16/2018	=



Zoning/Legal Development Potential

The subject is currently zoned Public Facility (PF), and is within the City of Sparks. This appraisal report assumes that the subject will remain within the PF zoning district. The PF zoning district allows uses consistent with public facilities; the allowed uses are set forth in a prior section of this report.

Each of the sale properties is felt to have superior zoning in-place, in comparison to the subject's PF zoning designation. Overall, downward adjustments have been made to the sales for zoning/development potential.

ZONING/LEGAL DEVELOPMENT ADJUSTMENT			
Property	Zoning	Development Potential	Adjustment Required
1	Mixed Use	Industrial/Commercial/Residential	Downward Adjustment
2	HDR/MDR/GR	Larger Lot Residential	Downward Adjustment
3	LDS/MDS/OS	Larger Lot Residential	Downward Adjustment
4	LDS	Larger Lot Residential	Downward Adjustment
5	PUD	Residential & Open Space	Downward Adjustment
6	NUD	Multi-Family/Single-Family/Commercial	Downward Adjustment
Subject	PF	Public Facilities/Office	=

General Location

The subject is located in Sparks, generally on a parcel located at the northeast corner of North McCarran Boulevard and Sullivan Lane. The chart below summarizes adjustments made to the sales for general location.

GENERAL LOCATION ADJUSTMENT		
Property	General Location	Adjustment Required
1	South Reno	Downward Adjustment
2	Southwest Reno	Downward Adjustment
3	South Suburban Reno	Downward Adjustment
4	Spanish Springs	Upward Adjustment
5	Northwest Reno	No Adjustment
6	Spanish Springs	Upward Adjustment
Subject	Northwest Sparks	=



Frontage/Access

Adjustments will be made to the sales in comparison to the subject property based upon their accessibility from adjacent roadways. The subject site is assumed to have sufficient access, with the main access point and frontage along Sullivan Lane; the subject will have approximately 1,309± feet of frontage along Sullivan Lane. The chart below summarizes adjustments made to the sales for frontage/access.

FRONTAGE ADJUSTMENTS		
Property	Frontage	Adjustment Required
1	I-580 (Secondary)	No Adjustment
2	Limited on Lakeside	Upward Adjustment
3	Limited Frontage on Dirt Roads	Upward Adjustment
4	Limited Frontage-Road Terminus	Upward Adjustment
5	Limited Frontage-Must be Extended	Upward Adjustment
6	Pyramid Highway	Downward Adjustment
Subject	Sullivan	=

ACCESS ADJUSTMENTS		
Property	Access	Adjustment Required
1	Dirt-Access Road Must Be Extended	Upward Adjustment
2	Lakeside-Via Driveway	Upward Adjustment
3	Limited Access-Must Be Extended	Upward Adjustment
4	Access from Road Terminus	Upward Adjustment
5	Limited Access-Must be Extended	Upward Adjustment
6	Adequate Access-Must be Extended	No Adjustment
Subject	Sullivan-Multiple Locations	=

Topography

According to the Washoe County School District, a vast majority of the proposed 87.02± acre site will be in an area with level to moderate, undulating topography. The following summarizes adjustments made to the sales for topography.



TOPOGRAPHY ADJUSTMENT		
Property	Topography	Adjustment Required
1	Level to Moderate/Undulating	No Adjustment
2	Level to Moderate/Undulating	No Adjustment
3	Level to Steep/Undulating	Large Upward Adjustment
4	Level to Moderate/Undulating	No Adjustment
5	Level to Steep/Undulating	Large Upward Adjustment
6	Level	Downward Adjustment
Subject	Level to Moderate/Undulating	=

Utilities

The subject property has immediate access to all utility services, although further extension of utilities would be required for any new development on undeveloped portions of the site. The following summarizes adjustments made to the sales for utilities.

UTILITY ADJUSTMENT		
Property	Utility Availability	Adjustment Required
1	Available-Must Be Extended Further	Upward Adjustment
2	Electricity & Phone	Upward Adjustment
3	Available-Must be Extended Further	Upward Adjustment
4	Available-Must be Extended Further	Upward Adjustment
5	Available-Must be Extended Further	Upward Adjustment
6	Available-Must be Extended Further	Upward Adjustment
Subject	On-Site	=

Flood Zone

The subject property is located in a Flood Zone “X”, as are all of the comparable sales other than Sale 2, which has some areas in a Flood Zone “AE” and within a Floodway. The chart below summarizes the adjustments made to the sales for flood zone.

FLOOD ZONE ADJUSTMENTS		
Property	Flood Zone	Adjustment Required
1	“X”	No Adjustment
2	“X”, “AE” & Floodway	Upward Adjustment
3	“X”	No Adjustment
4	“X”	No Adjustment
5	“X”	No Adjustment
6	“X”	No Adjustment
Subject	“X”	=



Size

The sales range in size between 66.667± and 184.860± acres. The subject property contains 87.02± acres. Generally, a relationship exists between the size of the parcel and the per unit price paid. An upward adjustment will be made to the sales of larger parcels, while a downward adjustment will be made for sales with smaller parcel sizes. The following chart summarizes the size of the sale properties, and the qualitative adjustment required to each sale for size in comparison to the subject.

SIZE ADJUSTMENTS		
Property	Property Size	Adjustment Required
1	66.667 AC	Downward Adjustment
2	72.800 AC	Downward Adjustment
3	184.860 AC	Upward Adjustment
4	83.270 AC	No Adjustment
5	69.618 AC	Downward Adjustment
6	168.064 AC	Upward Adjustment
Subject	87.02 Acres	=

Adjustment Chart

The following chart summarizes the adjustments made to the sales in comparison to the subject property. An equal sign (=) indicates the sale property and the subject are similar and/or competitive for a particular criterion. A plus sign (+) indicates that the subject is superior for a particular criterion, and an upward adjustment is required to the sale price per acre of the comparable; likewise, a minus sign (-) indicates that the subject is inferior for a particular criterion, and a downward adjustment is required to the sale price per acre of the comparable.



LAND SALES ADJUSTMENT SUMMARY CHART							
Sale Number	Subject	1	2	3	4	5	6
Sale Price	N/A	\$4,500,000	\$3,900,000	\$1,611,849	\$2,200,000	\$1,000,000	\$12,500,000
Acres	75.00 AC	66.67 AC	72.80 AC	184.86 AC	83.27 AC	69.62 AC	168.06 AC
Sale Price/Acre	N/A	\$67,500	\$53,571	\$8,719	\$26,420	\$14,364	\$74,376
QUANTITATIVE ADJUSTMENTS							
Water Rights	None	\$0	(\$22,422)	\$0	\$0	\$0	(\$8,300)
Adjusted \$/Acre	N/A	\$67,500	\$31,150	\$8,719	\$26,420	\$14,364	\$66,076
QUALITATIVE ADJUSTMENTS							
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
	=	=	=	=	=	=	=
Terms of Sale	Assuming Cash	Cash Equ.	Cash Equ.	Cash Equ.	Cash Equ.	Cash Equ.	Cash Equ.
	=	=	=	=	=	=	=
Sale Conditions	Assuming None	None	None	None	None	None	None
	=	=	=	=	=	=	=
Buyer Expenditures	None	None	None	None	None	None	None
	=	=	=	=	=	=	=
Market Conditions	8/16/2018	5/22/2017	6/12/2017	10/18/2017	1/5/2018	2/22/2018	6/15/2018
		++	++	++	+	+	+
Zoning/Development	PF	Mixed Use	HDR, MDR & GR	LDS, MDS & OS	LDS	PUD	NUD
		-	-	-	-	-	-
General Location	NW Sparks	S. Reno	SW Reno	SS Reno	Sp. Springs	NW Reno	Sp. Springs
		-	-	-	+	=	+
Frontage	Sullivan	I-580	Limited	Limited	Limited	Limited	Pyramid
		=	+	+	+	+	-
Access	Average	Limited	Limited	Limited	Limited	Limited	Average
		+	+	+	+	+	=
Topography	Level/Moderate	Level-Mod	Level-Mod	Level-Steep	Level-Mod	Level-Steep	Level
		=	=	++	=	++	-
Utilities	Available	Inferior	Inferior	Inferior	Inferior	Inferior	Inferior
		+	+	+	+	+	+
Flood Zone	X	X	X/AE/Floodway	X	X	X	X
		=	+	=	=	=	=
Size	87.02 AC	66.67 AC	72.80 AC	184.86 AC	83.27 AC	69.62 AC	168.06 AC
		-	-	+	=	-	+
Other	N/A	=	=	=	=	=	=

Analysis of Sales

Sale 1 indicates a price per acre sale price of \$67,500, which did not require adjustment for water rights. This sale requires upward adjustments for market conditions, access and utilities. A large downward adjustment is warranted for zoning/legal development, and downward adjustments are warranted for location and size. Overall, this sale property's \$67,500 per acre sale price is considered a high indicator of value for the subject property on a per acre basis; this property has zoning in place to allow a vast number of potential uses, including high density development.

Sale 2 indicates a price per acre sale price of \$53,571; after adjustment for water rights, the adjusted per acre price is \$31,150. This sale requires an upward adjustment for market conditions, and requires upward adjustments for frontage, access, utilities and flood zone. On the other hand, downward adjustments are warranted to this sale for zoning/legal development,



size, as well as general location. Overall, this sale property's \$31,150 adjusted per acre sale price is considered a high indicator of value for the subject property on a per acre basis; this sale property has zoning in place to allow single-family residential development in one of the more exclusive residential areas of Reno.

Sale 3 indicates a price per acre sale price of \$8,719, which did not require adjustment for water rights. This sale requires upward adjustments for market conditions, frontage, access, size and utilities. A large upward adjustment is warranted for topography, as this site has large areas of steep topography which will require significant grading prior to development. Downward adjustments are warranted to this sale for zoning and general location. Overall, this sale property's \$8,719 per acre sale price is considered a low indicator of value for the subject property on a per acre basis; this property has significant topography issues which will require significant grading and excavation prior to development.

Sale 4 indicates a price per acre sale price of \$26,420, which did not require adjustment for water rights. This sale requires upward adjustments for market conditions, location, frontage, access and utilities. A large downward adjustment is warranted for zoning/development potential, as the property had zoning in-place for a residential subdivision. Overall, this sale property's \$26,420 per acre sale price is considered a high indicator of value for the subject property on a per acre basis; this property has zoning in place to allow a vast number of potential uses, including high density development.

Sale 5 indicates a price per acre sale price of \$14,364, which did not require adjustment for water rights. This sale requires upward adjustments for market conditions, frontage, access and utilities. A large upward adjustment is warranted for topography, as this site has large areas of steep topography which will require significant grading prior to development. Downward adjustments are warranted to this sale for zoning and size. Overall, this sale property's \$14,364 per acre sale price is considered a low indicator of value for the subject property on a per acre basis; this property has significant topography issues which will require significant grading and excavation prior to development.

Sale 6 indicates a price per acre sale price of \$74,376; after adjustment for water rights, the adjusted per acre price is \$66,076. This sale requires an upward adjustment for market conditions, and requires upward adjustments for location, utilities and size. On the other hand, downward adjustments are warranted to this sale for zoning/legal development, as well as



frontage and topography. Overall, this sale property's \$66,076 adjusted per acre sale price is considered a high indicator of value for the subject property on a per acre basis; this sale property has zoning in place to allow for significant development with a mixed-use project.

In addition to the sales set forth above, I have also analyzed a sale which had been proposed in Carson City, 30± miles south of the Reno-Sparks market. This proposed sale was for the Empire Ranch Golf Course, a 221.11± acre golf course facility. According to the owner, this property was in contract in the Spring of 2018 for \$3.5 million, or \$15,829 an acre. The proposed buyers intended on developing portions of the site with athletic fields. The sale included water rights, although the availability of the full amount of water was being disputed by the owner and Carson City. The proposed buyers ultimately decided against purchasing the property, even though they had left over \$350,000 in non-refundable deposit money in the transaction. This transaction, at \$15,829 per acre, involves a similar type property as the subject, although it has an inferior location in east Carson City.

Conclusion

In estimating an appropriate per acre value for the subject property as of the effective date of value, consideration has been given to the parcel's location, zoning designation, and highest and best use. Consideration is given to the comparable land sales data, the effective date of value, and the definition of market value being addressed. Based upon a careful review and analysis of the available data, it is my opinion that an appropriate per acre value applicable to the subject property is \$20,000. The following summarizes the market value conclusion for the subject property as of the effective date of value.

MARKET VALUE CALCULATION			
A.P.N.	Acres	Value Per Acre	Total Value Conclusion (Rounded)
027-011-05 (Portion)	87.02± Acres	\$20,000*	\$1,740,000*
* Based Upon Extraordinary Assumption That Property Remains Zoned Public Facility (PF); Does Not Include Value of Water Rights (Addressed Separately)			

FINAL MARKET VALUE CONCLUSION-SUBJECT LAND				
Property Description	Value Addressed	Property Rights Appraised	Effective Date Of Value	Market Value Conclusion
87.02± Acre Portion of Wildcreek Golf Course	Market Value	Fee Simple Interest	August 16, 2018	\$1,740,000*
* Based Upon Extraordinary Assumption That Property Remains Zoned Public Facility (PF); Does Not Include Value of Water Rights (Addressed Separately)				



VALUATION ANALYSIS OF WATER RIGHTS

The client of this appraisal report has requested an analysis of the Market Value of 318± acre feet of water rights proposed to be purchased by the Washoe County School District. Although the subject has more than this amount of water associated with the property, the client has requested the value of 318± acre feet to be purchased. The following sets forth an analysis of water rights on the subject property.

SUBJECT PROPERTY WATER RIGHTS

Washoe County Assessor's Parcel Number 027-011-05, which the subject is a portion of, does have appurtenant water rights. According to Ms. Vivian Carvin, who researched water rights on the property, the subject includes portions of Permit Numbers 78563 and 78564. The following summarizes Ms. Carvin's findings, as provided to Wood Rodgers in a letter dated October 5, 2017.

Results of Research:

SURFACE WATER:

Permit No. 78563 - Certificate No. 18122:

506.784 AFA (Duty of 4.0 acre feet per acre from all sources) from Wells Creek
Manner of Use is Recreation to Irrigate Wildcreek Golf Course
on APN's 027-011-05 and 035-080-04.

Permit No. 78564 - Certificate No. 18123:

69.20 AFA (Duty of 4.0 acre feet per acre from all sources) from Truckee River via Orr Ditch
Manner of Use is Recreation to Irrigate Wildcreek Golf Course
on APN's 027-011-05 and 035-080-04.

Permit Nos. 78563 and 78563 have a combined duty of not to exceed 520.19 acre feet per acre from all sources. There is a total of 43.2 afa on 10.8 acres within APN 035-080-04. Water right Permits are in the name of Reno-Sparks Convention and Visitors Authority and land is in the name of Washoe County

GROUND WATER:

There were no wells or ground water found on APN 027-011-05.

CONCLUSION:

The water rights that are appurtenant to APN 027-011-05 are portions of Permit Nos. 78563 and 78564, being 119.39 acres at a duty of 4 acre feet per acre for a total of **477.56 afa**. The remaining 43.2 afa of water would be appurtenant to APN 035-080-04

In addition to the above water rights, the subject ownership has also reportedly transferred 448.88± acre feet of Truckee River water rights to the Truckee Meadows Water Authority (TMWA), in order to utilize 500± acre feet of effluent on the existing golf course on the property. This analysis will address the Market Value of 318± acre feet of water rights on the subject site which are assumed to be usable for municipal water service.



Analysis of Water Rights Values

In order to determine a Market Value of water rights, I have analyzed sales of water rights, and have interviewed water rights experts, the Truckee Meadows Water Authority (TMWA), and brokers, buyers and sellers of water rights. The following chart summarizes numerous water rights transactions which have occurred in the Reno-Sparks market.

WATER RIGHTS SALES CHART					
Recording Date Sale Price	Document # County	Claim # Permit #	Permitted Use At Time of Sale	Acre-Feet Annually (AFA)	Sale Price Per Acre Foot
5/27/2011 \$2,586,880	4008048 Washoe	384/385/644 47020/47021	Irrigation/ Stockwater	323.36	\$8,000
1/17/2012 \$4,293,650	4075567 Washoe	346/347 None	Irrigation	898.73	\$4,777
4/5/2012 \$267,500	4100276 Washoe	94 & 94A 81144	Municipal/ Domestic	50.00	\$5,350
7/23/2012 \$140,000	4133978 Washoe	94 & 94A 81144	Municipal/ Domestic	22.00	\$6,364
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4/30/2013 \$194,750	4232122 Washoe	N/A 65580-65582	Municipal/ Domestic	38.95	\$5,000
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1/31/2017 \$1,129,293	4675689 Washoe	206.5/207/207.5 N/A	Municipal/ Domestic	192.22	\$5,875

In general, water rights have ranged in price per acre foot of between \$5,000 and \$8,000, depending on place of use, permitted use, and quantity of water rights. Water rights may also be purchased from the Truckee Meadows Water Authority (TMWA), who currently charges \$7,600 per acre foot. Water rights are available on the open market, and as is evidenced in the chart above, water rights purchases are generally below or near TMWA rates.

Based upon a review of the water rights sales, and with consideration given to asking water rights prices from TMWA, it is my opinion that the water rights on the subject site, which



have the ability to be utilized for municipal service, have a Market Value of \$7,500 per acre foot. Applying this to the 318± acre feet of water being appraised, indicates a value of \$2,385,000.

FINAL MARKET VALUE CONCLUSION-WATER RIGHTS				
Property Description	Value Addressed	Property Rights Appraised	Effective Date Of Value	Market Value Conclusion
318± Acre Feet of Water Rights	Market Value	Fee Simple Interest	August 16, 2018	\$2,385,000*
* Based Upon Extraordinary Assumption That Water Rights can be Utilized for Municipal Water Service				



EXPOSURE AND MARKETING TIME

Exposure time is defined as the length of time that would have been necessary to expose the property on the open market, in order to have consummated the sale at the effective date of valuation. This analysis assumes the property was marketed at the value conclusion contained in this report.

Marketing time, on the other hand, is the time necessary to consummate a sale of the subject property assuming that a marketing effort is begun as of the effective date of valuation and that the property is marketed at the final property value conclusions contained in this report.

In arriving at an estimate of an appropriate exposure and marketing time for the subject property, consideration is given the subject property's physical characteristics. Consideration is also given to the exposure and marketing times of other residential land in the Reno area, and interviews with brokers and property managers familiar with similar properties.

Based upon a review of the available data, it is my opinion that an appropriate exposure and marketing time for the subject property, assuming it is marketed at its final property value conclusions, would be as follows:

EXPOSURE & MARKETING TIME CONCLUSION		
Property Description	Exposure Time	Marketing Time
87.02± Acre Portion of Washoe County A.P.N. 027-011-05	6-12 Months	6-12 Months



APPRAISERS' CERTIFICATION

Each of the undersigned does hereby certify that, unless otherwise noted in this appraisal report, that they do certify to the best of their belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed services, as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The Appraisal Institute conducts a mandatory program of continuing education for its designated members. As of the date of this report, Scott Griffin has completed the requirements under the continuing education program of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Respectfully Submitted,

Scott Q. Griffin, MAI
Nevada Certified General Appraiser
License Number A.0003504-CG

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are contingent upon the following assumptions and limiting conditions.

LIMITS OF LIABILITY

This report was prepared by Johnson Perkins Griffin, LLC. All opinions, recommendations, and conclusions expressed during the course of this assignment are rendered by the staff of Johnson-Perkins & Associates, as employees, not as individuals. The liability of Johnson Perkins Griffin, LLC and its employees and associates is limited to the client only and to the fee actually received by the appraisal firm. There is no accountability, obligation, or liability to any third party. If the appraisal report is disseminated to anyone other than the client, the client shall make such party or parties aware of all limiting conditions and assumptions affecting the appraisal assignment. Neither the appraisers nor the appraisal firm is in any way to be responsible for any costs incurred to discover or correct any physical, financial and/or legal deficiencies of any type present in the subject property. In the case of limited partnerships or syndication offerings or stock offerings in real estate, the client agrees that in the event of a lawsuit brought by a lender, a partner or part owner in any form of ownership, a tenant or any other party, the client will hold the appraiser(s) and the appraisal firm completely harmless in such action with respect to any and all awards or settlements of any type in such lawsuits.

COPIES, PUBLICATION, DISTRIBUTION AND USE OF REPORT

Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for any purpose or any function other than its intended use, as stated in the body of the report. The appraisal fee represents compensation only for the analytical services provided by the appraiser(s). The appraisal report remains the property of the appraisal firm, though it may be used by the client in accord with these assumptions and limiting conditions.

This appraisal is to be used only in its entirety, and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by the appraiser(s) whose signature(s) appears on the appraisal report, unless it is indicated that one or more of the appraisers was acting as "Review Appraiser." No change of any item in the report shall be made by anyone other than the appraiser(s). The appraiser(s) and the appraisal firm shall bear no responsibility for any such unauthorized changes.

CONFIDENTIALITY

Except as provided for subsequently, neither the appraiser(s) nor the appraisal firm may divulge the analyses, opinions or conclusions developed in the appraisal report, nor may they give a copy of the report to anyone other than the client or his designee as specified in writing. However, this condition does not apply to any requests made by the Appraisal Institute for purposes of confidential ethics enforcement. Also, this condition does not apply to any order or request issued by a court of law or any other body with the power of subpoena.

INFORMATION SUPPLIED BY OTHERS

Information (including projections of income and expenses) provided by informed local sources, such as government agencies, financial institutions, Realtors, buyers, sellers, property owners, bookkeepers, accountants, attorneys, and others is assumed to be true, correct and reliable. No responsibility for the accuracy of such information is assumed by the appraiser(s). Neither the appraiser(s) nor the appraisal firm is liable for any information or the work product provided by subcontractors. The client and others utilizing the appraisal report are advised that some of the individuals associated with Johnson Perkins Griffin, LLC are independent contractors and may sign the appraisal report in that capacity. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit or other sources thought reasonable. To the best of our judgment and knowledge, all such information is considered appropriate for inclusion. In some instances, an impractical and uneconomic expenditure of time would be required in attempting to furnish absolutely unimpeachable verification. The value conclusions set forth in the appraisal report are subject to the accuracy of said data. It is suggested that the client consider independent verification as a prerequisite to any transaction involving a sale, a lease or any other commitment of funds with respect to the subject property.

TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR APPRAISAL SERVICE

The contract for each appraisal, consultation or analytical service is fulfilled and the total fee is payable upon completion of the report. The appraisers(s) or those assisting in the preparation of the report will not be asked or required to give testimony in court or in any other hearing as a result of having prepared the appraisal, either in full or in part, except under separate and special arrangements at an additional fee. If testimony or a deposition is required, the client shall be responsible for any additional time, fees and charges, regardless of the issuing party. Neither the appraiser(s) nor those assisting in the preparation of the report is required to engage in post- appraisal consultation with the client or other third parties, except under a separate and special arrangement and at an additional fee.

EXHIBITS AND PHYSICAL DESCRIPTIONS

It is assumed that the improvements and the utilization of the land are within the boundaries of the property lines of the property described in the report and that there is no encroachment or trespass unless noted otherwise within the report. No survey of the property has been made by the appraiser(s) and no responsibility is assumed in connection with such matters. Any maps, plats, or drawings reproduced and included in the report are there to assist the reader in visualizing the property and are not necessarily drawn to scale. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced or used apart from the report.

TITLE, LEGAL DESCRIPTIONS, AND OTHER LEGAL MATTERS

No responsibility is assumed by the appraiser(s) or the appraisal firm for matters legal in character or nature. No opinion is rendered as to the status of title to any property. The title is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in the appraisal report. The legal description, as furnished by the client, his designee or as derived by the appraiser(s), is assumed to be correct as reported. The appraisal is not to be construed as giving advice concerning liens, title status, or legal marketability of the subject property.



ENGINEERING, STRUCTURAL, MECHANICAL, ARCHITECTURAL CONDITIONS

This appraisal should not be construed as a report on the physical items that are a part of any property described in the appraisal report. Although the appraisal may contain information about these physical items (including their adequacy and/or condition), it should be clearly understood that this information is only to be used as a general guide for property valuation and not as a complete or detailed report on these physical items. The appraiser(s) is not a construction, engineering, or architectural expert, and any opinion given on these matters in this report should be considered tentative in nature and is subject to modification upon receipt of additional information from appropriate experts. The client is advised to seek appropriate expert opinion before committing any funds to the property described in the appraisal report.

Any statement in the appraisal regarding the observed condition of the foundation, roof, exterior walls, interior walls, floors, heating system, plumbing, insulation, electrical service, all mechanicals, and all matters relating to construction is based on a casual inspection only. Unless otherwise noted in the appraisal report, no detailed inspection was made. For instance, the appraiser is not an expert on heating systems, and no attempt was made to inspect the interior of the furnace. The structures were not investigated for building code violations, and it is assumed that all buildings meet the applicable building code requirements unless stated otherwise in the report.

Such items as conditions behind walls, above ceilings, behind locked doors, under the floor, or under the ground are not exposed to casual view and, therefore, were not inspected, unless specifically so stated in the appraisal. The existence of insulation, if any is mentioned, was discovered through conversations with others and/or circumstantial evidence. Since it is not exposed to view, the accuracy of any statements regarding insulation cannot be guaranteed.

Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any comments on observed conditions given in this appraisal report should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is given as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating systems, air conditioning systems, plumbing, electrical service, insulation, or any other detailed construction matters. If any interested party is concerned about the existence, condition, or adequacy of any particular item, we would strongly suggest that a mechanical and/or structural inspection be made by a qualified and licensed contractor, a civil or structural engineer, an architect or other experts. This appraisal report is based on the assumption that there are no hidden, unapparent or apparent conditions on the property or improvements which would materially alter the value as reported. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and standard for the properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment is made in the appraisal as to the adequacy of insulation, the type of insulation, or the energy efficiency of the improvements or equipment which is assumed to be standard for the subject's age, type and condition.

TOXIC MATERIALS AND HAZARDS

Unless otherwise stated in the appraisal report, no attempt has been made to identify or report the presence of any potentially toxic materials and/or condition such as asbestos, urea formaldehyde foam insulation, PCBs, any form of toxic waste, polychlorinated biphenyl, pesticides, lead-based paints or soils or ground water contamination on any land or improvements described in the appraisal report. Before committing funds to any property, it is strongly advised that appropriate experts be employed to inspect both land and improvements for the existence of such potentially toxic materials and/or conditions. If any potentially toxic materials and/or conditions are present on the property, the value of the property may be



adversely affected and a re-appraisal at an additional cost may be necessary to estimate the effects of such circumstances.

SOILS, SUB-SOILS, AND POTENTIAL HAZARDS

It is assumed that there are no hidden or unapparent conditions of the soils or sub-soil which would render the subject property more or less valuable than reported in the appraisal. No engineering or percolation tests were made and no liability is assumed for soil conditions. Unless otherwise noted, the land and the soil in the area being appraised appeared to be firm, but no investigation has been made to determine whether or not any detrimental sub-soil conditions exist. Neither the appraiser(s) nor the appraisal firm is liable for any problems arising from soil conditions. These appraisers strongly advise that, before any funds are committed to a property, the advice of appropriate experts be sought.

If the appraiser(s) has not been supplied with a termite inspection report, survey or occupancy permit, no responsibility is assumed and no representation is made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained.

Neither the appraiser(s) nor the appraisal firm assumes responsibility for any costs or for any consequences arising from the need or lack of need for flood hazard insurance. An Agent for the Federal Flood Insurance Program should be contacted to determine the actual need for flood hazard insurance.

ARCHEOLOGICAL SIGNIFICANCE

No investigation has been made by the appraiser and no information has been provided to the appraiser regarding potential archeological significance of the subject property or any portion thereof. This report assumes no portion of the subject property has archeological significance.

LEGALITY OF USE

This appraisal report assumes that there is full compliance with all applicable federal, state and local environmental regulations and laws, unless non-compliance is stated, defined and considered in the appraisal report. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined and considered in the appraisal report. It is assumed that all required licenses, consents, or other legislative or administrative authority from any local, state or national government, private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

COMPONENT VALUES

Any distribution of the total value between the land and improvements, between partial ownership interests or any other partition of total value applies only under the stated use. Moreover, separate allocations between components are not valid if this report is used in conjunction with any other analysis.

COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. It is assumed that the property is in direct compliance with the various detailed requirements of the ADA.



AUXILIARY AND RELATED STUDIES

No environmental or impact studies, special market studies or analyses, special highest and best use studies or feasibility studies have been requested or made by the appraiser(s) unless otherwise specified in an agreement for services and so stated in the appraisal report.

DOLLAR VALUES AND PURCHASING POWER

The estimated market value set forth in the appraisal report and any cost figures utilized are applicable only as of the date of valuation of the appraisal report. All dollar amounts are based on the purchasing power and price of the dollar as of the date of value estimates.

ROUNDING

Some figures presented in this report were generated using computer models that make calculations based on numbers carried out to three or more decimal places. In the interest of simplicity, most numbers have been rounded. Thus, these figures may be subject to small rounding errors.

QUANTITATIVE ANALYSIS

Although this analysis employs various mathematical calculations to provide value indications, the final estimate is subjective and may be influenced by our experience and other factors not specifically set forth in this report.

VALUE CHANGE, DYNAMIC MARKET, ALTERATION OF ESTIMATE BY APPRAISER

All values shown in the appraisal report are projections based on our analysis as of the date of valuation of the appraisal. These values may not be valid in other time periods or as conditions change. Projected mathematical models set forth in the appraisal are based on estimates and assumptions which are inherently subject to uncertainty and variations related to exposure, time, promotional effort, terms, motivation, and other conditions. The appraiser(s) does not represent these models as indicative of results that will actually be achieved. The value estimates consider the productivity and relative attractiveness of a property only as of the date of valuation set forth in the report.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value, investment value or value in use is a reflection of such benefits and of the appraiser's interpretation of income, yields and other factors derived from general and specific client and market information. Such estimates are as of the date of valuation of the report, and are subject to change as market conditions change.

This appraisal is an estimate of value based on analysis of information known to us at the time the appraisal was made. The appraiser(s) does not assume any responsibility for incorrect analysis because of incorrect or incomplete information. If new information of significance comes to light, the value given in this report is subject to change without notice. The appraisal report itself and the value estimates set forth therein are subject to change if either the physical or legal entity or the terms of financing are different from what is set forth in the report.



ECONOMIC AND SOCIAL TRENDS

The appraiser assumes no responsibility for economic, physical or demographic factors which may affect or alter the opinions in this report if said economic, physical or demographic factors were not present as of the date of value of this appraisal. The appraiser is not obligated to predict future political, economic or social trends.

EXCLUSIONS

Furnishings, equipment, other personal property and value associated with a specific business operation are excluded from the value estimate set forth in the report unless otherwise indicated. Only the real estate is included in the value estimates set forth in the report unless otherwise stated.

SUBSURFACE RIGHTS

No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as is expressly stated.

PROPOSED IMPROVEMENTS, CONDITIONED VALUE

It is assumed in the appraisal report that all proposed improvements and/or repairs, either on-site or off-site, are completed in an excellent workmanlike manner in accord with plans, specifications or other information supplied to these appraisers and set forth in the appraisal report, unless otherwise explicitly stated in the appraisal. In the case of proposed construction, the appraisal is subject to change upon inspection of the property after construction is completed. The estimate of market value is as of the date specified in the report. Unless otherwise stated, the assumption is made that all improvements and/or repairs have been completed according to the plans and that the property is operating at levels projected in the report.

MANAGEMENT OF PROPERTY

It is assumed that the property which is the subject of the appraisal report will be under typically prudent and competent management which is neither inefficient nor superefficient.

FEE

The fee for any appraisal report, consultation, feasibility or other study is for services rendered and, unless otherwise stated in the service agreement, is not solely based upon the time spent on any assignment.

LEGAL EXPENSES

Any legal expenses incurred in defending or representing ourselves concerning this assignment will be the responsibility of the client.



CHANGES AND MODIFICATIONS

The appraiser(s) reserves the right, at the cost of the client, to alter statements, analyses, conclusions, or any value estimates in the appraisal if any new facts pertinent to the appraisal process are discovered which were unknown on the date of valuation of this report.

DISSEMINATION OF MATERIAL

Neither all nor any part of the contents of this report shall be disseminated to the general public through advertising or sales media, public relations media, new media or other public means of communication without the prior written consent and approval of the appraiser(s).

The acceptance and/or use of the Appraisal Report by the client or any third party constitutes acceptance of the Assumptions and Limiting Conditions set forth in the preceding paragraphs. The appraiser's liability extends only to the specified client, not to subsequent parties or users. The appraiser's liability is limited to the amount of the fee received for the services rendered.



QUALIFICATIONS OF APPRAISER SCOTT QUINN GRIFFIN

Professional Designations

MAI-Member Appraisal Institute (MAI Designation Number 12359) 2005

State Licensing and Certification

Certified General Appraiser – State of Nevada 2000
License Number A.0003504-CG (Certified Through 03/31/2020)

Offices Held

Board of Directors-Reno/Carson/Tahoe Chapter Appraisal Institute 2009-2013
Treasurer-Reno/Carson/Tahoe Chapter Appraisal Institute 2002-2003
President-University of Nevada Young Alumni Chapter 1999

Appraisal Education and Technical Training

Appraisal Institute

Course 110-Appraisal Principles	1997
Course 120-Appraisal Procedures	1998
Course 310-Basic Income Capitalization	1998
Course 400-Uniform Standards of Professional Appraisal Practice Update	2004
Course 410-Standard of Professional Practice-Part A	1999
Course 420-Standard of Professional Practice-Part B	1999
Course 510-Advanced Income Capitalization	1999
Course 520-Highest & Best Use Analysis	2002
Course 530-Advanced Sales & Cost Approaches	2004
Course 540-Course Report Writing & Valuation Analysis	2003
Course 550-Advanced Applications	2003

Other Courses and Seminars

The High-Tech Appraisal Office	1997
GIS Applications for Appraisal	1997
Uniform Standard of Professional Appraisal Practice	2002
Comprehensive Appraisal Workshop	2004
Evaluating Commercial Construction	2006
Attacking & Defending An Appraisal In Litigation	2007
Analyzing Distressed Real Estate	2008
7-Hour National USPAP Update Course	2010/2012/2014/2016/2018
Condemnation Appraising	2010
Appraising Convenience Stores	2010
Analyzing Distressed Real Estate	2012
Apartment Appraisal, Concepts & Applications	2012
Small Hotel/Motel Valuation	2012
Business Practice & Ethics	2014
Real Estate Finance Statistics and Valuation Modeling	2014
The Discounted Cash Flow Model: Concepts, Issues, and Apps	2014
Expert Witness for Commercial Appraisers	2016
Analyzing Operating Expenses	2016
Supervisor-Trainee Course (Nevada)	2016
Comparative Analysis	2018
The Discounted Cash Flow Analysis Model	2018
Data Verification Methods	2018
Eminent Domain and Condemnation	2018

Formal Education

University of Nevada, Reno 1995
Bachelor of Science in Business Administration; Major-Finance, Minor-Economics

Occupational History

Johnson Perkins Griffin, LLC 03/2015-Present
Johnson-Perkins & Associates 03/1997-02/2015



QUALIFICATIONS OF APPRAISER SCOTT QUINN GRIFFIN

Types of Property Appraised

Single Family Residences
Condominiums
Vacant Residential Lots
Subdivisions
Vacant Commercial Land
Industrial Buildings/Warehouses
Shopping Centers
Retail Buildings
Professional/Medical Office Buildings
Apartment Complexes
Affordable Housing Apartment Complexes
Hotels/Motels
Casinos/Hotel-Casinos
Farmland/Ranchland
Various Special Use Properties
Condemnation Appraisals
Right-Of-Way Appraisals
Conservation Easements

Admitted as Expert Witness

United States District Court, District of Nevada
United States Bankruptcy Court, District of Nevada
United States District Court
Superior Court-State of California
Washoe County District Court
Washoe County Board of Equalization
Nevada State Board of Equalization

APPRAISER CERTIFICATE		
STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY		
NOT TRANSFERABLE	REAL ESTATE DIVISION	NOT TRANSFERABLE
This is to Certify That : SCOTT Q GRIFFIN		Certificate Number: A.0003504-CG
Is duly authorized to act as a CERTIFIED GENERAL APPRAISER from the issue date to the expiration date at the business address stated here in, unless the certificate is sooner revoked, cancelled, withdrawn, or invalidated.		
Issue Date: April 3, 2018		Expire Date: March 31, 2020
In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in Chapter 645C of the Nevada Revised Statutes, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.		
FOR: JOHNSON PERKINS GRIFFIN, LLC 245 E LIBERTY STREET, STE 100 RENO, NV 89501		REAL ESTATE DIVISION SHARATH CHANDRA <i>Administrator</i>
		



JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

ADDENDA



PRELIMINARY REPORT

Proposed Buyer:

Proposed Lender

Proposed Loan Amount: \$0.00

Property Address: 3500 Sullivan Lane, Sparks, Nevada

Escrow Office:

**Ticor Title of Nevada, Inc.
5441 Kietzke Lane, Suite 100
Reno, NV 89511**

Phone: (775) 324-7400 Fax: (775) 324-7402

Escrow Officer: Title Only

Customer No.: /

Title Office:

**Ticor Title of Nevada, Inc.
5441 Kietzke Lane, Suite 100
Reno, NV 89511**

Phone: (775) 324-7400 Fax: (775) 324-7402

Order No.: 01702907-TO

**The information contained in this report is through the date of
June 7, 2017 at 7:30 a.m.**

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

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

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

*The policy(s) of title insurance to be issued hereunder will be policy(s) of **Chicago Title Insurance Company**.*

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

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

A handwritten signature in black ink, appearing to read 'Cheryl Perez'.

Cheryl Perez, Title Officer

THE FOLLOWING REQUIREMENTS MUST BE MET PRIOR TO CLOSE OF ESCROW:

1. Pay current all taxes, sewer, water and Waste Management fees.
2. If an ALTA/Extended Owners Policy is requested, this office will require an ALTA/NSPS Land Title Survey prior to the close of this transaction.
3. Provide to title insurer an Owners Affidavit prior to close of this transaction. Additional requirements may be requested upon receipt and review.
4. The requirement that a copy of the Staff Report and Motion and approval of same by the County of Washoe, State of Nevada, acting through its Reno-Sparks Convention Authority be furnished to this Company authorizing or ratifying the proposed conveyance of herein described land.

The Company reserves the right of add additional items or make further requirements after review of the required documentation.

5. Information in the possession of the Company indicates that a division of land has occurred or is contemplated in the current transaction involving the Land described in this report. Such contemplated division of land appears to fall within the purview of N.R.S. 278. As a prerequisite to the issuance of any title insurance under this application, at least one of the following requirements must be accomplished to the Company's satisfaction:

A Subdivision or Parcel Map has been recorded in compliance with N.R.S. 278 or Washoe County related ordinances/requirements.

Evidence of compliance with N.R.S. 278 or waiver from Washoe County.

Other evidence, satisfactory to the Company, indicating compliance or non-violation must be furnished.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

6. Please be advised that our search did not disclose any open Deeds of Trust of record. If you should have knowledge of any outstanding obligation, please contact the Title Department immediately for further review prior to closing.

SCHEDULE A

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

FEE

Title to said estate or interest at the date hereof is vested in:

County of Washoe, State of Nevada, acting through its Reno-Sparks Convention Authority

The land referred to in this Report is situate in the State of Nevada, County of Washoe and described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

SCHEDULE B

At the date hereof Exceptions to coverage in addition to the printed exceptions and exclusions in said policy form would be as follows:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof, (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.
6. Any lien or right to lien for services, labor or material not shown in the Public Records.
7. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2017-2018. Tax Identification No.: 027-011-05
8. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Nevada Revised Statutes.
9. Any unpaid sewer service charges plus interest and penalties, which would create a lien and attach to said Land, pursuant to Sparks Municipal Code. Specific amounts may be obtained by calling (775) 353-2360.
10. Any unpaid charges for Waste Management, plus any interest and/or penalties, which would create a lien and attach to said Land, pursuant to Nevada Revised Statutes.
11. Water rights, claims or title to water, whether or not disclosed by the public records.
12. Rights of way for any existing roads and alleys, trails, canals, ditches, flumes, conduits, pipes, poles or transmission lines on, under, over, through or across the Land.
13. Rights of way for the Orr Ditch, and any easements pertaining thereto, including but not limited to any prescriptive or implied rights and/or easements.
14. Reservations, exceptions and provisions contained in the patent from the United States of America, and in the acts authorizing the issuance thereof.
Recording Date: August 20, 1897
Recording No: Book A, Page 579, Patent Records
Affects: That portion of said land lying within Section 31

15. Reservations, exceptions and provisions contained in the patent from the State of Nevada, and in the acts authorizing the issuance thereof.
Recording Date: December 17, 1901
Recording No: Book A, Page 710, Patent Records
Affects: That portion of said land lying within the North ½ of the Northwest ¼ and the Southwest ¼ of the Northwest ¼ of Section 32
16. Reservations, exceptions and provisions contained in the patent from the State of Nevada, and in the acts authorizing the issuance thereof.
Recording Date: June 4, 1906
Recording No: Book B, Page 103, as Document No. 955, Patent Records
Affects: That portion of said land lying within Section 30
17. Reservations, exceptions and provisions contained in the patent from the United States of America, and in the acts authorizing the issuance thereof.
Recording Date: February 7, 1945
Recording No: Book E, Page 238, as Document No. 127349, Patent Records
Affects: That portion of said land lying within Section 29
18. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation
Purpose: an electric power line consisting of steel or wooden poles, with necessary guys and anchors and other necessary or convenient appurtenances connected therewith
Recording Date: September 15, 1949
Recording No: Book S, Page 379, as Document No. 177177, Bonds and Agreements Records
Affects: The Northerly portion of said land
19. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Bell Telephone Company of Nevada, a corporation
Purpose: underground wires, cables and other electrical conductors with associated conduits and other appurtenances
Recording Date: January 2, 1951
Recording No: Book 270, Page 310, as Document No. 191347, Deed Records
Affects: The Northwesterly portion of said land
20. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation
Purpose: a communication and electric power line and other appurtenances
Recording Date: August 29, 1952
Recording No: Book 305, Page 386, as Document No. 208887, Deed Records
Affects: The Southerly portion of said land
21. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation
Purpose: an electric power line, communication equipment and other appurtenances
Recording Date: September 18, 1953
Recording No: Book 330, Page 445, as Document No. 220453, Deed Records
Affects: The Southerly portion of said land

22. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation
Purpose: an electric power line, communication equipment and other appurtenances
Recording Date: September 18, 1953
Recording No: Book 330, Page 447, as Document No. 220454, Deed Records
Affects: The Southerly portion of said land
23. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation and Bell Telephone Company of Nevada
Purpose: underground anchors together with overhead guy wires
Recording Date: March 3, 1964
Recording No: Book 736, Page 305, as Document No. 408236, Deed Records
Affects: The Easterly portion of said land
24. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation
Purpose: an electric power line, communication equipment and other appurtenances
Recording Date: January 27, 1966
Recording No: Book 148, Page 497, as Document No. 51065, Official Records
Affects: The Northerly portion of said land
25. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Bell Telephone Company of Nevada
Purpose: communication facilities, other electrical conductors and other appurtenances
Recording Date: April 21, 1971
Recording No: Book 537, Page 330, as Document No. 203794, Official Records
Affects: The Northwesterly portion of said land
26. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: construct, maintain and repair an open ditch or drain, tile drain or pipeline drain
Recording Date: February 26, 1973
Recording No: Book 711, Page 39, as Document No. 276847, Official Records
Affects: The Northwesterly portion of said land
27. Easement(s) and rights incidental thereto as delineated or as offered for dedication on Record of Survey Map No. 865
Recording Date: July 22, 1974
Recording No: 334575, Official Records

28. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: an electric power line, communication equipment and other appurtenances
Recording Date: February 15, 1977
Recording No: Book 1052, Page 471, as Document No. 449286, Official Records
Affects: The Northwesterly portion of said land
29. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Bell Telephone Company of Nevada
Purpose: communication facilities and appurtenances
Recording Date: February 25, 1977
Recording No: Book 1055, Page 691, as Document No. 450965, Official Records
Affects: The Northwesterly portion of said land
30. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation and Bell Telephone Company of Nevada, a corporation
Purpose: a communication and electric power line and other appurtenances
Recording Date: April 18, 1977
Recording No: Book 1072, Page 626, as Document No. 459730, Official Records
Affects: The Northwesterly portion of said land
31. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: electric underground facilities and other appurtenances
Recording Date: May 17, 1977
Recording No: Book 1082, Page 507, as Document No. 465102, Official Records
Affects: The Southeasterly portion of said land
32. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: an electric power line, communication equipment and other appurtenances
Recording Date: May 17, 1977
Recording No: Book 1082, Page 521, as Document No. 465109, Official Records
Affects: The Southerly portion of said land
33. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Bell Telephone Company of Nevada
Purpose: communication facilities and appurtenances
Recording Date: November 7, 1977
Recording No: Book 1152, Page 148, as Document No. 496733, Official Records
Affects: The Northwesterly portion of said land

34. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: City of Sparks, a municipal corporation
Purpose: a sanitary sewer pipeline easement
Recording Date: January 13, 1978
Recording No: Book 1182, Page 520, as Document No. 508672, Official Records
Affects: The Southwesterly portion of said land
35. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation and Bell Telephone Company of Nevada, a corporation
Purpose: overhead and underground electric power and communication lines and other appurtenances
Recording Date: May 24, 1978
Recording No: Book 1246, Page 459, as Document No. 533929, Official Records
Affects: The Northwesterly portion of said land
36. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: underground anchors together with overhead guy wires
Recording Date: April 30, 1980
Recording No: Book 1498, Page 928, as Document No. 670542, Official Records
Affects: The Southwesterly portion of said land
37. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sun Valley Water & Sanitation District, a quasi-municipal corporation and body politic organized and to the County of Washoe, a political subdivision of the State of Nevada
Purpose: a sewer line, lines or drains beneath the surface of the real property and other appurtenances
Recording Date: April 28, 1981
Recording No: Book 1625, Page 941, as Document No. 736068, Official Records
Affects: The Westerly portion of said land
38. Terms, provisions and conditions as contained in an instrument
Entitled: Resolution of Intent of Assignment
Executed by: The County of Washoe, by and through the Reno-Sparks Convention/Tourism Authority
Recording Date: May 18, 1983
Recording No.: Book 1867, Page 676, as Document No. 855523, Official Records
39. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: The City of Sparks, a municipal corporation
Purpose: a perpetual access and public utility easement
Recording Date: November 21, 1989
Recording No: Book 2996, Page 737, as Document No. 1363968, Official Records
Affects: The Northwesterly portion of said land

40. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: The City of Sparks, a municipal corporation
Purpose: a permanent easement and right-of-way for sanitary sewer facilities
Recording Date: February 9, 1996
Recording No: Book 4496, Page 589, as Document No. 1966931, Official Records
Affects: The Southwesterly portion of said land
41. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: The City of Sparks, a municipal corporation and the State of Nevada
Purpose: storm drain facilities, together with other necessary or convenient appurtenances connected therewith
Recording Date: May 17, 2001
Recording No: 2554517 Official Records
Affects: The Southwesterly portion of said land
- Terms, provisions and conditions as contained in an instrument
Entitled: Notice of Description of Final Easement Area and Partial Release of Easement
Executed by: The County of Washoe, a political subdivision of the State of Nevada and the Reno Sparks Convention & Visitors Authority
Recording Date: August 2, 2004
Recording No.: 3077449, Official Records
42. Rights and claims of parties in possession by reason of unrecorded leases, if any, that would be disclosed by an inquiry of the parties or by an inspection of said Land.

INFORMATIONAL NOTES

Note: Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:

Assessor's Parcel No.: 027-011-05

Fiscal Year: 2016-2017

Total Taxes: \$614.66

Note: The charge for a policy of title insurance, when issued through this title order, will be based on the Basic Title Insurance Rate.

Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.

Note: The following information is provided strictly as an accommodation. According to the Assessor, the address of the Land is as follows:

Type of Dwelling: Golf Course

Address: 3500 Sullivan Lane, Sparks, Nevada

Order No.: 01702907-TO

EXHIBIT A

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

Situate in the Southwest quarter of the Southwest quarter of Section 29; the Southeast quarter of the Southeast quarter of Section 30; the Northeast quarter of Section 31; and the Northwest quarter of Section 32, all in Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada, also being reflected as portion of Parcel 2 and 4 on Record of Survey Map No. 865, filed in the office of the County Recorder of Washoe County, Nevada on July 22, 1974, as File No. 334575, Official Records, and being described as follows:

Commencing at the Section corner common to Section 29, 30, 31 and 32 in said Township and Range;
Thence South 88°14'58" East 1,294.69 feet to the TRUE POINT OF BEGINNING;

Thence from the true point of beginning, South 88°14'58" East 755.85 feet;
Thence South 01°45'02" West 404.55 feet;
Thence South 88°24'50" East 540.00 feet;
Thence South 01°35'10" West 1,938.52 feet to a point on the Northerly right of way line of Wedekind Road;
Thence along said Northerly right of way line, North 89°46'31" West 308.22 feet;
Thence leaving said right of way line, North 04°15'02" West 208.71 feet;
Thence South 85°44'58" West 208.71 feet;
Thence South 04°15'02" East 208.71 feet to a point on said Northerly right of way line of Wedekind Road;
Thence continuing along said Northerly right of way line, South 85°44'58" West 405.04 feet;
Thence South 85°42'48" West 162.69 feet;
Thence South 89°58'40" West 154.24 feet;
Thence South 85°17'59" West 112.52 feet;
Thence South 59°56'39" West 124.13 feet;
Thence South 50°48'30" West 144.70 feet to a point of intersection of the Northerly right of way line of Wedekind Road and the Northerly right of way line of McCarran Boulevard;
Thence along said Northerly right of way line of McCarran Boulevard, North 74°57'40" West 717.48 feet;
Thence North 78°00'45" West 540.21 feet;
Thence North 48°53'14" West 93.45 feet to a point of intersection of the Northerly right of way line of McCarran Boulevard and the Easterly right of way line of Sullivan Lane;
Thence along said Easterly right of way line, North 00°03'22" East 112.18 feet;
Thence North 13°42'32" East 327.65 feet;
Thence North 22°01'47" East 271.80 feet;
Thence North 62°41'25" West 7.09 feet;
Thence North 26°50'31" East 222.00 feet;
Thence along the arc of a tangent curve to the left with a radius of 530.00 feet, through a central angle of 51°48'00", an arc distance of 479.16 feet;
Thence North 24°57'29" West 1,572.30 feet;
Thence along the arc of a tangent curve to the left with a radius of 780.00 feet through a central angle of 37°17'30", an arc distance of 507.67 feet;
Thence North 62°14'59" West 270.19 feet;
Thence leaving said Easterly right of way line of Sullivan Lane, North 00°24'15" East 318.72 feet;
Thence North 89°38'38" East, 1,303.11 feet;
Thence South 88°16'57" East, 1,300.63 feet;
Thence South 00°23'48" West 1,307.35 feet more or less, to the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM those portions conveyed to Sierra Pacific Power Company by deed recorded May 24, 1978, in Book 1246, Page 457, as Document No. 533928, Official Records, and June 17, 1978, in Book 1265, Page 334, as Document No. 541079, Official Records.

ALSO EXCEPTING THEREFROM that portion conveyed to C. Richard Capurro, et al, by deed recorded December 3, 1984, in Book 2100, Page 611, as Document No. 965159, Official Records.

APN: 027-011-05

Document No. 345693 is provided pursuant to the requirements of Section 6.NRS 111.312.

ATTACHMENT ONE (Revised 05-06-16)

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990

EXCLUSIONS FROM COVERAGE

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

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

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

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

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

EXCLUSIONS

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

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 5,000.00

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

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

EXCEPTIONS FROM COVERAGE

{Except as provided in Schedule B - Part II, { t{or T}his policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

{PART I

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

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records. }

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage: }

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;

- or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
 3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
 5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

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

EXCEPTIONS FROM COVERAGE

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

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

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records. }
7. { Variable exceptions such as taxes, easements, CC&R's, etc. shown here. }

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY – ASSESSMENTS PRIORITY (04-02-15)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters

- (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- 4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
 - 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
 - 6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
 - 7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
 - 8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
 - 9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
 - 10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
 - 11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

Note: Notice of Available Title Insurance and Escrow Discounts

Your transaction may qualify for one of the discounts shown below. In order to receive these discounts, you will need to contact your escrow officer or a company representative to determine if you qualify and to request the discount. Your escrow officer or company representative will provide a full description of the terms, conditions and requirements associated with each discount.

Available Title Insurance Discounts (These discounts will apply to all transactions where the company is issuing a policy of title insurance, including such transactions where the company is not providing escrow closing services.)

CREDIT FOR PRELIMINARY TITLE REPORTS AND/OR COMMITMENT CANCELLATION CHARGES ON SUBSEQUENT POLICIES

Where an order was cancelled and no major change in the title has occurred since the issuance of the original report or commitment, and the order is reopened within 24 - 36 months, all or a portion of the charge previously paid upon the cancellation of the report or commitment may be credited on a subsequent policy charge.

SHORT TERM RATE

The Short Term Rate is a reduction of the applicable insurance rate which is allowable only when the current order is placed within 60 months from the date of issuance of a prior policy of title insurance to the vested owner or an assignee of the interest insured. The short term rate is 80% of the Basic Rate. Unless otherwise stated, the reduction only applies to policies priced at 80% or greater of the basic rate. This reduction does not apply to Short Sale transactions or to any surcharge calculated on the basic rate.

PRIOR POLICY DISCOUNT (APPLICABLE TO ZONE 2, DIRECT OPERATIONS ONLY)

The Prior Policy Discount will apply when a seller or borrower provides a copy of their owner's policy upon opening escrow. The prior policy rate is 70% of the applicable owner's title premium. This discount may not be used in combination with any other discount and can only be used in transactions involving property located in Zone 2 (Zone 2 includes all Nevada counties except Clark, Lincoln and Nye) that are handled by a direct operation of the FNF Family of Companies.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities the charge for a policy shall be 50% to 70% of the appropriate title insurance rate, depending on the type of coverage selected. This discount shall not apply to charges for loan policies issued concurrently with an owner's policy.

EMPLOYEE RATE

No charge shall be made to employees of the Company, its subsidiary or affiliated companies (including employees on approved retirement) for policies issued in connection with financing, refinancing, sale or purchase of the employee's bonafide home property. Waiver of such charges is authorized only in connection with those costs which the employee would be obligated to pay, by established custom, as a party to the transaction.

INVESTOR RATE

This rate is available for individuals, groups of individuals or entities customarily engaged in real estate investments. The parties must provide reasonable proof that they currently hold title to or have transferred title to three (3) or more investment properties in the State of Nevada within the past twelve (12) months to qualify for this rate. On a sale transaction, the investor rate is 70% of the basic rate. This reduction does not apply to any surcharge calculated on the basic rate. On a refinance transaction or where the investor is obtaining a loan subsequent to a purchase, the rate shall be 85% of the applicable rate with a minimum charge of \$385.00. The loan discount shall only apply to transactions priced under Section 5.1 B (1b) of the title insurance rate manual. This rate is available upon request only.

Available Escrow Discounts These discounts will apply only to the escrow fee portion of your settlement charges, and the discounts will apply only if the company is issuing a policy of title insurance in conjunction with providing escrow services.

SENIOR CITIZEN RATE

If a valid identification is provided, principals to a given transaction who qualify as Senior Citizens (55 year of age and over) shall be charged 70% of their portion of the escrow fee wherein a valid identification is provided. This discount shall only apply on residential resale transactions wherein the principal resides in the subject property. This discount may not be used in combination with any other escrow rate discount. This rate is available upon request only.

MILITARY DISCOUNT

Any person on active military duty or a Veteran of the U.S. Armed Forces shall be charged 80% of their portion of the escrow fee. A copy of a current military identification card or a copy of the DD-214 (Certificate of Release or Discharge from Active Duty) must be provided. This discount may not be used in combination with any other discount. This rate is for sale transaction and it is available upon request only.

FIRST TIME HOMEBUYER RATE (APPLICABLE TO ZONE 2 ONLY)

A first time homebuyer of an owner-occupied residential property shall be charged 75% of their portion of the escrow fee, provided reasonable evidence is presented that this is their first home. Applies to all counties **except** Clark, Lincoln and Nye. This discount may not be used in combination with any other discount. This rate is for sale transactions and it is available upon request only.

EMPLOYEE RATES

An employee will not be charged an escrow fee for the purchase, sale or refinance of the employee's primary residence. The employee must be a principal to the transaction and the request for waiver of fees must be submitted to Management prior to approval.

INVESTOR RATE

This rate is available for individuals, groups of individuals or entities customarily engaged in real estate transactions. The parties must provide reasonable proof that they currently hold title to or have transferred title to three (3) or more investment properties within the State of Nevada within the past twelve (12) months to qualify for this rate. The charge is 70% of their portion of the escrow fee. This discount may not be used in combination with any other discount. This rate is for sale transactions and it is available upon request, only.

FIDELITY NATIONAL FINANCIAL

PRIVACY NOTICE

At Fidelity National Financial, Inc., we respect and believe it is important to protect the privacy of consumers and our customers. This Privacy Notice explains how we collect, use, and protect any information that we collect from you, when and to whom we disclose such information, and the choices you have about the use of that information. A summary of the Privacy Notice is below, and we encourage you to review the entirety of the Privacy Notice following this summary. You can opt-out of certain disclosures by following our opt-out procedure set forth at the end of this Privacy Notice.

Types of Information Collected. You may provide us with certain personal information about you, like your contact information, address demographic information, social security number (SSN), driver's license, passport, other government ID numbers and/or financial information. We may also receive browsing information from your Internet browser, computer and/or mobile device if you visit or use our websites or applications.	How Information is Collected. We may collect personal information from you via applications, forms, and correspondence we receive from you and others related to our transactions with you. When you visit our websites from your computer or mobile device, we automatically collect and store certain information available to us through your Internet browser or computer equipment to optimize your website experience.
Use of Collected Information. We request and use your personal information to provide products and services to you, to improve our products and services, and to communicate with you about these products and services. We may also share your contact information with our affiliates for marketing purposes.	When Information Is Disclosed. We may disclose your information to our affiliates and/or nonaffiliated parties providing services for you or us, to law enforcement agencies or governmental authorities, as required by law, and to parties whose interest in title must be determined.
Choices With Your Information. Your decision to submit information to us is entirely up to you. You can opt-out of certain disclosure or use of your information or choose to not provide any personal information to us.	Information From Children. We do not knowingly collect information from children who are under the age of 13, and our website is not intended to attract children.
Privacy Outside the Website. We are not responsible for the privacy practices of third parties, even if our website links to those parties' websites.	International Users. By providing us with you information, you consent to its transfer, processing and storage outside of your country of residence, as well as the fact that we will handle such information consistent with this Privacy Notice.
The California Online Privacy Protection Act. Some FNF companies provide services to mortgage loan servicers and, in some cases, their websites collect information on behalf of mortgage loan servicers. The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through those websites.	
Your Consent To This Privacy Notice. By submitting information to us or by using our website, you are accepting and agreeing to the terms of this Privacy Notice.	Access and Correction; Contact Us. If you desire to contact us regarding this notice or your information, please contact us at privacy@fnf.com or as directed at the end of this Privacy Notice.

FIDELITY NATIONAL FINANCIAL, INC. PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing title insurance, real estate- and loan-related services (collectively, “FNF”, “our” or “we”) respect and are committed to protecting your privacy. We will take reasonable steps to ensure that your Personal Information and Browsing Information will only be used in compliance with this Privacy Notice and applicable laws. This Privacy Notice is only in effect for Personal Information and Browsing Information collected and/or owned by or on behalf of FNF, including Personal Information and Browsing Information collected through any FNF website, online service or application (collectively, the “Website”).

Types of Information Collected

We may collect two types of information from you: Personal Information and Browsing Information.

Personal Information. FNF may collect the following categories of Personal Information:

- contact information (e.g., name, address, phone number, email address);
- demographic information (e.g., date of birth, gender, marital status);
- social security number (SSN), driver's license, passport, and other government ID numbers;
- financial account information; and
- other personal information needed from you to provide title insurance, real estate- and loan-related services to you.

Browsing Information. FNF may collect the following categories of Browsing Information:

- Internet Protocol (or IP) address or device ID/UDID, protocol and sequence information;
- browser language and type;
- domain name system requests;
- browsing history, such as time spent at a domain, time and date of your visit and number of clicks;
- http headers, application client and server banners; and
- operating system and fingerprinting data.

How Information is Collected

In the course of our business, we may collect *Personal Information* about you from the following sources:

- applications or other forms we receive from you or your authorized representative;
- the correspondence you and others send to us;
- information we receive through the Website;
- information about your transactions with, or services performed by, us, our affiliates or nonaffiliated third parties; and
- information from consumer or other reporting agencies and public records maintained by governmental entities that we obtain directly from those entities, our affiliates or others.

If you visit or use our Website, we may collect *Browsing Information* from you as follows:

- Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain browsing information about each visitor. The Browsing Information includes generic information and reveals nothing personal about the user.
- Cookies. When you visit our Website, a “cookie” may be sent to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer’s hard drive. When you visit a website again, the cookie allows the website to recognize your computer. Cookies may store user preferences and other information. You can choose whether or not to accept cookies by changing your Internet browser settings, which may impair or limit some functionality of the Website.

Use of Collected Information

Information collected by FNF is used for three main purposes:

- To provide products and services to you or any affiliate or third party who is obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services.
- To communicate with you and to inform you about our, our affiliates’ and third parties’ products and services, jointly or independently.

When Information Is Disclosed

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) and Browsing Information to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Please see the section “Choices With Your Personal Information” to learn how to limit the discretionary disclosure of your Personal Information and Browsing Information.

Disclosures of your Personal Information may be made to the following categories of affiliates and nonaffiliated third parties:

- to third parties to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure;
- to our affiliate financial service providers for their use to market their products or services to you;
- to nonaffiliated third party service providers who provide or perform services on our behalf and use the disclosed information only in connection with such services;
- to nonaffiliated third party service providers with whom we perform joint marketing, pursuant to an agreement with them to market financial products or services to you;
- to law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoena or court order;
- to lenders, lien holders, judgment creditors, or other parties claiming an interest in title whose claim or interest must be determined, settled, paid, or released prior to closing; and

- other third parties for whom you have given us written authorization to disclose your Personal Information.

We may disclose Personal Information and/or Browsing Information when required by law or in the good-faith belief that such disclosure is necessary to:

- comply with a legal process or applicable laws;
- enforce this Privacy Notice;
- investigate or respond to claims that any material, document, image, graphic, logo, design, audio, video or any other information provided by you violates the rights of a third party; or
- protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep your Personal Information secure. When we provide Personal Information to our affiliates or third party service providers as discussed in this Privacy Notice, we expect that these parties process such information in compliance with our Privacy Notice or in a manner that is in compliance with applicable privacy laws. The use of your information by a business partner may be subject to that party's own Privacy Notice. Unless permitted by law, we do not disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent.

We reserve the right to transfer your Personal Information, Browsing Information, and any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets, or in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors. You expressly agree and consent to the use and/or transfer of the foregoing information in connection with any of the above described proceedings. We cannot and will not be responsible for any breach of security by a third party or for any actions of any third party that receives any of the information that is disclosed to us.

Choices With Your Information

Whether you submit Personal Information or Browsing Information to FNF is entirely up to you. If you decide not to submit Personal Information or Browsing Information, FNF may not be able to provide certain services or products to you. The uses of your Personal Information and/or Browsing Information that, by law, you cannot limit, include:

- for our everyday business purposes – to process your transactions, maintain your account(s), to respond to law
- enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court
- orders, or report to credit bureaus;
- for our own marketing purposes;
- for joint marketing with financial companies; and
- for our affiliates' everyday business purposes – information about your transactions and experiences.

You may choose to prevent FNF from disclosing or using your Personal Information and/or Browsing Information under the following circumstances ("opt-out"):

- for our affiliates' everyday business purposes – information about your creditworthiness; and
- for our affiliates to market to you.

To the extent permitted above, you may opt-out of disclosure or use of your Personal Information and Browsing Information by notifying us by one of the methods at the end of this Privacy Notice. We do not share your personal information with non-affiliates for their direct marketing purposes.

For California Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties, except as permitted by California law. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

For Nevada Residents: You may be placed on our internal Do Not Call List by calling (888) 934-3354 or by contacting us via the information set forth at the end of this Privacy Notice. Nevada law requires that we also provide you with the following contact information: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; email: BCPINFO@ag.state.nv.us.

For Oregon Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties for marketing purposes, except after you have been informed by us of such sharing and had an opportunity to indicate that you do not want a disclosure made for marketing purposes.

For Vermont Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties, except as permitted by Vermont law, such as to process your transactions or to maintain your account. In addition, we will not share information about your creditworthiness with our affiliates except with your authorization. For joint marketing in Vermont, we will only disclose your name, contact information and information about your transactions.

Information From Children

The Website is meant for adults and is not intended or designed to attract children under the age of thirteen (13). We do not collect Personal Information from any person that we know to be under the age of thirteen (13) without permission from a parent or guardian. By using the Website, you affirm that you are over the age of 13 and will abide by the terms of this Privacy Notice.

Privacy Outside the Website

The Website may contain links to other websites. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites.

International Users

FNF's headquarters is located within the United States. If you reside outside the United States or are a citizen of the European Union, please note that we may transfer your Personal Information and/or Browsing Information outside of your country of residence or the European Union for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information and/or Browsing Information, you consent to our collection and transfer of such information in accordance with this Privacy Notice.

The California Online Privacy Protection Act

FNF Privacy Statement (Eff. 5/1/2015) Last Updated March 1, 2017
MISC0219 (DSI Rev. 3/2/17)

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Page 3 Order No. 01702907-098-TO-CLP

For some FNF websites, such as the Customer CareNet ("CCN"), FNF is acting as a third party service provider to a mortgage loan servicer. In those instances, we may collect certain information on behalf of that mortgage loan servicer via the website. The information which we may collect on behalf of the mortgage loan servicer is as follows:

- first and last name;
- property address;
- user name and password;
- loan number;
- social security number - masked upon entry;
- email address;
- three security questions and answers; and
- IP address.

The information you submit through the website is then transferred to your mortgage loan servicer by way of CCN. **The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through this website. For example, if you believe that your payment or user information is incorrect, you must contact your mortgage loan servicer.**

CCN does not share consumer information with third parties, other than (1) those with which the mortgage loan servicer has contracted to interface with the CCN application, or (2) law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders. All sections of this Privacy Notice apply to your interaction with CCN, except for the sections titled "Choices with Your Information" and "Access and Correction." If you have questions regarding the choices you have with regard to your personal information or how to access or correct your personal information, you should contact your mortgage loan servicer.

Your Consent To This Privacy Notice

By submitting Personal Information and/or Browsing Information to FNF, you consent to the collection and use of the information by us in compliance with this Privacy Notice. Amendments to the Privacy Notice will be posted on the Website. Each time you provide information to us, or we receive information about you, following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you submit to us in any manner that we may choose without notice or compensation to you.

Accessing and Correcting Information; Contact Us

If you have questions, would like to access or correct your Personal Information, or want to opt-out of information sharing with our affiliates for their marketing purposes, please send your requests to privacy@fnf.com or by mail or phone to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354

**Vivian Carvin
1806 Alexander Hamilton Dr.
Reno, NV 89509
(775) 333- 9504**

October 17, 2017

Mr. Andy Durling
Wood Rodgers
1361 Corporate Boulevard
Reno, NV 89502

REVISED

Re: Water Right Research for Wild Creek Golf Course

Dear Mr. Durling:

The following is a summary of the research I did at the Nevada Division of Water Resources (NDWR) and the Washoe County Recorder's Office related to the water rights appurtenant to APN 027-011-05. Water right research was performed using the data available from the NDWR and Washoe County Recorder Office.

Results of Research:

SURFACE WATER:

Permit No. 78563 - Certificate No. 18122:

506.784 AFA (Duty of 4.0 acre feet per acre from all sources) from Wells Creek
Manner of Use is Recreation to Irrigate Wildcreek Golf Course
on APN's 027-011-05 and 035-080-04.

Permit No. 78564 – Certificate No. 18123:

69.20 AFA (Duty of 4.0 acre feet per acre from all sources) from Truckee River via Orr
Ditch
Manner of Use is Recreation to Irrigate Wildcreek Golf Course
on APN's 027-011-05 and 035-080-04.

Permit Nos. 78563 and 78563 have a combined duty of not to exceed 520.19 acre feet per acre from all sources. There is a total of 43.2 afa on 10.8 acres within APN 035-080-04.

Water right Permits are in the name of Reno-Sparks Convention and Visitors Authority and land is in the name of Washoe County

GROUND WATER:

There were no wells or ground water found on APN 027-011-05.

EFFLUENT WATER:

Wildcreek Golf Course also receives water from the Cites of Reno-Sparks Effluent program. The water is billed out as rate used based on gallons, very similar to Truckee Meadows Water Authority (TMWA) billing. At this time there is also a structure and deliver fee to help cover the cost of building service to Wildcreek Golf Course. I do not have any details on the cost that are spent on these services.

CONCLUSION:

The water rights that are appurtenant to APN 027-011-05 are portions of Permit Nos. 78563 and 78564, being 119.39 acres at a duty of 4 acre feet per acre for a total of **477.56 afa**. The remaining 43.2 afa of water would be appurtenant to APN 035-080-04

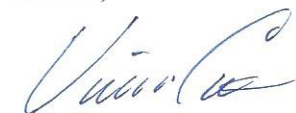
Permit No. 78563 (Wells Creek) will not easily be converted to TMWA since it is a creek right. A meeting with TMWA would be required to see if they have way to use the creek rights.

Permit No. 78564 can be turned to Municipal and into TMWA service areas by filing an Application to Change at the Nevada State Engineer's Office. The value of these rights would be around \$5000.00 per acre foot.

I have attached the copies of the Certificate Nos. 18122 and 18123 and the map showing the place of use irrigation rights of certificates. On the map I also show the outline of APN 027-011-05 and Wells Creek coming onto property.

Please give me a call if you have any questions.

Thanks,



Vivian Carvin

EXHIBIT F

Title Report

[see attached]



PRELIMINARY REPORT

Proposed Buyer:

Proposed Lender

Proposed Loan Amount: \$0.00

Property Address: 3500 Sullivan Lane, Sparks, Nevada

Escrow Office:

Ticor Title of Nevada, Inc.

5441 Kietzke Lane, Suite 100

Reno, NV 89511

Phone: (775) 324-7400 Fax: (775) 324-7402

Escrow Officer: Title Only

Customer No.: /

Title Office:

Ticor Title of Nevada, Inc.

5441 Kietzke Lane, Suite 100

Reno, NV 89511

Phone: (775) 324-7400 Fax: (775) 324-7402

Order No.: 01702907-TO

**The information contained in this report is through the date of
June 7, 2017 at 7:30 a.m.**

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

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

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

The policy(s) of title insurance to be issued hereunder will be policy(s) of Chicago Title Insurance Company.

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

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

A handwritten signature in black ink, appearing to read 'Cheryl Perez'.

Cheryl Perez, Title Officer

THE FOLLOWING REQUIREMENTS MUST BE MET PRIOR TO CLOSE OF ESCROW:

1. Pay current all taxes, sewer, water and Waste Management fees.
2. If an ALTA/Extended Owners Policy is requested, this office will require an ALTA/NSPS Land Title Survey prior to the close of this transaction.
3. Provide to title insurer an Owners Affidavit prior to close of this transaction. Additional requirements may be requested upon receipt and review.
4. The requirement that a copy of the Staff Report and Motion and approval of same by the County of Washoe, State of Nevada, acting through its Reno-Sparks Convention Authority be furnished to this Company authorizing or ratifying the proposed conveyance of herein described land.

The Company reserves the right of add additional items or make further requirements after review of the required documentation.

5. Information in the possession of the Company indicates that a division of land has occurred or is contemplated in the current transaction involving the Land described in this report. Such contemplated division of land appears to fall within the purview of N.R.S. 278. As a prerequisite to the issuance of any title insurance under this application, at least one of the following requirements must be accomplished to the Company's satisfaction:

A Subdivision or Parcel Map has been recorded in compliance with N.R.S. 278 or Washoe County related ordinances/requirements.

Evidence of compliance with N.R.S. 278 or waiver from Washoe County.

Other evidence, satisfactory to the Company, indicating compliance or non-violation must be furnished.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

6. Please be advised that our search did not disclose any open Deeds of Trust of record. If you should have knowledge of any outstanding obligation, please contact the Title Department immediately for further review prior to closing.

SCHEDULE A

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

FEE

Title to said estate or interest at the date hereof is vested in:

County of Washoe, State of Nevada, acting through its Reno-Sparks Convention Authority

The land referred to in this Report is situate in the State of Nevada, County of Washoe and described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

SCHEDULE B

At the date hereof Exceptions to coverage in addition to the printed exceptions and exclusions in said policy form would be as follows:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof, (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.
6. Any lien or right to lien for services, labor or material not shown in the Public Records.
7. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2017-2018. Tax Identification No.: 027-011-05
8. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Nevada Revised Statutes.
9. Any unpaid sewer service charges plus interest and penalties, which would create a lien and attach to said Land, pursuant to Sparks Municipal Code. Specific amounts may be obtained by calling (775) 353-2360.
10. Any unpaid charges for Waste Management, plus any interest and/or penalties, which would create a lien and attach to said Land, pursuant to Nevada Revised Statutes.
11. Water rights, claims or title to water, whether or not disclosed by the public records.
12. Rights of way for any existing roads and alleys, trails, canals, ditches, flumes, conduits, pipes, poles or transmission lines on, under, over, through or across the Land.
13. Rights of way for the Orr Ditch, and any easements pertaining thereto, including but not limited to any prescriptive or implied rights and/or easements.
14. Reservations, exceptions and provisions contained in the patent from the United States of America, and in the acts authorizing the issuance thereof.
Recording Date: August 20, 1897
Recording No: Book A, Page 579, Patent Records
Affects: That portion of said land lying within Section 31

15. Reservations, exceptions and provisions contained in the patent from the State of Nevada, and in the acts authorizing the issuance thereof.
Recording Date: December 17, 1901
Recording No: Book A, Page 710, Patent Records
Affects: That portion of said land lying within the North ½ of the Northwest ¼ and the Southwest ¼ of the Northwest ¼ of Section 32
16. Reservations, exceptions and provisions contained in the patent from the State of Nevada, and in the acts authorizing the issuance thereof.
Recording Date: June 4, 1906
Recording No: Book B, Page 103, as Document No. 955, Patent Records
Affects: That portion of said land lying within Section 30
17. Reservations, exceptions and provisions contained in the patent from the United States of America, and in the acts authorizing the issuance thereof.
Recording Date: February 7, 1945
Recording No: Book E, Page 238, as Document No. 127349, Patent Records
Affects: That portion of said land lying within Section 29
18. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation
Purpose: an electric power line consisting of steel or wooden poles, with necessary guys and anchors and other necessary or convenient appurtenances connected therewith
Recording Date: September 15, 1949
Recording No: Book S, Page 379, as Document No. 177177, Bonds and Agreements Records
Affects: The Northerly portion of said land
19. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Bell Telephone Company of Nevada, a corporation
Purpose: underground wires, cables and other electrical conductors with associated conduits and other appurtenances
Recording Date: January 2, 1951
Recording No: Book 270, Page 310, as Document No. 191347, Deed Records
Affects: The Northwesterly portion of said land
20. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation
Purpose: a communication and electric power line and other appurtenances
Recording Date: August 29, 1952
Recording No: Book 305, Page 386, as Document No. 208887, Deed Records
Affects: The Southerly portion of said land
21. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation
Purpose: an electric power line, communication equipment and other appurtenances
Recording Date: September 18, 1953
Recording No: Book 330, Page 445, as Document No. 220453, Deed Records
Affects: The Southerly portion of said land

22. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation
Purpose: an electric power line, communication equipment and other appurtenances
Recording Date: September 18, 1953
Recording No: Book 330, Page 447, as Document No. 220454, Deed Records
Affects: The Southerly portion of said land
23. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation and Bell Telephone Company of Nevada
Purpose: underground anchors together with overhead guy wires
Recording Date: March 3, 1964
Recording No: Book 736, Page 305, as Document No. 408236, Deed Records
Affects: The Easterly portion of said land
24. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a corporation
Purpose: an electric power line, communication equipment and other appurtenances
Recording Date: January 27, 1966
Recording No: Book 148, Page 497, as Document No. 51065, Official Records
Affects: The Northerly portion of said land
25. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Bell Telephone Company of Nevada
Purpose: communication facilities, other electrical conductors and other appurtenances
Recording Date: April 21, 1971
Recording No: Book 537, Page 330, as Document No. 203794, Official Records
Affects: The Northwesterly portion of said land
26. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: construct, maintain and repair an open ditch or drain, tile drain or pipeline drain
Recording Date: February 26, 1973
Recording No: Book 711, Page 39, as Document No. 276847, Official Records
Affects: The Northwesterly portion of said land
27. Easement(s) and rights incidental thereto as delineated or as offered for dedication on Record of Survey Map No. 865
Recording Date: July 22, 1974
Recording No: 334575, Official Records

28. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: an electric power line, communication equipment and other appurtenances
Recording Date: February 15, 1977
Recording No: Book 1052, Page 471, as Document No. 449286, Official Records
Affects: The Northwesterly portion of said land
29. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Bell Telephone Company of Nevada
Purpose: communication facilities and appurtenances
Recording Date: February 25, 1977
Recording No: Book 1055, Page 691, as Document No. 450965, Official Records
Affects: The Northwesterly portion of said land
30. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation and Bell Telephone Company of Nevada, a corporation
Purpose: a communication and electric power line and other appurtenances
Recording Date: April 18, 1977
Recording No: Book 1072, Page 626, as Document No. 459730, Official Records
Affects: The Northwesterly portion of said land
31. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: electric underground facilities and other appurtenances
Recording Date: May 17, 1977
Recording No: Book 1082, Page 507, as Document No. 465102, Official Records
Affects: The Southeasterly portion of said land
32. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: an electric power line, communication equipment and other appurtenances
Recording Date: May 17, 1977
Recording No: Book 1082, Page 521, as Document No. 465109, Official Records
Affects: The Southerly portion of said land
33. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Bell Telephone Company of Nevada
Purpose: communication facilities and appurtenances
Recording Date: November 7, 1977
Recording No: Book 1152, Page 148, as Document No. 496733, Official Records
Affects: The Northwesterly portion of said land

34. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: City of Sparks, a municipal corporation
Purpose: a sanitary sewer pipeline easement
Recording Date: January 13, 1978
Recording No: Book 1182, Page 520, as Document No. 508672, Official Records
Affects: The Southwesterly portion of said land
35. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation and Bell Telephone Company of Nevada, a corporation
Purpose: overhead and underground electric power and communication lines and other appurtenances
Recording Date: May 24, 1978
Recording No: Book 1246, Page 459, as Document No. 533929, Official Records
Affects: The Northwesterly portion of said land
36. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sierra Pacific Power Company, a Nevada corporation
Purpose: underground anchors together with overhead guy wires
Recording Date: April 30, 1980
Recording No: Book 1498, Page 928, as Document No. 670542, Official Records
Affects: The Southwesterly portion of said land
37. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: Sun Valley Water & Sanitation District, a quasi-municipal corporation and body politic organized and to the County of Washoe, a political subdivision of the State of Nevada
Purpose: a sewer line, lines or drains beneath the surface of the real property and other appurtenances
Recording Date: April 28, 1981
Recording No: Book 1625, Page 941, as Document No. 736068, Official Records
Affects: The Westerly portion of said land
38. Terms, provisions and conditions as contained in an instrument
Entitled: Resolution of Intent of Assignment
Executed by: The County of Washoe, by and through the Reno-Sparks Convention/Tourism Authority
Recording Date: May 18, 1983
Recording No.: Book 1867, Page 676, as Document No. 855523, Official Records
39. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: The City of Sparks, a municipal corporation
Purpose: a perpetual access and public utility easement
Recording Date: November 21, 1989
Recording No: Book 2996, Page 737, as Document No. 1363968, Official Records
Affects: The Northwesterly portion of said land

40. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: The City of Sparks, a municipal corporation
Purpose: a permanent easement and right-of-way for sanitary sewer facilities
Recording Date: February 9, 1996
Recording No: Book 4496, Page 589, as Document No. 1966931, Official Records
Affects: The Southwesterly portion of said land
41. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
Granted to: The City of Sparks, a municipal corporation and the State of Nevada
Purpose: storm drain facilities, together with other necessary or convenient appurtenances connected therewith
Recording Date: May 17, 2001
Recording No: 2554517 Official Records
Affects: The Southwesterly portion of said land
- Terms, provisions and conditions as contained in an instrument
Entitled: Notice of Description of Final Easement Area and Partial Release of Easement
Executed by: The County of Washoe, a political subdivision of the State of Nevada and the Reno Sparks Convention & Visitors Authority
Recording Date: August 2, 2004
Recording No.: 3077449, Official Records
42. Rights and claims of parties in possession by reason of unrecorded leases, if any, that would be disclosed by an inquiry of the parties or by an inspection of said Land.

INFORMATIONAL NOTES

Note: Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:

Assessor's Parcel No.: 027-011-05

Fiscal Year: 2016-2017

Total Taxes: \$614.66

Note: The charge for a policy of title insurance, when issued through this title order, will be based on the Basic Title Insurance Rate.

Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.

Note: The following information is provided strictly as an accommodation. According to the Assessor, the address of the Land is as follows:

Type of Dwelling: Golf Course

Address: 3500 Sullivan Lane, Sparks, Nevada

Order No.: 01702907-TO

EXHIBIT A

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

Situate in the Southwest quarter of the Southwest quarter of Section 29; the Southeast quarter of the Southeast quarter of Section 30; the Northeast quarter of Section 31; and the Northwest quarter of Section 32, all in Township 20 North, Range 20 East, M.D.B.&M., Washoe County, Nevada, also being reflected as portion of Parcel 2 and 4 on Record of Survey Map No. 865, filed in the office of the County Recorder of Washoe County, Nevada on July 22, 1974, as File No. 334575, Official Records, and being described as follows:

Commencing at the Section corner common to Section 29, 30, 31 and 32 in said Township and Range;
Thence South 88°14'58" East 1,294.69 feet to the TRUE POINT OF BEGINNING;

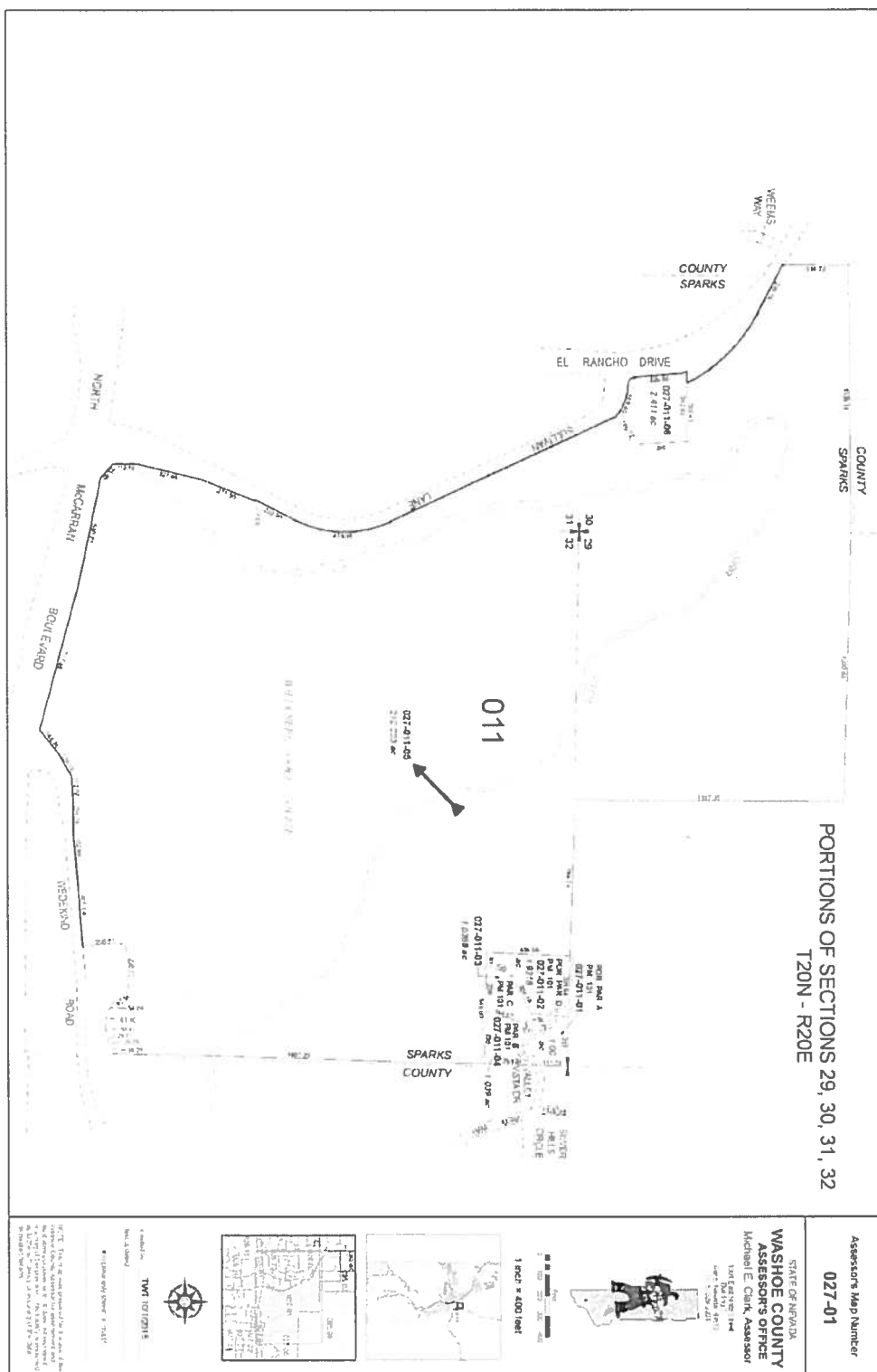
Thence from the true point of beginning, South 88°14'58" East 755.85 feet;
Thence South 01°45'02" West 404.55 feet;
Thence South 88°24'50" East 540.00 feet;
Thence South 01°35'10" West 1,938.52 feet to a point on the Northerly right of way line of Wedekind Road;
Thence along said Northerly right of way line, North 89°46'31" West 308.22 feet;
Thence leaving said right of way line, North 04°15'02" West 208.71 feet;
Thence South 85°44'58" West 208.71 feet;
Thence South 04°15'02" East 208.71 feet to a point on said Northerly right of way line of Wedekind Road;
Thence continuing along said Northerly right of way line, South 85°44'58" West 405.04 feet;
Thence South 85°42'48" West 162.69 feet;
Thence South 89°58'40" West 154.24 feet;
Thence South 85°17'59" West 112.52 feet;
Thence South 59°56'39" West 124.13 feet;
Thence South 50°48'30" West 144.70 feet to a point of intersection of the Northerly right of way line of Wedekind Road and the Northerly right of way line of McCarran Boulevard;
Thence along said Northerly right of way line of McCarran Boulevard, North 74°57'40" West 717.48 feet;
Thence North 78°00'45" West 540.21 feet;
Thence North 48°53'14" West 93.45 feet to a point of intersection of the Northerly right of way line of McCarran Boulevard and the Easterly right of way line of Sullivan Lane;
Thence along said Easterly right of way line, North 00°03'22" East 112.18 feet;
Thence North 13°42'32" East 327.65 feet;
Thence North 22°01'47" East 271.80 feet;
Thence North 62°41'25" West 7.09 feet;
Thence North 26°50'31" East 222.00 feet;
Thence along the arc of a tangent curve to the left with a radius of 530.00 feet, through a central angle of 51°48'00", an arc distance of 479.16 feet;
Thence North 24°57'29" West 1,572.30 feet;
Thence along the arc of a tangent curve to the left with a radius of 780.00 feet through a central angle of 37°17'30", an arc distance of 507.67 feet;
Thence North 62°14'59" West 270.19 feet;
Thence leaving said Easterly right of way line of Sullivan Lane, North 00°24'15" East 318.72 feet;
Thence North 89°38'38" East, 1,303.11 feet;
Thence South 88°16'57" East, 1,300.63 feet;
Thence South 00°23'48" West 1,307.35 feet more or less, to the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM those portions conveyed to Sierra Pacific Power Company by deed recorded May 24, 1978, in Book 1246, Page 457, as Document No. 533928, Official Records, and June 17, 1978, in Book 1265, Page 334, as Document No. 541079, Official Records.

ALSO EXCEPTING THEREFROM that portion conveyed to C. Richard Capurro, et al, by deed recorded December 3, 1984, in Book 2100, Page 611, as Document No. 965159, Official Records.

APN: 027-011-05

Document No. 345693 is provided pursuant to the requirements of Section 6.NRS 111.312.



ATTACHMENT ONE (Revised 05-06-16)

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990

EXCLUSIONS FROM COVERAGE

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

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

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

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

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

EXCLUSIONS

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

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 5,000.00

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

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

EXCEPTIONS FROM COVERAGE

{Except as provided in Schedule B - Part II, { t{or T}his policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

{PART I

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

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.)

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:}

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
- 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
- 5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

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

EXCEPTIONS FROM COVERAGE

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

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

- 1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- 2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
- 3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
- 4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
- 6. Any lien or right to a lien for services, labor or material not shown by the Public Records. }
- 7. {Variable exceptions such as taxes, easements, CC&R's, etc. shown here.}

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY – ASSESSMENTS PRIORITY (04-02-15)

EXCLUSIONS FROM COVERAGE

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

- 1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters

- (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- 4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
 - 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
 - 6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
 - 7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
 - 8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
 - 9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
 - 10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
 - 11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

Note: Notice of Available Title Insurance and Escrow Discounts

Your transaction may qualify for one of the discounts shown below. In order to receive these discounts, you will need to contact your escrow officer or a company representative to determine if you qualify and to request the discount. Your escrow officer or company representative will provide a full description of the terms, conditions and requirements associated with each discount.

Available Title Insurance Discounts (These discounts will apply to all transactions where the company is issuing a policy of title insurance, including such transactions where the company is not providing escrow closing services.)

CREDIT FOR PRELIMINARY TITLE REPORTS AND/OR COMMITMENT CANCELLATION CHARGES ON SUBSEQUENT POLICIES

Where an order was cancelled and no major change in the title has occurred since the issuance of the original report or commitment, and the order is reopened within 24 - 36 months, all or a portion of the charge previously paid upon the cancellation of the report or commitment may be credited on a subsequent policy charge.

SHORT TERM RATE

The Short Term Rate is a reduction of the applicable insurance rate which is allowable only when the current order is placed within 60 months from the date of issuance of a prior policy of title insurance to the vested owner or an assignee of the interest insured. The short term rate is 80% of the Basic Rate. Unless otherwise stated, the reduction only applies to policies priced at 80% or greater of the basic rate. This reduction does not apply to Short Sale transactions or to any surcharge calculated on the basic rate.

PRIOR POLICY DISCOUNT (APPLICABLE TO ZONE 2, DIRECT OPERATIONS ONLY)

The Prior Policy Discount will apply when a seller or borrower provides a copy of their owner's policy upon opening escrow. The prior policy rate is 70% of the applicable owner's title premium. This discount may not be used in combination with any other discount and can only be used in transactions involving property located in Zone 2 (Zone 2 includes all Nevada counties except Clark, Lincoln and Nye) that are handled by a direct operation of the FNF Family of Companies.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities the charge for a policy shall be 50% to 70% of the appropriate title insurance rate, depending on the type of coverage selected. This discount shall not apply to charges for loan policies issued concurrently with an owner's policy.

EMPLOYEE RATE

No charge shall be made to employees of the Company, its subsidiary or affiliated companies (including employees on approved retirement) for policies issued in connection with financing, refinancing, sale or purchase of the employee's bonafide home property. Waiver of such charges is authorized only in connection with those costs which the employee would be obligated to pay, by established custom, as a party to the transaction.

INVESTOR RATE

This rate is available for individuals, groups of individuals or entities customarily engaged in real estate investments. The parties must provide reasonable proof that they currently hold title to or have transferred title to three (3) or more investment properties in the State of Nevada within the past twelve (12) months to qualify for this rate. On a sale transaction, the investor rate is 70% of the basic rate. This reduction does not apply to any surcharge calculated on the basic rate. On a refinance transaction or where the investor is obtaining a loan subsequent to a purchase, the rate shall be 85% of the applicable rate with a minimum charge of \$385.00. The loan discount shall only apply to transactions priced under Section 5.1 B (1b) of the title insurance rate manual. This rate is available upon request only.

Available Escrow Discounts These discounts will apply only to the escrow fee portion of your settlement charges, and the discounts will apply only if the company is issuing a policy of title insurance in conjunction with providing escrow services.

SENIOR CITIZEN RATE

If a valid identification is provided, principals to a given transaction who qualify as Senior Citizens (55 year of age and over) shall be charged 70% of their portion of the escrow fee wherein a valid identification is provided. This discount shall only apply on residential resale transactions wherein the principal resides in the subject property. This discount may not be used in combination with any other escrow rate discount. This rate is available upon request only.

MILITARY DISCOUNT

Any person on active military duty or a Veteran of the U.S. Armed Forces shall be charged 80% of their portion of the escrow fee. A copy of a current military identification card or a copy of the DD-214 (Certificate of Release or Discharge from Active Duty) must be provided. This discount may not be used in combination with any other discount. This rate is for sale transaction and it is available upon request only.

FIRST TIME HOMEBUYER RATE (APPLICABLE TO ZONE 2 ONLY)

A first time homebuyer of an owner-occupied residential property shall be charged 75% of their portion of the escrow fee, provided reasonable evidence is presented that this is their first home. Applies to all counties **except** Clark, Lincoln and Nye. This discount may not be used in combination with any other discount. This rate is for sale transactions and it is available upon request only.

EMPLOYEE RATES

An employee will not be charged an escrow fee for the purchase, sale or refinance of the employee's primary residence. The employee must be a principal to the transaction and the request for waiver of fees must be submitted to Management prior to approval.

INVESTOR RATE

This rate is available for individuals, groups of individuals or entities customarily engaged in real estate transactions. The parties must provide reasonable proof that they currently hold title to or have transferred title to three (3) or more investment properties within the State of Nevada within the past twelve (12) months to qualify for this rate. The charge is 70% of their portion of the escrow fee. This discount may not be used in combination with any other discount. This rate is for sale transactions and it is available upon request, only.

FIDELITY NATIONAL FINANCIAL

PRIVACY NOTICE

At Fidelity National Financial, Inc., we respect and believe it is important to protect the privacy of consumers and our customers. This Privacy Notice explains how we collect, use, and protect any information that we collect from you, when and to whom we disclose such information, and the choices you have about the use of that information. A summary of the Privacy Notice is below, and we encourage you to review the entirety of the Privacy Notice following this summary. You can opt-out of certain disclosures by following our opt-out procedure set forth at the end of this Privacy Notice.

<p>Types of Information Collected. You may provide us with certain personal information about you, like your contact information, address demographic information, social security number (SSN), driver's license, passport, other government ID numbers and/or financial information. We may also receive browsing information from your Internet browser, computer and/or mobile device if you visit or use our websites or applications.</p>	<p>How Information is Collected. We may collect personal information from you via applications, forms, and correspondence we receive from you and others related to our transactions with you. When you visit our websites from your computer or mobile device, we automatically collect and store certain information available to us through your Internet browser or computer equipment to optimize your website experience.</p>
<p>Use of Collected Information. We request and use your personal information to provide products and services to you, to improve our products and services, and to communicate with you about these products and services. We may also share your contact information with our affiliates for marketing purposes.</p>	<p>When Information Is Disclosed. We may disclose your information to our affiliates and/or nonaffiliated parties providing services for you or us, to law enforcement agencies or governmental authorities, as required by law, and to parties whose interest in title must be determined.</p>
<p>Choices With Your Information. Your decision to submit information to us is entirely up to you. You can opt-out of certain disclosure or use of your information or choose to not provide any personal information to us.</p>	<p>Information From Children. We do not knowingly collect information from children who are under the age of 13, and our website is not intended to attract children.</p>
<p>Privacy Outside the Website. We are not responsible for the privacy practices of third parties, even if our website links to those parties' websites.</p>	<p>International Users. By providing us with you information, you consent to its transfer, processing and storage outside of your country of residence, as well as the fact that we will handle such information consistent with this Privacy Notice.</p>
<p>The California Online Privacy Protection Act. Some FNF companies provide services to mortgage loan servicers and, in some cases, their websites collect information on behalf of mortgage loan servicers. The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through those websites.</p>	
<p>Your Consent To This Privacy Notice. By submitting information to us or by using our website, you are accepting and agreeing to the terms of this Privacy Notice.</p>	<p>Access and Correction; Contact Us. If you desire to contact us regarding this notice or your information, please contact us at privacy@fnf.com or as directed at the end of this Privacy Notice.</p>

FIDELITY NATIONAL FINANCIAL, INC. PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing title insurance, real estate- and loan-related services (collectively, “FNF”, “our” or “we”) respect and are committed to protecting your privacy. We will take reasonable steps to ensure that your Personal Information and Browsing Information will only be used in compliance with this Privacy Notice and applicable laws. This Privacy Notice is only in effect for Personal Information and Browsing Information collected and/or owned by or on behalf of FNF, including Personal Information and Browsing Information collected through any FNF website, online service or application (collectively, the “Website”).

Types of Information Collected

We may collect two types of information from you: Personal Information and Browsing Information.

Personal Information. FNF may collect the following categories of Personal Information:

- contact information (e.g., name, address, phone number, email address);
- demographic information (e.g., date of birth, gender, marital status);
- social security number (SSN), driver's license, passport, and other government ID numbers;
- financial account information; and
- other personal information needed from you to provide title insurance, real estate- and loan-related services to you.

Browsing Information. FNF may collect the following categories of Browsing Information:

- Internet Protocol (or IP) address or device ID/UDID, protocol and sequence information;
- browser language and type;
- domain name system requests;
- browsing history, such as time spent at a domain, time and date of your visit and number of clicks;
- http headers, application client and server banners; and
- operating system and fingerprinting data.

How Information is Collected

In the course of our business, we may collect *Personal Information* about you from the following sources:

- applications or other forms we receive from you or your authorized representative;
- the correspondence you and others send to us;
- information we receive through the Website;
- information about your transactions with, or services performed by, us, our affiliates or nonaffiliated third parties; and
- information from consumer or other reporting agencies and public records maintained by governmental entities that we obtain directly from those entities, our affiliates or others.

If you visit or use our Website, we may collect *Browsing Information* from you as follows:

- Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain browsing information about each visitor. The Browsing Information includes generic information and reveals nothing personal about the user.
- Cookies. When you visit our Website, a “cookie” may be sent to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive. When you visit a website again, the cookie allows the website to recognize your computer. Cookies may store user preferences and other information. You can choose whether or not to accept cookies by changing your Internet browser settings, which may impair or limit some functionality of the Website.

Use of Collected Information

Information collected by FNF is used for three main purposes:

- To provide products and services to you or any affiliate or third party who is obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services.
- To communicate with you and to inform you about our, our affiliates' and third parties' products and services, jointly or independently.

When Information is Disclosed

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) and Browsing Information to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Please see the section “Choices With Your Personal Information” to learn how to limit the discretionary disclosure of your Personal Information and Browsing Information.

Disclosures of your Personal Information may be made to the following categories of affiliates and nonaffiliated third parties:

- to third parties to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure;
- to our affiliate financial service providers for their use to market their products or services to you;
- to nonaffiliated third party service providers who provide or perform services on our behalf and use the disclosed information only in connection with such services;
- to nonaffiliated third party service providers with whom we perform joint marketing, pursuant to an agreement with them to market financial products or services to you;
- to law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoena or court order;
- to lenders, lien holders, judgment creditors, or other parties claiming an interest in title whose claim or interest must be determined, settled, paid, or released prior to closing; and

- other third parties for whom you have given us written authorization to disclose your Personal Information.

We may disclose Personal Information and/or Browsing Information when required by law or in the good-faith belief that such disclosure is necessary to:

- comply with a legal process or applicable laws;
- enforce this Privacy Notice;
- investigate or respond to claims that any material, document, image, graphic, logo, design, audio, video or any other information provided by you violates the rights of a third party; or
- protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep your Personal Information secure. When we provide Personal Information to our affiliates or third party service providers as discussed in this Privacy Notice, we expect that these parties process such information in compliance with our Privacy Notice or in a manner that is in compliance with applicable privacy laws. The use of your information by a business partner may be subject to that party's own Privacy Notice. Unless permitted by law, we do not disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent.

We reserve the right to transfer your Personal Information, Browsing Information, and any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets, or in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors. You expressly agree and consent to the use and/or transfer of the foregoing information in connection with any of the above described proceedings. We cannot and will not be responsible for any breach of security by a third party or for any actions of any third party that receives any of the information that is disclosed to us.

Choices With Your Information

Whether you submit Personal Information or Browsing Information to FNF is entirely up to you. If you decide not to submit Personal Information or Browsing Information, FNF may not be able to provide certain services or products to you. The uses of your Personal Information and/or Browsing Information that, by law, you cannot limit, include:

- for our everyday business purposes – to process your transactions, maintain your account(s), to respond to law
- enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court
- orders, or report to credit bureaus;
- for our own marketing purposes;
- for joint marketing with financial companies; and
- for our affiliates' everyday business purposes – information about your transactions and experiences.

You may choose to prevent FNF from disclosing or using your Personal Information and/or Browsing Information under the following circumstances ("opt-out"):

- for our affiliates' everyday business purposes – information about your creditworthiness; and
- for our affiliates to market to you.

To the extent permitted above, you may opt-out of disclosure or use of your Personal Information and Browsing Information by notifying us by one of the methods at the end of this Privacy Notice. We do not share your personal information with non-affiliates for their direct marketing purposes.

For California Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties, except as permitted by California law. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

For Nevada Residents: You may be placed on our internal Do Not Call List by calling (888) 934-3354 or by contacting us via the information set forth at the end of this Privacy Notice. Nevada law requires that we also provide you with the following contact information: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; email: BCPINFO@ag.state.nv.us.

For Oregon Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties for marketing purposes, except after you have been informed by us of such sharing and had an opportunity to indicate that you do not want a disclosure made for marketing purposes.

For Vermont Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties, except as permitted by Vermont law, such as to process your transactions or to maintain your account. In addition, we will not share information about your creditworthiness with our affiliates except with your authorization. For joint marketing in Vermont, we will only disclose your name, contact information and information about your transactions.

Information From Children

The Website is meant for adults and is not intended or designed to attract children under the age of thirteen (13). We do not collect Personal Information from any person that we know to be under the age of thirteen (13) without permission from a parent or guardian. By using the Website, you affirm that you are over the age of 13 and will abide by the terms of this Privacy Notice.

Privacy Outside the Website

The Website may contain links to other websites. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites.

International Users

FNF's headquarters is located within the United States. If you reside outside the United States or are a citizen of the European Union, please note that we may transfer your Personal Information and/or Browsing Information outside of your country of residence or the European Union for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information and/or Browsing Information, you consent to our collection and transfer of such information in accordance with this Privacy Notice.

The California Online Privacy Protection Act

FNF Privacy Statement (Eff. 5/1/2015) Last Updated March 1, 2017
MISC0219 (DSI Rev. 3/2/17)

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Page 3 Order No. 01702907-098-TO-CLP

For some FNF websites, such as the Customer CareNet ("CCN"), FNF is acting as a third party service provider to a mortgage loan servicer. In those instances, we may collect certain information on behalf of that mortgage loan servicer via the website. The information which we may collect on behalf of the mortgage loan servicer is as follows:

- first and last name;
- property address;
- user name and password;
- loan number;
- social security number - masked upon entry;
- email address;
- three security questions and answers; and
- IP address.

The information you submit through the website is then transferred to your mortgage loan servicer by way of CCN. **The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through this website. For example, if you believe that your payment or user information is incorrect, you must contact your mortgage loan servicer.**

CCN does not share consumer information with third parties, other than (1) those with which the mortgage loan servicer has contracted to interface with the CCN application, or (2) law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders. All sections of this Privacy Notice apply to your interaction with CCN, except for the sections titled "Choices with Your Information" and "Access and Correction." If you have questions regarding the choices you have with regard to your personal information or how to access or correct your personal information, you should contact your mortgage loan servicer.

Your Consent To This Privacy Notice

By submitting Personal Information and/or Browsing Information to FNF, you consent to the collection and use of the information by us in compliance with this Privacy Notice. Amendments to the Privacy Notice will be posted on the Website. Each time you provide information to us, or we receive information about you, following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you submit to us in any manner that we may choose without notice or compensation to you.

Accessing and Correcting Information; Contact Us

If you have questions, would like to access or correct your Personal Information, or want to opt-out of information sharing with our affiliates for their marketing purposes, please send your requests to privacy@fnf.com or by mail or phone to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354

EXHIBIT G

RSCVA Quitclaim Deed

[see attached]

APNs: 027-011-07, 027-011-08, 027-011-09

Escrow No. _____

The undersigned hereby affirms that this document, including any exhibits, hereby submitted for recording DOES NOT contain the social security number of a person or persons as required by law.

WHEN RECORDED, MAIL TO:

Washoe County
Attention: County Manager
P.O. Box 11130
Reno, Nevada 89520

MAIL TAX STATEMENTS TO:

Washoe County
Attention: County Manager
P.O. Box 11130
Reno, Nevada 89520

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is acknowledged, the RENO-SPARKS CONVENTION AND VISITORS AUTHORITY, a County Fair and Recreation Board created pursuant to Nevada Revised Statutes Chapter 244A, does hereby RELEASE AND FOREVER QUITCLAIM to WASHOE COUNTY, a political subdivision of the State of Nevada, (whose address is: P.O. Box 11130, Reno, Nevada 89520), all the right, title and interest of the undersigned in and to the real property situate in the County of Washoe, State of Nevada, described in **Exhibit "A"** attached hereto and incorporated herein by this reference.

TOGETHER WITH the tenements, hereditaments and appurtenances, including easements, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof but excluding therefrom all appurtenant water rights which shall be subject to separate conveyance, if applicable.

DATED: ____ day of _____, 2019.

RENO-SPARKS CONVENTION AND
VISITORS AUTHORITY, a County Fair
and Recreation Board created pursuant to
Nevada Revised Statutes Chapter 244A

By: _____
Philip DeLone
Its: President/CEO

STATE OF NEVADA)
) ss.
COUNTY OF Washoe)

This instrument was acknowledged before me on _____, 2019, by Philip DeLone, as President and CEO of RENO-SPARKS CONVENTION AND VISITORS AUTHORITY, a County Fair and Recreation Board created pursuant to Nevada Revised Statutes Chapter 244A.

Notary Public
My Commission Expires: _____

EXHIBIT "A"

Legal Description

EXHIBIT H

Bill of Sale

[see attached]

BILL OF SALE

The undersigned, RENO-SPARKS CONVENTION AND VISITORS AUTHORITY, a County Fair And Recreation Board created pursuant to Nevada Revised Statutes Chapter 244A ("RSCVA"), for good and valuable consideration, the receipt of which is hereby acknowledged, and pursuant to that certain Cooperative Agreement for Wildcreek Golf Course Property, dated as of _____, 2019 (as amended, modified or supplemented to date, the "Agreement"), by and among the RSCVA, Washoe County, a political subdivision of the State of Nevada ("Washoe County") and the Washoe County School District, does hereby sell, assign, transfer, and convey to Washoe County, all of the right, title and interest of the RSCVA, if any, in and to the Wildcreek Golf Course Equipment. All capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Agreement.

Washoe County agrees to accept the Wildcreek Golf Course Equipment in its "AS-IS" condition and "WITH ALL FAULTS".

RSCVA hereby covenants that it will, at any time and from time to time upon written request by Washoe County, execute and deliver to Washoe County, its nominees, successors and/or assigns, any new or confirmatory instruments and do and perform any other acts which Washoe County, its nominees, successors and/or assigns, may request in order to fully transfer possession and control of, and protect the rights of Washoe County, its nominees, successors and/or assigns in, all of the Wildcreek Golf Course Equipment intended to be transferred and assigned hereby.

The parties hereto expressly agree that this Bill of Sale will be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Nevada. This Bill of Sale is binding upon and inures to the benefit of the successors and assigns of the parties hereto. If any term or provision of this Bill of Sale will be deemed to be invalid or unenforceable to any extent, the remainder of this Bill of Sale will not be affected thereby, and each remaining term and provision of this Agreement will be valid and be enforced to the fullest extent permitted by law.

This Bill of Sale is subject to all of the terms, conditions and limitations set forth in the Agreement. In the event that any provision of this Bill of Sale shall be construed to conflict with a provision of the Agreement, the provision of the Agreement shall be deemed to be controlling.

[Signature appears on the following page.]

IN WITNESS WHEREOF, RSCVA has caused this Bill of Sale to be executed as of this
____ day o _____, 2019.

RENO-SPARKS CONVENTION AND
VISITORS AUTHORITY, a County Fair
and Recreation Board created pursuant to
Nevada Revised Statutes Chapter 244A

By: _____
Philip DeLone
Its: President/CEO

EXHIBIT I

GBS Deed

[see attached]

APN: 027-011-08

Escrow No. _____

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

WHEN RECORDED, MAIL TO:

Washoe County School District
Attn: Chief Operating Officer
14101 Old Virginia Road
Reno, NV 89521

MAIL TAX STATEMENTS TO:

Washoe County School District
Attn: Chief Operating Officer
14101 Old Virginia Road
Reno, NV 89521

GRANT, BARGAIN AND SALE DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, WASHOE COUNTY, a political subdivision of the State of Nevada, does hereby GRANT, BARGAIN and SELL to the WASHOE COUNTY SCHOOL DISTRICT, a political subdivision of the State of Nevada, (whose address is: 14101 Old Virginia Road, Reno, NV 89521), the real property situate in the County of Washoe, State of Nevada, described in **Exhibit "A"** attached hereto and incorporated herein by this reference.

TOGETHER with the tenements, hereditaments and appurtenances, including easements, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof, but excluding therefrom all appurtenant water rights which shall be subject to separate conveyance, if applicable.

SUBJECT TO:

1. General taxes for the current fiscal tax year.
2. All covenants, conditions, restrictions, reservations, rights, right-of-way and easements recorded against the Land prior to or concurrently with this Deed, and all other matters of record as of the date hereof

DATED: this _____ day of _____, 2019.

WASHOE COUNTY, a political subdivision of
the State of Nevada

By: _____
Marsha Berkbigler
Chairperson
Board of County Commissioners

STATE OF NEVADA)
)ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 2019, by Marsha Berkbigler, Chairperson, Board of County Commissioners.

Notary Public
My Commission Expires: _____

EXHIBIT "A"

Legal Description

EXHIBIT J

Effluent Agreement Release

[see attached]

TO BE COMPLETED

EXHIBIT K

RSCVA Water Rights Deed

[see attached]

Escrow No. _____

The undersigned hereby affirms that this document, including any exhibits, hereby submitted for recording DOES NOT contain the social security number of a person or persons as required by law.

WHEN RECORDED, MAIL TO:

Washoe County
Attention: County Manager
P.O. Box 11130
Reno, Nevada 89520

MAIL TAX STATEMENTS TO:

Washoe County
Attention: County Manager
P.O. Box 11130
Reno, Nevada 89520

WATER RIGHTS DEED

FOR A VALUABLE CONSIDERATION, receipt of which is acknowledged, the RENO-SPARKS CONVENTION AND VISITORS AUTHORITY, a County Fair and Recreation Board created pursuant to Nevada Revised Statutes Chapter 244A, does hereby RELEASE AND FOREVER QUITCLAIM to WASHOE COUNTY, a political subdivision of the State of Nevada, (whose address is: P.O. Box 11130, Reno, Nevada 89520), all the right, title and interest of the undersigned in and to those certain waters and water rights under the permits as described in **Exhibit "A"** attached hereto and incorporated herein by this reference.

TOGETHER WITH the tenements, hereditaments and appurtenances, including easements, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof.

DATED: ____ day of _____, 2019.

RENO-SPARKS CONVENTION AND
VISITORS AUTHORITY, a County Fair
and Recreation Board created pursuant to
Nevada Revised Statutes Chapter 244A

By: _____
Philip DeLone
Its: President/CEO

STATE OF NEVADA)
) ss.
COUNTY OF Washoe)

This instrument was acknowledged before me on _____, 2019, by Philip DeLone, as President and CEO of RENO-SPARKS CONVENTION AND VISITORS AUTHORITY, a County Fair and Recreation Board created pursuant to Nevada Revised Statutes Chapter 244A.

Notary Public
My Commission Expires: _____

EXHIBIT "A"

Description of Water Rights Conveyed

EXHIBIT L

County Water Rights Deed

[see attached]

Escrow No. _____

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

WHEN RECORDED, MAIL TO:

Washoe County School District
Attn: Chief Operating Officer
14101 Old Virginia Road
Reno, NV 89521

MAIL TAX STATEMENTS TO:

Washoe County School District
Attn: Chief Operating Officer
14101 Old Virginia Road
Reno, NV 89521

WATER RIGHTS DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, WASHOE COUNTY, a political subdivision of the State of Nevada, does hereby RELEASE AND FOREVER QUITCLAIM to the WASHOE COUNTY SCHOOL DISTRICT, a political subdivision of the State of Nevada, (whose address is: 14101 Old Virginia Road, Reno, NV 89521), all the right, title and interest of the undersigned in and to those certain waters and water rights under the permits as described in **Exhibit "A"** attached hereto and incorporated herein by this reference.

TOGETHER WITH the tenements, hereditaments and appurtenances, including easements, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof.

DATED: this _____ day of _____, 2019.

WASHOE COUNTY, a political subdivision of
the State of Nevada

By: _____
Marsha Berkbigler
Chairperson
Board of County Commissioners

STATE OF NEVADA)
)ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 2019, by Marsha Berkbigler, Chairperson, Board of County Commissioners.

Notary Public
My Commission Expires: _____

EXHIBIT "A"

Description of Water Rights Conveyed

EXHIBIT M

Golf Management Agreement

[see attached]

**GOLF MANAGEMENT LICENSE
AND SERVICES AGREEMENT**

FOR WILDCREEK GOLF COURSE

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EXHIBITS

Exhibit A	Insurance Requirements
Exhibit B	Golf Course Operation, Maintenance and Performance Standards
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GOLF MANAGEMENT LICENSE AND SERVICES AGREEMENT FOR WILDCREEK GOLF COURSE

This AGREEMENT (the "Agreement") is entered into as of the last date of a signatory hereto by and between the Reno Sparks Convention and Visitors Authority, a political subdivision of the State of Nevada, (the "Authority") and Golf at Wildcreek, LLC (the "Contractor"), a Nevada limited liability company, and an affiliated company of Duncan Golf Management, Inc.

W I T N E S S E T H

1. RECITALS

The Authority requires certain golf management services be performed, and the Contractor represents that it is qualified, equipped, staffed, ready, willing and able to perform and render such services for the Authority as stated in this Agreement.

2. SCOPE OF SERVICES

The Authority owns and operates Wildcreek Golf Course (the "Golf Course"), which is located at 3500 Sullivan Lane, Sparks, Nevada, and includes 212 acres, with a 27-hole golf course, which is composed of an 18-hole par 72, 7,047 yard course, and a 9-hole par 27, 1,420 yard course. Wildcreek Golf Course includes a clubhouse, bar & grill, pro shop, driving range, maintenance facilities, and other associated facilities.

During the term of this Agreement, Contractor shall have the exclusive right and license at Wildcreek Golf Course (the "Golf Course") to operate and manage all parts of Golf Course, including without limitation, to operate and manage Golf Course as Contractor deems appropriate by implementing all policies and procedures and to perform any act deemed necessary or desirable for the operation and management of Golf Course; to maintain all the golf course property, operate, manage and supervise daily play, golf shop, food and beverage services, driving range and putting practice greens, maintenance facilities, club house and infrastructures on the property; and to provide lessons, choose and maintain all play and maintenance equipment, advertise and promote public play and the sale of merchandise and services.

3. TERM/BUSINESS LICENSE

This Agreement shall be for a period of five years and two months, commencing May 1, 2018 and ending June 30, 2023. Consideration for renewal shall include, but not be limited to, the Contractor satisfactorily performing all professional golf management services herein described, receiving rating of satisfactory-or-above on all evaluations and achieving the performance benchmarks as stated herein. Contractor shall be required to obtain a valid business license prior to commencing performance on this Agreement.

4. REPORTING AND SCHEDULES

4.1 Accurate and complete records will be required of all monies received and disbursed in the operation of the Golf Course. Accounting records, books, or ledgers appropriate for the Golf Course operating must be maintained on an ongoing and orderly basis. The format for the accounting of all revenues and expenses for the Golf Course shall be subject to review and approval by the Authority. All accounting records must be made available to the Authority for inspection and audit upon request. In addition, Contractor shall be required to prepare an itemized monthly report as specified in Subsection 12.3 of this Agreement disclosing all revenues and expenses for the preceding month and shall submit such report to the Authority within ten (10) business days of the preceding month. Contractor shall be required to submit in its monthly report statistics summarizing the activities of the Golf Course, including traffic flow, income generation, Obligations honored (see Subsection 15.2), and maintenance along with other information deemed necessary by the Authority.

4.2 Within one month following the end of the calendar year, the Contractor will be required to submit a detailed annual report summarizing the activities for the previous calendar year, including discussion of possible improvements, upgrades, fees (see Subsection 6.4), sales and marketing plan (see Subsection 9.1) and suggested capital projects to enhance the Golf Course, along with other information deemed necessary by the Authority.

4.3 Contractor shall prepare and submit to Authority liability/property loss reports on circumstances which may arise.

5. STATUS OF CONTRACTOR/DEVELOPMENT

5.1 Contractor shall have the status of an "Independent Contractor" as defined by NRS 284.173, and shall not be entitled to any of the rights, privileges, benefits, and emoluments of either an officer or employee of the Authority.

5.2 As of the Effective Date, it is currently contemplated that the Authority will, at some point in the future, convey ownership of the real property constituting the Golf Course (the "Real Property") to Washoe County, with the intent that Washoe County would then convey an undefined portion of such real property to the Washoe County School District ("WCSD") for the construction of a school. Contractor acknowledges and agrees that the foregoing transfer and development of the Real Property will impact the Golf Course and will reduce the number of golf holes available for play depending on which portion of the Real Property is transferred to the WCSD. Contractor acknowledges that the Golf Course may be subject to extended closure during construction and development of the school, and may be subject to significant reconfiguration. Contractor agrees that extended closure of the Golf Course during development as well as the development of the Real Property itself shall not be deemed a default by Authority hereunder, nor shall Contractor oppose such development or seek any damages from Authority based thereon, including, but not limited to, damages based on any extended closure, development of the Real Property, loss of golf holes or reconfiguration of the Golf Course.

5.3 As a nonbinding expression of intent, Authority's and Contractor's current understanding of the matters stated in Subsection 5.2 above will have the following consequences:

- De-commissioning of the existing 18-hole course and driving range, and assistance in planning related to a potential new driving range location and possible reconfiguration of additional holes as necessary for a sustainable practice course;
- The clubhouse, and associated buildings, will likely remain;
- The 9-hole par 27 course will likely remain in its current configuration;
- There may be impacts to operations, irrigation and other facilities as the construction of the new school occurs;
- Washoe County will be assigned this Agreement and assume its obligations; and
- Washoe County will use proceeds from the sale of the school parcel for public purposes on the remaining parcel.

If any of these consequences vary or do not occur in the future neither Authority nor Contractor will be deemed to be in breach of this Agreement.

6. DUTIES AND SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor, its designated PGA certified Professional Golf Instructor ("Professional"), employees and staff shall perform all duties in accordance with the best interest of the Authority, subject to the direction and authority of the Authority or designee.

6.1 Contractor shall operate, manage, and maintain the course in a safe and efficient manner in accordance with established policies. Such operation and management shall include, without limitation, the collection of fees, regulation of play, conduct of persons on course, enforcement of the rules and regulations of course, and soliciting and coordinating tournaments. Contractor shall operate, manage, and maintain a satisfactory golf shop in a professional, up-to-date manner to include, but not be limited to, sales and rental of golf equipment, clothing, and accessories. Contractor shall stock and maintain an inventory of golf-related merchandise, supplies and equipment in keeping with demand. Contractor shall maintain golf course property including clubhouse, maintenance shop, and all infrastructures of the property, at minimum, to the levels of maintenance stated in Exhibit "B", ("Golf Course Operation, Maintenance and Performance Standards").

6.2 Contractor has sole right to operate and manage all food and beverage concessions, or to enter into separate management agreements for their operation.

6.2.1 Contractor shall be responsible for providing and meeting all necessary permits, fees, rules, and regulations for the sale of food or beverages and must maintain an "A" rating as designated by the local health authority.

6.2.2 Contractor, with prior approval of the Authority, may keep upon the premises machines used for vending of goods, wares or merchandise.

6.3 Contractor shall determine all personnel requirements, recruitment schedules and compensation levels and shall employ, train, promote, discharge and supervise all personnel performing services in and about the Golf Course

6.4 Contractor shall have the right and responsibility, subject to limitations set for below, to establish all fees, including, but not limited to, green fees, cart fees, driving range fees, annual passes, play tickets, tournament fees, merchandise, lessons and all other charges associated with operation of Golf Course.

The Golf Course is a public facility. Contractor must annually, in its annual report described in Subsection 4.2 of this Agreement, inform the Authority of the intended fee structure for the up-coming year. Contractor shall also inform Authority of any changes in fees during the year.

6.5 All changes in exterior view signage must be approved by the Authority. All interior signs shall be computer or print generated (absolutely no hand written signs) and shall be neatly and prominently displayed, unless approved by Authority.

6.6 Contractor shall establish accounting, cash collection and payroll procedures in compliance with generally accepted accounting principles as stated in Section 12 ("Collection of Receipts and Accounting") of this Agreement.

6.7 Contractor shall provide lessons and instructions in golf by a Professional.

6.8 Contractor shall operate, manage, and supervise the use of the driving range and all putting practice greens and control and regulate their use in such a manner as to prevent hazards or dangers to any person.

6.8.1 Contractor shall furnish, without cost to Authority, all equipment (not provided by Authority for Contractor's use) necessary for the suitable operation of the driving range, including practice golf balls and mats for use by persons who are entitled to use the driving range.

6.8.2 Contractor shall provide and maintain daily equipment (not provided by Authority for Contractor's use), including token machines and yardage markers, for the driving range. Any deficiencies will be noticed by Authority to the Contractor in writing and shall be corrected as soon as possible or, in the case of replacement of equipment or golf balls, within thirty (30) days.

6.9 Contractor shall provide and supervise all starter and player activity functions, collect green fees and coordinate player starts, and furnish, at no cost to Authority, suitable and qualified personnel in adequate number to insure efficient performance of such duties.

6.10 Contractor shall effectively advertise, market and promote public and tournament play at the Golf Course and the sale of golf-related merchandise and services.

6.11 Contractor shall provide, maintain and make available to the public at reasonable rental fees an adequate supply of all equipment necessary to play the game of golf including without limitation, golf clubs and hand carts, and power driven golf carts, to the extent not provided by Authority for Contractor's use. All carts shall be consecutively pre-numbered and maintained in good operating condition. The exterior and interior of all carts shall be maintained in a clean condition.

6.12 Contractor shall assume full responsibility and expense for all electric, gas, water for domestic use, sewer, garbage, telephone service and repairs, intrusion alarm monitoring, cable TV, electrical or gas cart service, and maintenance of all cart storage areas. Water for Golf Course irrigation shall be supplied by Authority as stated in Section 16.

6.13 Contractor shall provide portable display platforms, signs, equipment or devices for the purpose of advertising or demonstrating the services, merchandise or equipment for sale or rent in the pro shop.

6.14 Contractor shall maintain stocks of golf merchandise, golf supplies and equipment in keeping with the demand.

6.15 Contractor shall coordinate with volunteers, Men's and Women's Clubs, community organizations, junior and golf development programs, and promote youth and senior golf opportunities to enhance golf programs and customer service offerings.

6.16 Contractor shall promptly pay any and all taxes imposed by the local, state or federal government, utility bills, merchant invoices, and all other liabilities with respect to its operation of the Golf Course.

6.17 Contractor shall comply with all applicable ordinances, laws, rules, and regulations of the Authority, city, county, state, and federal government; and of any political subdivision or agency, authority or commission thereof, which may have jurisdiction to pass laws, ordinances, or make and enforce rules or regulations with respect to the operations of the Golf Course.

6.18 Contractor shall, upon termination of the Agreement, surrender to the Authority the Golf Course in as good condition as when received, ordinary wear and tear excepted.

6.19 Except as stated otherwise herein, Contractor shall operate and manage the Golf Course on Contractor's own credit and hold harmless Authority from any and all claims, demands or liability on account thereof. Authority shall not be responsible for any debts incurred by the Contractor in the performance of this Agreement.

6.20 Contractor shall provide and maintain a golf driving range, including turf and sprinkler maintenance.

6.21 Contractor shall maintain all facilities located on the real property that constitutes the Golf Course in good repair and function, including without limitation: the club house; golf course holes; landscape and planted areas; signs and posters; food and beverage concessions; parking area; maintenance buildings and yard; and irrigation system, including filters and pumping facilities. Contractor shall be responsible for all minor repairs and maintaining all improvements and modifications to the Golf Course that Contractor has installed or caused to be installed. Repairs or improvements made by Contractor shall be subject to the provisions of Section 28 "Alterations and Improvements by Contractor", at its own expense.

7 SERVICES AND FACILITIES TO BE PROVIDED BY AUTHORITY

7.1 Authority shall keep and maintain major structures of the clubhouse and maintenance shops in the current condition as the same exists of the date of the execution of this Agreement. "Major structures" for maintenance or repair include pump stations, roof, walls, foundations, HVAC, electrical, and plumbing. In addition, any other capital expenditures or improvements exceeding \$5,000 shall be the responsibility of Authority provided that the Authority, in its sole discretion, has agreed to make such improvements and has allocated funding for such improvements. The decision by Authority to make any capital repair or improvement which is not otherwise mandated by the terms of this Agreement shall be in the Authority's sole and absolute discretion.

7.2 Authority shall be responsible for the cost of all capital repairs and replacements to the irrigation and pump system serving the Golf Course as necessary for the operation of the Golf Course, as well as any necessary life/safety repairs, provided that such equipment is properly maintained by Contractor according to industry standards. The Authority shall not be responsible for repairs or maintenance necessitated by Contractor's negligence or neglect. Maintenance related to the foregoing shall be performed by, or at the direction of Contractor, at Contractor's sole cost and expense.

7.3 Authority may perform an annual audit and testing for compliance with Agreement.

8 PROFESSIONAL STANDARDS APPLICABLE TO GOLF PROFESSIONAL

At least one Professional of Contractor providing services at the Golf Course is required to maintain the status of the Professional Golf Association (PGA) certified Class A Professional during the term of this Agreement.

9 MARKETING AND ADVERTISING

Contractor is responsible for effectively advertising, marketing and promoting public and tournament play at the Golf Course and the sale of golf-related merchandise and services.

9.1 Contractor shall, in its annual report described in Subsection 4.2, submit to Authority an annual sales and marketing plan for the Golf Course. Authority shall have the right to comment upon and make suggestions with respect to said plan, provided, however, while Contractor shall consider all of Authority's suggestions and comments, Contractor shall not be obligated to implement the same.

9.2 Contractor acknowledges that the Golf Course is a public golf course, and as such, Contractor is expected to use discretion in the choice of advertising and marketing to ensure its appropriateness. Authority retains the right to request removal of advertising or marketing that it deems inappropriate.

10 HOURS OF OPERATION

Contractor shall devote adequate staff and attention to operate and manage an efficient golf course. Contractor shall notify the Authority in its annual report described in Subsection 4.2 of its annual schedule setting forth the minimum days and hours during the year (weather permitting) when the Golf Course shall be open for play. Contractor is responsible for the security of Golf Course facilities and assets during all times it is closed. Contractor shall have the discretion to close the Golf Course at any time between December 1st and March 31st of each golf season, or during inclement weather. On days the Golf Course is open, the pro shop will be open.

11 ESTABLISHMENT OF RATES

The Contractor shall determine green fee rates by comparison with green fees in Washoe County and Carson City, Nevada at comparable daily fee golf courses.

12 COLLECTION OF RECEIPTS AND ACCOUNTING

The following apply to Contractor and all management or service subcontractors. Contractor is responsible for ensuring any management or service subcontractors adhere to the following.

12.1 Definitions: The term "green fees" shall be defined as all revenue collected from daily regular green fees, ticket and annual discounted fees, advance reservation fees, or other categories of revenue which may be established by the Contractor. A "tournament" is defined as any group of more than twelve (12) wishing to have "blocked" or pre-designated tee or start times, including "shot-gun" starts. Tournament revenues are a part of "green fees", however their revenues are to be collected and reported separately as "Tournament Revenues". Tournament rounds of play are to be accounted for on the day of play.

12.1.1 "Ticket" and "annual" fees include any fee which entitles a person to use the Golf Course, exclusive of tournament play.

12.2 Contractor shall establish cash collection and payroll procedures in compliance with generally accepted accounting principles; train and monitor all staff in the appropriate cash handling practices; at all times monitor and ensure the safety of all monetary exchanges; adhere to accepted credit card and other personal information security standards; and limit the amount of cash and cash equivalences on site through regular banking procedures.

12.3 Contractor shall submit to Authority in its monthly report described in Subsection 4.2 the rounds of play and gross revenue, which will include green fees, advance reservation fees, annual and ticket sales, cart income, tournament income, driving range income, pro shop sales, food sales, beverage sales, catering in addition to all other items of receipts, and will state that cash register tapes, and daily statements of receipts have been reconciled and are in agreement. Contractor shall be responsible for and explain any overages or shortages for the period.

12.4 Contractor shall establish and maintain complete books of accounts and other records showing all business transacted in connection with the operation of the Golf Course in compliance with generally accepted accounting principles.

12.5 Contractor agrees to install and maintain a system of accounts acceptable to Authority and its auditors.

12.5.1 All accounting records and supporting documents shall be subject to audit and inspection, and made available at any and all reasonable times to Authority and its authorized officers, agents, or employees.

12.5.2 Accounting records and supporting documents shall be available on the schedule(s) required by the Authority's internal and external auditors.

12.5.3 At Authority's expense, Authority reserves the right to authorize management audits, or other studies and reviews of Contractor's operating procedures, including accounting and controls.

12.5.4 Contractor shall be responsible for retaining all financial records for a minimum of seven (7) years.

12.6 Contractor's designated staff shall be fully proficient and routinely use, as a standard administrative practice of the Golf Course operations, a cash register or point of sale system.

12.7 Contractor and any management or service subcontractors shall use either a calendar year, January 1 through December 31, or fiscal year, July 1 through June 30, as the established accounting period. Contractor's accountant and/or bookkeeper must conform to the scheduling requirements of the Authority and its audit teams.

13. PERFORMANCE BENCHMARKS/EMPLOYEES

Performance benchmarks and completion dates have been established in Section 9 “Marketing and Advertising” and Section 28 “Alternations and Improvements by Contractor.”

13.1 Authority shall utilize a “report card” for evaluation purposes. Authority reviews shall be conducted each year.

13.2 Failure to meet benchmarks and specific performance dates may result in additional reviews and non-renewal of this Agreement.

13.3 Contractor will be reviewed for, but not limited to, adherence to the standards established in Exhibit B, Golf Course Operation, Maintenance and Performance Standards, any financial viability review and the extent and nature of management and auditing concerns provided through financial audits, if any, and customer satisfaction.

13.4 Contractor shall employ, at his own expense, such staff as necessary to fully operate and manage Golf Course in an efficient, professional and orderly manner. In hiring staff, Contractor shall give priority to individuals which were previously employed by Authority at the Golf Course although nothing contained herein shall require Contractor, in Contractor’s sole discretion, to hire any individuals which fail to meet Contractor’s criteria.

14. EQUIPMENT AND INVENTORY

14.1 All the equipment, tools, signs, parts, furniture and furnishings in the maintenance facility or yards, pro shop, restaurant and elsewhere on the Golf Course, including but not limited to the equipment list attached hereto as Exhibit “C”, shall remain at the Golf Course for use by Contractor, at no charge.

14.2 All pro shop inventory shall be listed in detail by Authority and purchased at Authority’s cost by Contractor on or before commencement of Contractor’s operation of the Golf Course.

14.3 All inventory, maintenance servicing, repair and replacement items at the Golf Course upon commencement of Contractor’s operation may be used and consumed by Contractor.

14.4 All brand names such as “Wildcreek Golf Course”, tradenames, trademarks, websites, telephone numbers and other intangible personal property related to the Golf Course and its operation may be used by Contractor during the term of this Agreement.

15. COMPENSATION

15.1 No rent, lease fees or other compensation of any kind shall be payable by Contractor to Authority for the period of time commencing on the execution of this Agreement until June 30, 2019. Prior to June 30, 2019, Contractor may retain any profits

it makes, and shall be solely liable for any losses it sustains, from its operation of the Golf Course. After June 30, 2019, the Parties shall meet and confer and negotiate in good faith to determine what commission, if any, shall be paid by Contractor for the rights granted herein for the balance of the term of the Agreement. Prior to June 30, 2019, the consideration to the Authority for this Agreement is the continued operation of the public golf facility by a professional management service.

15.2 Prior to the term of this Agreement, Authority or its operator of the Golf Course may have received, issued or committed to the public gift cards, gift certificates, play or punch cards, special events or tournament deposits, pro shop play or merchandise credits, or other items of value to the holder (“Obligations”) which Contractor is asked during the term of this Agreement to redeem or honor. In order to fulfill Obligations of Authority, Contractor agrees to redeem or honor Obligations and Authority agrees to reimburse Contractor therefor. Contractor shall report any Obligations redeemed or honored and the value thereof in its monthly report described in Subsection 4.1 and Authority shall reimburse Contractor within thirty (30) days of delivery of the monthly report.

16. IRRIGATION AND WATER RESOURCES

The Golf Course is currently served by the following water sources (collectively, the “Authority Water Rights”):

- a. up to five hundred (500) acre feet of treated effluent annually, pursuant to that certain Agreement for the Sale and Use of Treated Effluent between the City of Sparks, Authority and Washoe County dated March 11, 1996;
- b. 506.784 acre feet of Wells Creek water rights represented by Permit 52839, such rights be limited to aesthetic purposes which may not be use consumptively; and
- c. 69.2 acre feet of Truckee River water rights represented by Permit 64817 which are held as excess inventory.

During all times that the Authority is the owner of the Real Property, the Authority will make the Authority Water Rights available to Contractor for use at the Golf Course at no cost to Contractor. Upon the transfer of the Golf Course to Washoe County, the use of the Authority Water Rights will no longer be guaranteed to Contractor.

17. ENERGY CONSERVATION

Contractor shall make every effort to conserve energy, whenever and wherever possible, including, but not limited to, the heating and lighting of areas necessary to conduct business during operating hours or maintain security.

18. PERFORMANCE BOND

Subject to the provisions of this Section 18, Contractor shall be required to provide a performance bond, in a form reasonably acceptable to Authority, or other security reasonably acceptable to Authority, as soon as possible after execution hereof. The performance bond shall

be issued by an insurance company qualified/licensed to do business in Nevada, in the amount of Two Hundred Fifty Thousand Dollars (\$250,000). Said bond must name Authority as sole obligee. Said bond will be released at the expiration or termination of this Agreement, provided the Contractor has fully and completely performed under the Agreement. If, however, a performance bond is not available on terms, and at a cost, commercially acceptable, the parties shall meet and confer on alternative security for Contractor's performance of its obligations hereunder.

19. FIXTURES

19.1 Any fixtures or items permanently attached to the clubhouse at the Golf Course in connection with the operation of the pro shop shall become the property of Authority upon the termination of Agreement.

19.2 Upon expiration or termination of this Agreement, Contractor shall quit and surrender the premises under its control, including permanent fixtures attached thereto and personal property of the Authority, to Authority in as good condition as at the date of the execution of this Agreement, ordinary wear and tear excepted.

20. PREFERENTIAL TREATMENT FORBIDDEN

Contractor shall not grant any preferential treatment to any individual or group of individuals except as authorized by the rules and regulations pertaining to the Golf Course.

21. RELATIONSHIP WITH AUTHORITY/COOPERATION

Contractor shall be accountable in all of its operations to the Authority. Authority recognizes and acknowledges that Contractor will need the assistance and cooperation of Authority in order to properly perform and fulfill Contractor's covenants and obligations under this Agreement. Therefore, Authority agrees it shall execute such documents and do such further acts and things as Contractor reasonably requests in order to assist Contractor in fulfilling its obligations under this Agreement. Authority further agrees it shall designate a specific officer or agent having appropriate experience and authority whose responsibility it is to work with Contractor in assuring that Contractor obtains the full cooperation and assistance of Authority, subject to the terms of this Agreement and all applicable laws.

22. NOT CONTRACT OF LEASE

It is understood and agreed that the Golf Course is not leased to Contractor. Contractor is a licensee and not a lessee thereof.

23. INSURANCE REQUIREMENTS, DAMAGE AND RESTORATION

23.1 See Exhibit "A" for insurance requirements for this Agreement.

23.2 Damage and Restoration

23.2.1 Total Destruction: If the buildings or other improvements on the Premises licensed under this Agreement or the Personal Property should be totally destroyed (i.e., damage in excess of partial destruction as defined in Section 23.2.2) by fire or other casualty or a force majeure occurrence, Contractor shall have the option, to be exercised in writing within sixty (60) days of such destruction, to either (a) terminate this Agreement in which event the parties shall have no further obligations hereunder, or (b) elect to repair and restore the Premises and thereafter diligently pursue such restoration to completion.

23.2.2 Partial Destruction: If the buildings or other improvements on the Premises licensed under this Agreement or the Personal Property should be partially damaged by fire or other casualty or a force majeure event, then Contractor shall restore the buildings, improvements and Personal Property in a good and workmanlike manner to a condition as good as or better than the condition in which the buildings, improvements and Personal Property existed prior to their damage or destruction. For purposes of this Agreement, the term "partially damaged" means (a) damage to the extent of one third or less of the value of the buildings, improvements and Personal Property at the Premises or (b) damage to the extent that no more than nine holes on the golf course at the Premises are rendered unplayable. If the insurance proceeds made available to Contractor are not sufficient to fully restore the Premises, then Contractor may terminate this Agreement upon written notice to Owner in which event the parties shall have no further liability hereunder. In addition, notwithstanding anything in this Section 23.2.2 to the contrary, if, as a result of the partial destruction of the Premises, Contractor is unable to make full and productive economic use of the Premises and, in Contractor's reasonable determination, the full and complete restoration of the Premises will take in excess of one hundred eighty (180) days, then Contractor may, upon written notice to Owner within sixty (60) days after the partial destruction occurs, terminate this Agreement, in which event the parties shall have no further obligations hereunder.

23.2.3 Damage During the Last Two Years of the Agreement Term: Notwithstanding the provisions of Section 23.2.2 to the contrary, if during the last two years of the term of this Agreement, the buildings or other improvements on the Premises licensed under this Agreement or the Personal Property is damaged to the extent of ten percent (10%) of the value of the buildings, improvements and Personal Property at the Premises or more, then Contractor shall have the option, to be exercised within thirty (30) days of such damage or destruction, to either (a) terminate this Agreement in which event the parties shall have no further obligations hereunder or (b) elect to repair and restore the Premises in accordance with the provisions of Section 23.2.2 above.

23.2.4 Application of Insurance Proceeds Upon Termination: If, after the partial or total destruction of the Premises, this Agreement is terminated pursuant to the provisions of this Section 23, then all insurance proceeds made available on

account of such destruction shall first be paid to Contractor to reimburse Contractor for the value of any and all improvements made to the Premises by Contractor prior to such destruction until such time as Contractor has received full reimbursement for all such improvements and for the value of the Personal Property at the Premises owned by Contractor; second, to Authority until such time as Authority has received full reimbursement for the value of the improvements at the Premises which existed as of the first day of the Agreement and the balance, if any, shall be paid to Contractor.

24. PROPERTY INSURANCE

Authority may, at its option, secure and maintain insurance covering damage to its property. Any such insurance shall be for the sole benefit of the Authority and Contractor shall have no claim to any proceeds there from, nor shall Authority be required to use the proceeds for reconstruction or repair.

24.1 Contractor shall secure insurance covering its property at its own expense and shall secure and maintain such insurance as is necessary to protect against any claim for damage to private property, including golf carts which are stored at the Golf Course, in accordance with the requirements stated in Exhibit "A".

25. HAZARDOUS SUBSTANCES AND MATERIALS

25.1 Contractor shall maintain on-site, Material Safety Data Sheets (MSDS), as defined and prescribed in 29 C.F.R. Section 1910.1200, for all hazardous substances purchased by Contractor for use under this Agreement.

25.2 Contractor shall apprise personnel of the hazards to which they may be exposed in using, handling, transporting, or disposing of hazardous substances, and to obtain medical treatment for those who may be affected by the substance.

25.3 Contractor shall immediately report all spills of hazardous substances to the Washoe County District Health Department and Authority.

26. CONTRACTOR'S USE AND POSSESSION OF PREMISES

26.1 The Golf Course and all improvements thereon shall be used by Contractor to provide golf services. Except for special events (e.g., wedding, anniversary parties, retirement parties, group gatherings) and similar functions, it is understood and agreed that the Golf Course shall be used by Contractor during the term of this Agreement only for the above-stated purposes and for direct ancillary uses, unless approved otherwise by the Authority, and for no other purposes or uses whatsoever.

26.1.1 Contractor and Authority will work on a mutually agreeable transition plan for golf operations prior to the beginning of this license term.

26.2 Contractor will not make or permit any use of the Golf Course which, directly or indirectly, is forbidden by public law, ordinance or government regulation which may be dangerous to life, limb or property. Contractor may not commit waste on the Golf Course, use the Golf Course for any illegal purpose, or permit a nuisance on the premises.

26.3 In the event that Contractor uses the Golf Course for any purposes not expressly permitted herein, the Authority may terminate this Agreement pursuant to the provisions of Section 34.

26.4 Quiet Enjoyment

Subject only to the terms of this Agreement, so long as Contractor complies with its obligations under this Agreement, Authority shall secure to Contractor the quiet and peaceful enjoyment of the Golf Course and the sole and exclusive possession of the Golf Course without objection or interference from Authority or any party claiming under Authority.

26.5 Frustration of Purpose

At any time during the term of this Agreement, (i) if the governing body of any political subdivision having competent jurisdiction over the Golf Course should enact any valid zoning or other ordinance, law or regulation (collectively, "Use Law") which prohibits the use of the whole or a substantial part of the Golf Course for the purposes as provided in Section 2 of this Agreement; (ii) if an event of force majeure (collectively, "Force Majeure Event") occurs, including without limitation, declared or undeclared war, sabotage, riot or other acts of civil disobedience, acts or omissions of government, labor disputes, shortages of fuel or other materials, accidents, fires, explosions, floods, earthquakes, or other acts of God, which substantially prevents Contractor's use of the Golf Course as provided for in Section 2 of this Agreement; or (iii) if facilities become unavailable or inadequate so as to substantially interfere with Contractor's use of the Golf Course as provided in Section 2 of this Agreement, it is agreed that Contractor may elect, within ninety (90) days after the effective date of such Use Law or the occurrence of the Force Majeure Event, or the date facilities become unavailable or inadequate, to cancel this Agreement and surrender possession of the Golf Course. Any such cancellation and surrender shall act to release and discharge Contractor from any further obligation under this Agreement. In addition, it is agreed that during the period of any Force Majeure Event; during the period that facilities are unavailable or inadequate; and/or during any period that any defect in the Golf Course substantially interferes with Contractor's use of the Golf Course as provided in Section 2 of this Agreement, Owner and Contractor shall be excused from performing their respective obligations under this Agreement whether or not Contractor exercises its right to terminate as provided herein.

27. ALTERATIONS AND IMPROVEMENTS BY CONTRACTOR

Contractor has inspected the Golf Course and hereby accepts the Golf Course in its present "as is" condition. Contractor shall not make any alteration or addition to any portion of the Golf

Course's facilities or to any equipment (other than normal repairs) belonging to Authority located at the Golf Course without prior written consent of the Authority. Except as otherwise provided in this Agreement, Contractor shall, at its sole cost, maintain and repair the Golf Course in accordance with the maintenance standards set forth on Exhibit "B" attached hereto.

27.1 In the event that Contractor wishes to make improvements to the Golf Course, it may do so at its own expense and after the written approval of the Authority.

27.2 All improvements of Contractor shall be solely at Contractor's cost and expense and shall be performed in a good workmanlike manner in accordance with sound construction practices and in accordance with all applicable codes and regulations. Contractor shall keep the Golf Course and said improvements free and clear of liens for labor and materials and shall hold the Authority harmless from any responsibility in respect thereto.

28. OWNERSHIP OF IMPROVEMENTS

All improvements, furnishings, and equipment constructed or installed on the Golf Course by the Contractor shall be personal property and Contractor shall have legal title thereto during the term of this Agreement. Upon the expiration, termination, or default of this Agreement, title to all permanent, affixed improvements constructed on the Golf Course shall vest in the Authority.

28.1 Title to all supplies, furnishings, inventories, and removable equipment and other personal property not originally provided by the Authority shall remain the property of Contractor, and Contractor shall have the right to remove such items, excepting licenses, from the Golf Course without damaging the Golf Course unless the Contractor is in default hereunder. Such items must be removed within fifteen (15) days of expiration of this Agreement or title to all items will vest to the Authority. Contractor shall consider (but may reject) any reasonable offer to buy the above items from the Authority upon expiration or termination of this Agreement.

29. LICENSES AND PERMITS

Contractor shall pay for all licenses, permits, and fees necessary for Contractor to construct improvements, if any, and conduct Contractor's business on the Golf Course.

30. LIENS

Contractor will not permit any mechanics, laborers or material man's liens to stand against the Golf Course or improvements for any labor or materials to the Contractor or claimed to have been furnished to Contractor's agents or subcontractors, in connection with work of any character performed or claimed to have been performed on the Golf Course, or improvements by or at the direction or sufferance of the Contractor; provided, however, Contractor shall have the right to contest the validity or amount of any such lien or claimed lien.

In the event of such contest, Contractor shall give the Authority reasonable security as may be demanded by the Authority to insure payment thereof and prevent sale, foreclosure or forfeiture of the Golf Course or improvements by reason of such non-payment.

Such security shall be posted by the Contractor within fifteen (15) days of written notice from the Authority, or Contractor may "bond off" the lien according to statutory procedures. Contractor will pay any judgment rendered with all proper costs and charges and shall have such lien released or judgment satisfied at Contractor's own expense.

31. CESSATION OF OPERATIONS

In the event Authority, for any reason, determines not to continue to operate the Golf Course as a golf course and driving range open to the general public, this Agreement may be terminated by Authority pursuant to the provisions of Section 34, and in such event, Contractor agrees to hold the Authority free from any charge or penalty provided for in this Agreement.

32. VACATION OF THE PREMISES

In the event of the termination of this Agreement for any reason other than expiration, Contractor shall peaceably vacate the premises within such time as may be specified in the written notice to vacate which the Authority shall deliver to Contractor.

32.1 Upon the expiration or earlier termination of this Agreement, Contractor shall return the real and personal property initially provided by Authority in the same or better condition than when it was received by Contractor, normal wear and tear excepted. During the term of this Agreement Contractor shall maintain the existing equipment for as long as feasible.

33. NONDISCRIMINATION

In connection with the performance of work under this Agreement, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, or age. Such agreements shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. Any violation of such provision by the Contractor shall constitute a material breach of contract.

34. RIGHT OF TERMINATION

The right to terminate this Agreement is reserved to Authority and Contractor (as applicable) for any of the following reasons.

34.1 If either party breaches a material provision hereof ("Cause"), the non-breaching party shall give the other party notice of such Cause. If the Cause is remedied within ten (10) days in the case of failure to make payment when due or thirty (30) days in the case of any other Cause, the notice shall be null and void.

34.2 If such Cause is not remedied within the specified period, the party giving notice shall have the right to terminate the Agreement upon expiration of such remedy period. The rights of termination referred to in this Agreement are not intended to be exclusive and are in addition to any other rights or remedies available to either party at law or in equity.

34.3 In addition to all other rights herein, Authority may terminate this Agreement without prior notice should the Contractor become insolvent, voluntarily file for bankruptcy or receivership, or make any assignment for the benefit of creditors.

34.4 Upon notice of termination by Authority, Contractor shall be required to continue fulfilling its obligations under this Agreement until the termination is effective.

34.5 Either party may cancel this Agreement without cause on ninety (90) days prior written notice.

35. ASSIGNMENT

No assignment of Contractor's rights or assumption of Contractor's obligations shall be allowed, including the right to receive payment, without the express written permission of Authority. Authority shall have the right and ability, without the consent of Contractor, to assign its rights and obligations hereunder to Washoe County upon the transfer of the Real Property to Washoe County. Should Washoe County refuse to accept the assignment of this Agreement in connection with the transfer of the Real Property to Washoe County, Authority shall have the right to terminate this Agreement as specified in Subsection 34.5. An assignment of this Agreement by Authority shall relieve Authority of the performance of all duties and obligations arising hereunder after the date of such assignment.

36. DEFAULT

Termination for material breach of this Agreement may result in Contractor being debarred from providing services to Authority for a period not less than five (5) years after the termination date.

37. THIRD PARTY RIGHTS

This Agreement is not intended to create, nor shall it be construed to create, any third party beneficiary rights in any person not a party hereto.

38. EXCLUSIVE

This is an exclusive agreement between Authority and Contractor during the term of the Agreement.

39. NOTICES

Except as otherwise specified, all notices under this Agreement shall be in writing and may be transmitted by facsimile, email, overnight delivery or U.S. Postal Service.

Notice to Contractor shall be addressed to:

Golf at Wildcreek, LLC
1400 Wolf Run Road
Reno, NV 89511
Facsimile: (775) 851-4403
Email: tduncan49@me.com

Notice to Authority shall be addressed to:

Director of Finance
Reno Sparks Convention and Visitors Authority
4001 S. Virginia Street, Suite G
Reno, NV 89502
Facsimile: (775) 827-7719
Email: rchisel@renotahoeusa.com

Either party may change its notice information by delivery of notice thereof to the other party.

40. NOTICE TO PROCEED

Contractor shall not perform on any portion this Agreement without providing satisfactory insurance certificates and performance bond.

41. GOVERNING LAW

This Agreement shall be governed, interpreted and construed in accordance with the laws of Nevada, and any dispute will be heard in the Second Judicial District Court of Nevada. If any provision of this Agreement shall be held or declared to be void or illegal for any reason, all other provisions of this Agreement which can give effect without such illegal provision shall nevertheless remain in full force and effect. The section headings of this Agreement are intended solely for convenience and are not part of this Agreement, nor affect its construction.

42. DRAFTING PRESUMPTION

The parties acknowledge that this Agreement has been agreed to by all of the parties, that all of the parties have consulted or have had the opportunity to consult with attorneys with respect to the terms, and that no presumption shall be created against any party as the drafter of the Agreement.

43. ENTIRETY AND AMENDMENTS

This Agreement embodies the entire Agreement between the parties and supersedes all prior Agreements and understandings, if any, relating to the subject matter of the Agreement, and may

be amended or supplemented only by an instrument in writing executed by the party against whom enforcement is sought. No oral statements or representations made before or after the execution of this Agreement regarding this subject matter of this Agreement are binding on a party, nor may any such oral statements or representations be relied on by a party.

44. INVALID PROVISIONS

If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. The Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of the Agreement. The remaining provisions of the Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement.

45. ATTORNEYS' FEES

In the event that any action is necessary to enforce the rights of any party hereto, the prevailing party in such action shall be entitled to reasonable costs and attorneys' fees.

46. NOT A PARTNERSHIP

The provisions of this Agreement are not intended to create, nor shall they be in any way interpreted or construed to create, a joint venture, partnership, or any other similar relationship between the parties.

47. TIME AND MANNER OF APPROVAL

On each occasion when a party is given the right to approval or consent in this Agreement, unless specified otherwise, the approving party shall have ten (10) business days to approve or disapprove after delivery of the item to be approved, which approval shall not be unreasonably withheld. The failure of the approving party to respond in a timely manner shall be conclusively deemed approval. Any disapproval must be accompanied by a statement of the reasons for disapproval. The parties shall diligently and in good faith work to reach an agreement on any disapproval, and a revised submittal of a disapproved item shall be approved or disapproved in the same manner as the initial submittal. If the parties cannot reach an agreement on a disapproved item within thirty (30) days of the date of initial disapproval, the matter shall be deemed disapproved.

48. TIME

Time is of the essence regarding all matters relating to this Agreement.

IN WITNESS WHEREOF, the parties hereto have set their hands and subscribed their signatures as of the date and year indicated.

RENO SPARKS CONVENTION AND VISITORS AUTHORITY, a political subdivision of the County of Washoe

By: PHILIP L. DELONE

Name: ~~PHILIP L. DELONE~~

Title: President/CEO

Date: April 27, 2018

GOLF AT WILDCREEK, LLC a Nevada limited liability company

By: THOMAS P. DUNCAN, Manager

Date: 4.30.2018

EXHIBIT "A"

Insurance Requirements

Commercial General Liability. Commercial General Liability at least as broad as Insurance Services Office policy form CG 00 01 12/07, or equivalent, providing coverage on an occurrence form for Bodily Injury, Property Damage, Liquor Liability, Independent Proposers, Personal Injury, Broad Form Property Damage, Broad Form Contractual Liability and Medical Payments. The limits of liability shall not be less than One Million Dollars (\$1,000,000) per occurrence, Two Million Dollars (\$2,000,000) general aggregate for both bodily injury and property damage.

The policy shall include the Authority and its agents, beneficiaries, partners, employees, the County of Washoe, and the Authority as additional insureds with coverage at least as broad as Insurance Services Office (ISO) endorsement form CG 20 26 07/04.

The policy shall provide that coverage is provided on a primary basis, not excess or contributing with or secondary to any other insurance as may be available to the additional insureds.

Automobile Liability. Automobile Liability at least as broad as Insurance Services Office Business Auto Coverage Form CA00 01, or equivalent, providing coverage for Bodily Injury and Property Damage resulting from the ownership, maintenance or use of any auto, whether owned, rented or hired or non-owned. The limit of liability shall not less than One Million Dollars (\$1,000,000) combined single limit (CSL) for bodily injury and property damage.

Workers' Compensation and Employer's Liability. Workers' Compensation at least as broad as National Council on Compensation Insurance (NCCI) policy form WC 00 00 00 B 07/11, or equivalent, providing coverage meeting the requirements of the Workers' Compensation law of the State of Nevada. To the extent such waivers are obtainable from the insurance carriers, the policy shall include an endorsement waiving the insurance company's rights of subrogation against the Authority, its agents, beneficiaries, partners, employees, the County of Washoe, and Authority of Reno. This endorsement shall be at least as broad as National Council on Compensation Insurance (NCCI) Waiver of Our Right to Recover from Others Endorsement form WC 00 03 13 with a revision date of January 2004.

Property. Property insurance on an All-Risk or Special Form providing coverage for personal property of the Proposer.

Blanket Employee Dishonesty Coverage. The coverage for Blanket Employee Dishonest Coverage for funds or property held by the Proposer on behalf of the Authority.

Form of Coverage. All such insurance maintained by the Proposer shall be: issued by insurance companies authorized to do insurance business in the State of Nevada, issued by insurance companies with current A.M. Best financial ratings of at least A X or better satisfactory in form and substance to Authority.

EXHIBIT "B"

Golf Course Standards of Operation and Performance

WILDCREEK GOLF COURSE

STANDARDS OF OPERATION AND PERFORMANCE

A "Standard" has been defined as a "rule used as a basis of judgment", "of recognized excellence or authority", and "something accepted as a basis of comparison". A fine public course needs standards which, when adhered to, ensure that the culture of the course is preserved and enhanced. The following set of Standards of Operation and Performance provides for an appropriate level of quality of product, conduct, and service to the customers.

CUSTOMER RECOGNITION

Customers can be defined as a group of individuals joined together for a recreational golf purpose that share a common interest in the game.

Most importantly, serving customers at a public course is about recognition. Some customers are very open and demanding about being recognized, yet some are seemingly uninterested and avoid being noticed. But regardless of how a customer demonstrates the need to be recognized, the overriding reason customers play a public course is to play and enjoy the game while receiving a good value.

Recognition can come in many ways: seeing their name or picture on the course website or bulletin board, by receiving trophies or certificates, having a bag tag on their golf bag, belonging to the Men's, Ladies or Junior Club, by getting a personalized letter from the Operators, or being noticed by the Staff. However, the most powerful form of recognition is hearing someone call them by their name.

As employees of Wildcreek Golf Course, the #1 Standard of Performance, in all cases, for all departments, and for every position, is to actively recognize customers.

To recognize customers in an "active" way means being alert, challenging your memory to remember names and faces, and keeping mental notes as to what each customer likes. Teamwork is a great tool to help recognize customers such as tipping each other off as to the customer's names as they approach. It seems amazing that, at some public courses, certain employees, food servers, pro shop, outside staff and even the grounds crew, can remember the customer's names -- sometimes their spouses and children's names as well. How do they do it? It is no secret -- they want to.

GOLF COURSE AND GROUNDS

Course Set Up

Personnel responsible for the course set-up not only will dictate how the customers will play the course that day, but will also be ensuring that its presentation will be along the lines of our high expectations. Green and tee sites are the most important areas on the golf course and are to be treated as high priority items at all times by the Golf Course Maintenance Staff from their presentation to their grooming and playability characteristics.

- When setting cups:
 - Cup locations should be playable and away from the existing position.
 - The position of the cup should be a flag pole from the collar.
 - The cup is to be set at the proper depth. The flag, pole and cup should all be in working order.
 - Ensure that the previous day's pin setting is repaired properly and that the repair plug is set level.
- When setting tee markers, ensure that:
 - The markers are on the proper tee box (especially on Par 3's.)
 - The markers are perpendicular with the line of play, six-seven paces apart and at least two paces from the rear of the tee.
 - Tee markers are moved to distribute wear on the tee evenly.
 - All tee divots are filled at least twice per week weekly
 - All trash cans will be emptied as needed and cleaned weekly.
 - Ball washers, if any, will be checked regularly for soap and water and should be operating properly or be replaced.
- The putting green will have its cups changed twice weekly. Practice green areas will be changed weekly.
- All maintenance personnel will be responsible for making sure all directional signs and ropes that control cart traffic are moved as needed to prevent wear.

Greens Maintenance

- Greens will be maintained as smooth, firm, and consistent surfaces.
- Greens speeds will be maintained at an 8-9 foot stimpmeter readings or higher for normal daily play.
- Mowing heights (1/8" to 5/32") will be determined based upon the time of year, climatic

conditions, and specific events, but mainly to ensure overall turf health and bent/poa grass populations.

- Frequency of triplex mowing to be regularly or as needed, based on climatic conditions.
- Triplex and walk mowers will be used periodically during cultural maintenance periods (i.e., aerification, topdressing, and verticutting) or during special event preparation.
- Greens will be mowed in different directions to prevent grain accumulation.
- Periodic verticutting and topdressing will be performed to reduce thatch and grain accumulations.
- Before mowing a green, all ball marks will be repaired. Any irregularities in the surface should be immediately reported and repaired (if possible). Staff should inspect surface for any foreign objects that could damage a reel or bed knives
- Staff will follow all safety and operational procedures that he/she has been trained on when mowing greens. This includes: proper transportation, the unloading and loading of mowers, the mowing of the surface, and cleaning and service of the machine. It is a goal of maintenance staff to stay ahead of morning play whenever possible and at the same time provide the highly aesthetic and playable surfaces.
- Staff shall notify their immediate supervisors of any problem areas on greens that they have noticed in their daily work regime.

Tees Surfaces

Tees will be maintained at a cutting height of between 3/8" to 9/16" depending on environmental conditions and special events.

- Tees will be mowed with a triplex mower regularly as needed.
- Divots will be filled regularly.
- Periodic aerifying and topdressing will be performed to reduce thatch and grain accumulation.
- Before mowing, all tee markers are to be removed and the surface inspected for any foreign objects that could damage a reel or bed knife.
- Staff will follow all safety and operational procedures that he/she has been trained on when mowing tees. This includes proper transportation, the unloading and loading of mowers, the mowing of the surface, and cleaning and service of the machine. It is a goal of maintenance staff to stay ahead of morning play whenever possible and at the same time provide the highly aesthetic and playable surfaces.
- Staff shall notify their immediate supervisor of any problems encountered on any of the tee surfaces.

Collars

- Collars will be maintained at a cutting height of 3/8" to 1/2".
- Collars will be mowed regularly.
- Any foreign objects will be removed manually prior to mowing.
- Collars will be cut in a different direction as needed to prevent grain accumulation.
- All cultural practices performed on greens will also be performed on collars.
- Staffer will follow all the safety and the proper operational procedures that he/she has been trained on when mowing collars. This includes; proper transportation, the unloading and loading of mowers, the mowing of the surface, and cleaning and service of the machine.

Aprons, Tee Banks and Bunker Edges

- Aprons, tee banks, and bunker edges will be maintained at a cutting height of 1" to 1 1/2", depending on climatic conditions and the grass variety (natural fescue areas will only be cut on a periodic basis based on growth rate, playability and aesthetics).
- Aprons, tee banks, and bunker edges will be mowed regularly with a triplex reel or rotary lightweight mower, depending on growth rate.
- Directional cuts will follow a contour, checkerboard, or straight pattern.
- The operator will ensure that his/her area of cutting responsibility will be blended properly into the other manicured areas (tees, collars, approaches, fairways, intermediate rough, and rough) to maintain the playability and aesthetics of the golf course.
- Staff will follow all the safety and the proper operational procedures that he/she has been trained on when mowing aprons, tee banks and bunker edges. This includes; proper transportation, the unloading and loading of mowers, the mowing of the surface, and cleaning and service of the machine.

Fairways and Green Approaches

- Mowing height will be kept between 1/2" to 9/16", depending on environmental conditions, growth rate or special events.
- Fairways and approaches will be mowed regularly, depending on growth rate.
- Staff will follow all the safety and the proper operational procedures that he/she has been trained on when mowing fairways and green approaches. This includes proper

transportation, the unloading and loading of mowers, the mowing of the surface, and cleaning and service of the machine.

Rough Cutting

- Secondary roughs will be mowed regularly.
- Mowing heights will be from 1 1/2" to 2 1/2", based on climatic conditions and growth rate.
- Staff will take care in operation around trees so as to not damage the crowns in any manner and will also provide a crisp, clean edge around native grass areas.
- Staff will vary mowing patterns based on direction from his/her immediate supervisor. Staff will ensure that all cutting patterns will blend in properly with intermediate rough areas, greens aprons, tee banks, and bunker edges
- Staff will follow all the safety and the proper operational procedures that he/she has been trained on when mowing roughs. This includes; proper transportation, the unloading and loading of mowers, the mowing of the surface, and cleaning and service of the machine.

Natural Roughs, Lakes, Creeks, and all other environmentally sensitive areas.

- These areas will be maintained in a manner that enhances their natural characteristics, while maintaining the playability and integrity of the golf course.
- All detail work that may include; mowing, weed eating, trimming, pruning, watering, or weed control, will be done under the direction of the appointed supervisor.
- All employees will be trained and knowledgeable of all environmental impact areas of the course including the state and federal laws that protect the water quality, as well as environmentally sensitive habitats. Staff work regime will reflect and recognize these restraints.

Bunkers

- Bunkers will be spot raked regularly.
- Greens Bunkers are raked full regularly, depending on play and climatic conditions.
- Fairway Bunkers are raked full regularly, depending on play and climatic conditions.
- Prior to raking, any debris, grass, leaves, or weeds should be removed.
- Rake bunkers smoothly and carefully to maintain their firmness and playability.
- Sand is to be pulled up on the banks of bunkers at all times.
- Backside of Greens Bunkers and all Fairway Bunkers should be flush with the surrounding grass, while maintaining a clear and distinct difference between the

sand and the turf.

- Fill washouts and bare spots where needed and report areas needing major refilling of sand.
- Rakes are to be placed on the inside edge of the bunkers. Replace any damaged rakes.
- Bunkers will be edged regularly as needed.
- At times the bunkers may require raking by a mechanical rake. Operation of the equipment will follow all safe operating procedures to include; transportation, preparation of the surface, cleanup, and service.

Practice Area and Driving Range

- The Driving Range tee will be mowed regularly, based on climatic conditions. Mow patterns will provide an aesthetic presentation to the clubhouse facility and superior practice surface.
- The Driving Range body will be mowed regularly, depending on climatic conditions. Target Greens will be mowed regularly. Mowing patterns will vary based on the aesthetic presentation.
- The Practice Area, which includes the Chipping Green and Practice Bunker, will be mowed regularly, based on climatic conditions. The Chipping Green will also be mowed regularly, depending on climatic conditions. Mowing directions will vary. The Practice Bunker will be raked and edged regularly. Ball marks will be fixed on the Chipping Green. Divots will be repaired.
- In maintaining these areas, Staff will follow all the proper and safe operational procedures (including not mowing range balls) that he/she has been trained on when mowing the practice facility. This includes safe transportation from the area to another, mowing all surfaces properly, and cleaning and servicing the mowing units.

Irrigation

- The golf course shall be watered to fit the needs of the turf grass and to enhance its playability by maintaining its surfaces as firm as possible.
- Daily water usage records will be maintained by the Superintendent.
- The irrigation system and pump station will be inspected daily.
- All irrigation will be scheduled by the management team. Hand watering may be needed during the day in certain areas of the golf course.

- Periodic maintenance will be done to the irrigation system.

Detail Work

- Edging, weed eating, trimming, leaf removal, or any job duty needed to enhance the playability and the aesthetics of the golf course will be done in a safe and efficient manner, based on training and operational directives. These include proper transport of equipment, its efficient use, time management of task at hand and cleanup, servicing, and storage of machinery.

Cultural Activities

- All cultural activities scheduled on the golf course (fertilization, weed control, disease control, insect control, aerification, verticutting, topdressing, and over seeding) will be determined either during the planning of the annual golf calendar or well in advance, so as to not disrupt play.
- Aerification, if any, will be done in late spring and early fall on all turf surfaces of the golf course.
- Any secondary aerification or over seeding will be done selectively as needed or determined. The Golf Shop will be notified well in advance of these activities if they affect play.
- Greens and Tees will be top-dressed and verticut on an as-needed basis, to be determined by playability and thatch control. Notification to the Golf Shop and the membership will take place prior to these activities. These events will be scheduled as much as possible to not interrupt play.

Fertilizers and Chemical Applications

- Basic fertilizer schedules are to be established based on soil tests to maintain healthy turf and adjusted to meet environmental conditions and water quality standards.
- Chemicals will only be used as a last resort and only in a controlled supervised manner.
- All personnel responsible for fertilizer or pesticide applications on the golf course will at all times be aware of our environmentally sensitive areas, such as lakes and creeks; and the proper application in which fertilizer or pesticide applications must be made per any environmental regulations.

Sand and Seed

- Sand and seed will be kept on-site to be used for reseeding and topdressing as needed.

Material Stockpiles

- Material stockpiles will be kept neatly separated in designated areas.

Fuel and Chemical Storage Shed

- Fuel and chemical storage will be kept secured and maintained to meet all federal, state, and local requirements. Any major spills will be contained in the proper fashion and cleaned up, based on state and federal regulations. The proper authorities will be notified of such an event happening.
- A list of all hazardous chemicals in the work place, their SDS sheets and labels, will be kept on file.

Flowers and Shrubs

- Flowerbeds and plants will be maintained and periodically replaced to maintain blooming color and neat appearance.

Lighting and Signage

- Lighting will be maintained to provide nighttime and early morning safety in and around the maintenance building, entrance gate, and clubhouse structures.
- Signage will be maintained in good repair and kept clean and neat in the building areas and on the golf course.

Safety Procedures

- A comprehensive set of Safety Procedures shall be adhered to regarding equipment operation, handling of fertilizer and pesticides, and emergency response.
- Other procedures will be followed in accordance with OSHA safety programs.
- Mandatory safety meetings will be conducted.

Licenses and Permits

- Licenses and Permits will be kept current and filed.

EXHIBIT "C"

Equipment Inventory

Description	Acquisition Date	Vendor/Mfg	Quantity
4*4 Utility Vehicle - Range	06/30/2006	EZ-Go Textron	1.00
78" Tow Type Aerator	06/20/2006	Turfstar	1.00
Aerothatch 83 Seeder	06/30/2004	Turfstar/Toro	1.00
Aerothatch 83 Seeder	06/09/2008	Turfstar	1.00
Ball Washer & Picker	08/04/2008	Derone	1.00
Bedknife Grinder	06/13/2008	Ideal/Turf Equipment	1.00
Club Car Carts (2012)	07/22/2012	Club Car	90.00
Core Harvester	06/14/2006	Cushman/HV Carter	1.00
Core Harvester	06/16/2006	HV Carter	1.00
Driving Range Mats	01/15/2010	Fore Par	1.00
EZ Go Picker	02/20/2011	EZGo	1.00
EZ-Go MPT1200 Utility Cart	06/30/2006	EZ-Go Textron	1.00
EZ-Go MPT1200 Utility Vehicle (2)	06/30/2006	EZ-Go Textron	2.00
Fire Sprinkler System	02/15/2010	Overhead Fire	1.00
Food Slicer	06/29/2006	Hobart/US Foodservice	1.00
Gator Tractor (2)	06/26/2003	Nevada Power Products	1.00
GM4000 Rough Mower 2008	05/27/2008	Turfstar	1.00
Golf Buddy GPS	06/12/2008	Golf Buddy	41.00
Golf Cart	07/01/2007	EZGO	1.00
Greens Mower (2004) GM-3250	06/30/2004	Turfstar/Toro	1.00

Description	Acquisition Date	Vendor/Mfg	Quantity
Greens Mower (2004) GR3150	06/30/2004	Turfstar/Toro	1.00
Greens Reels	06/09/2011	Turf Star	1.00
Greens Roller 2011	05/10/2011	Mid Cal Tractor	1.00
Groomer Reels (3250)	06/26/2008	Turfstar	1.00
GroundMaster 3250 2008	06/26/2008	Turfstar	1.00
Grounds Master 4500-D Rough Mower	09/30/2005	Turfstar	1.00
Groundsmaster 4700-D	01/27/2012	Turf Star	1.00
Honda Wide Spin Topdresser 11HP	07/22/2004	HV Carter	1.00
Hose Crimper	06/09/2006	Hose Fittings	1.00
Ice Machine	04/24/2006	US Foodservice	1.00
Kitchen upgrades (Keg Cooler & Sink)	01/12/2011	Next Day Gourmet	1.00
Legacy SO2 Generator, Model 900	06/02/2006	SO2 Solutions	1.00
National Hydro 84" Triplex Mower	10/20/2005	National 8400/HV Carter	1.00
Peerless Reel Grinder	06/19/2008		1.00
Procore 648 Aerater	06/28/2007	Turfstar	1.00
Procore 648 Aerator	06/28/2007	Turfstar	1.00
Procore Aerator 660	10/13/2005	Turfstar	1.00
Radio System	04/23/2003		1.00
Range Ball Machine	03/29/2004	FOREPAR/Rangeland	1.00
Range Dispenser	05/01/2008	Fore-Par	1.00
Range Picker	07/30/2003	Rangeland/Forepar	1.00
Reelmaster 5510 Fairway Mower 2008	06/06/2008	Turfstar	1.00

Description	Acquisition Date	Vendor/Mfg	Quantity
Replace Heaters	12/23/2004	Gardner Mechanical	1.00
Rough Mower 4500D	04/13/2004	Turf Star - GM4500-D	1.00
Sand Pro Trap Rake	06/13/2006	Turfstar	1.00
Security Cameras	02/11/2011	GovConnection - Axis	1.00
Shop Lift	06/01/2006	Napa	1.00
Surveillance System	02/24/2005	FCC	1.00
Tee Mower (2004) GM-3250	06/30/2004	Turfstar/Toro	1.00
Textron Utility Cart	06/07/2005	EZ-Go	1.00
Textron Utility Cart	06/07/2005	EZ-Go	1.00
Thatchaway Supa-System (Verticut Reels)	05/27/2004	TurfStar/Toro	1.00
Turfco WS1530 Topdresser	06/16/2006	Turfco/HV Carter	1.00
Upgrade Televisions	06/10/2008	Gov Connection	1.00
Verti-Drain Aerator	06/12/2003	HV Carter	1.00
VoIP Phone System	07/16/2008	AT&T	1.00
Workman 3300 Diesel 2WD, 2005	10/13/2005	Turfstar	1.00

EXHIBIT N

Assignments and Assumption of Golf Management Agreement

[see attached]

**ASSIGNMENT AND ASSUMPTION OF GOLF MANAGEMENT LICENSE
AND SERVICES AGREEMENT FOR WILDCREEK GOLF COURSE**

THIS ASSIGNMENT AND ASSUMPTION OF GOLF MANAGEMENT LICENSE AND SERVICES AGREEMENT FOR WILDCREEK GOLF COURSE (this "Assignment") is made as of this _____ day of _____, 2019, by the RENO-SPARKS CONVENTION AND VISITORS' AUTHORITY, a County Fair and Recreation Board created pursuant to NRS Chapter 244A ("RSCVA"), and WASHOE COUNTY, a political subdivision of the State of Nevada ("Washoe County").

RECITALS:

A. RSCVA is a party to and presently has certain rights under that certain Golf Management License and Services Agreement, by and between the RSCVA and Golf at Wildcreek, LLC, a Nevada limited liability company ("Contractor") dated as of April 30, 2018 (the "Golf Management Agreement"). A copy of the Golf Management Agreement is attached hereto and incorporated herein by this reference as Exhibit A. Capitalized terms utilized herein and not otherwise defined shall have the meaning ascribed to such terms in the Golf Management Agreement.

B. The Golf Management Agreement provides that the Contractor is to provide certain services in relation to the operation and maintenance of the Golf Course. Upon the conveyance of the Real Property upon which the Golf Course is located to Washoe County, the Agreement provides that the RSCVA is entitled to assign its interest in the Agreement to Washoe County without the necessity of obtaining the consent or approval of the Contractor.

C. Pursuant to that certain Cooperative Agreement for Wildcreek Golf Course Property dated _____, 2019, by and among the RSCVA, Washoe County and the Washoe County School District (the "Cooperative Agreement"), the RSCVA is conveying the Real Property to Washoe County. As such, the RSCVA and Washoe County are entering into this Assignment for the purpose of assigning all of the RSCVA's right, title and interest in and to the Golf Management Agreement to Washoe County.

NOW, THEREFORE, in order to carry out the terms of the Cooperative Agreement, and in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, RSCVA and Washoe County hereby agree as follows:

1. Assignment. RSCVA hereby assigns, transfers and conveys to Washoe County, all of RSCVA's right, title, and interest in and to the Golf Management Agreement.
2. Assumption. Washoe County hereby accepts such assignment of the Golf Management Agreement and, in addition, (i) assumes and agrees to be bound by all of the terms of the Golf Management Agreement, and (ii) agrees to keep, perform, fulfill, and observe all of the terms, covenants, obligations, agreements and conditions required to be kept, performed, fulfilled, and

observed by RSCVA under, or with respect to, the Golf Management Agreement from and after the execution and delivery of this Assignment by RSCVA and Washoe County.

3. Indemnification of RSCVA. Washoe County hereby agrees to indemnify, defend, and hold RSCVA harmless from and against any and all liability, loss, cost, damage and expense (including, without limitation, reasonable attorneys' fees and costs) directly or indirectly arising out of or based upon the failure of Washoe County to keep, perform, fulfill, and observe all of the terms, covenants, obligations, agreements, and conditions required to be kept, performed, fulfilled, or observed by RSCVA under, or with respect to, the Golf Management Agreement from and after the execution and delivery of this Assignment by RSCVA and Washoe County.

4. Indemnification of Washoe County. RSCVA hereby agrees to indemnify, defend, and hold Washoe County harmless from and against any and all liability, loss, cost, damage and expense (including, without limitation, reasonable attorneys' fees and costs) directly or indirectly arising out of or based upon the failure of RSCVA to keep, perform, fulfill, and observe all of the terms covenants, obligations, agreements, and conditions required to be kept, performed, fulfilled, or observed by RSCVA under, or with respect to, the Golf Management Agreement prior to the execution and delivery of this Assignment by RSCVA and Washoe County.

5. Golf Management Agreement Payments. All amounts payable by RSCVA or to RSCVA under or pursuant to the Golf Management Agreement shall be prorated as between RSCVA and Washoe County as of the date of this Assignment.

6. Further Assurances. RSCVA hereby covenants that it will, at any time and from time to time following a written request therefor, execute and deliver to Washoe County and its successors and assigns, any additional or confirmatory instruments and take such further acts as Washoe County may reasonably request to evidence fully the assignment contained herein.

7. Appointment. RSCVA hereby irrevocably appoints Washoe County and its successors and assigns, as the true and lawful attorney and agent of RSCVA, in RSCVA's name and stead, to enforce the provisions of the Golf Management Agreement.

8. Counterparts. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument.

9. Governing Law. This Assignment shall be construed in accordance with and governed by the laws of the State of Nevada.

10. Binding Effect. This Assignment shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

[Signature page follows]

DATED: ____ day of _____, 2019.

“RSCVA”

RENO-SPARKS CONVENTION AND
VISITORS AUTHORITY, a County Fair
and Recreation Board created pursuant to
Nevada Revised Statutes Chapter 244A

By: _____
Philip DeLone
Its: President/CEO

“WASHOE COUNTY”

WASHOE COUNTY, a political subdivision
of the State of Nevada

By: _____
Marsha Berkbigler
Chairperson
Board of County Commissioners

EXHIBIT O

Ground Lease

[see attached]

GROUND LEASE

Between

WASHOE COUNTY SCHOOL DISTRICT, Lessor

and

WASHOE COUNTY, Lessee

Dated as of , 2018

GROUND LEASE

This Ground Lease ("Ground Lease") is made and entered into as of XXXX, 2018, by and between Washoe County School District, a political subdivision of the State of Nevada, as lessor ("Lessor" or "WCSD"), and Washoe County, a political subdivision of the State of Nevada as lessee ("Lessee" or "Washoe County").

WITNESSETH:

WHEREAS, WCSD is a political subdivision of the State of Nevada and a public district per NRS 386.010;

WHEREAS, Washoe County is a political subdivision of the State of Nevada and a county per NRS 243.340 to NRS 243.360 and

WHEREAS, for purposes of NRS 277.050(1), WCSD is a public agency, and Washoe County is a public agency;

WHEREAS, per NRS 277.050(1), without a vote of the electors of a public agency first being had, WCSD may lease to Washoe County for a term not exceeding 99 years any real property belonging to it;

WHEREAS, per NRS 277.050(4)(a), WCSD and Washoe County may enter into a lease agreement without advertising for public bids;

WHEREAS, per NRS 277.050(4)(b), WCSD and Washoe County may enter into a lease agreement for such consideration as is authorized by action of the governing body of the lessor public agency;

WHEREAS, the electorate of Washoe County, Nevada, passed WC-1 of the 2016 general election in order to address overcrowding and repair needs for students attending public schools in WCSD;

WHEREAS, WCSD, a political subdivision of the State of Nevada, purchased land depicted as _____ on Exhibit A attached to this Ground Lease and more specifically known as Parcel ____ of Parcel Map _____ recorded as File No. _____ on _____ in the Official Records of Washoe County (the "Site") for the purpose of building a high school;

WHEREAS, professional demographers determined a high school located at the Site would alleviate overcrowding for high school students in that area of Washoe County;

WHEREAS, WCSD the Site is not presently needed for the public purposes of WCSD;

WHEREAS, the Site is adjacent to the parcel on which Washoe County will operate a public golf facility for at least the 2019 calendar year;

WHEREAS, WCSD plans to begin construction of the new high school on the Site in the fall or winter of 2019;

WHEREAS, WCSD and Washoe County believe it is in the best interests of the citizens of Washoe County to maintain the Site as a public golf course until WCSD is prepared to begin construction of the new high school on the Site;

WHEREAS, WCSD desires that the Site be leased to Washoe County, and Washoe County desires to lease the Site from WCSD under the terms of this Ground Lease; and

WHEREAS, Washoe County has found and determined that the lease of the Site will provide a needed public purpose of a public golf course for recreation to the ultimate benefit of Washoe County and its citizens.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties to this Ground Lease agree as follows:

Section 1. Grant of Leasehold Estate. In consideration of the terms, conveyances and conditions hereinafter set forth, WCSD demises, rents, leases and lets to Lessee the Site, and Lessee rents, leases and hires the Site from WCSD. WCSD covenants with Lessee that, upon Lessee's payment of the rent and the performance and observance of its covenants and agreements under this Lease, Lessee shall and may peaceably and quietly have, hold, occupy and enjoy the Site without interference or hindrance from Washoe County.

Section 2. Term. This Ground Lease shall remain in full force and effect from the date hereof (the "Commencement Date") to and including the date of _____, subject to earlier termination in accordance with the terms and provisions of this Ground Lease. It is the intent of the Lessor and Lessee that this Ground Lease will terminate in 2019. However, if WCSD is not ready to proceed with construction of the new high school and has not provided a notice of termination, Washoe County may continue golf operations until such time as WCSD provides a notice of termination of lease. This Ground Lease shall terminate upon WCSD providing a notice of termination sixty days prior to the termination of this Ground Lease to Lessee. Washoe County may terminate this Ground Lease by providing a notice of termination sixty days (60) prior to the termination of this Ground Lease to Lessor. This Ground Lease may not exceed 99 years.

Section 3. Rent. Lessee agrees to pay to WCSD as rent for Lessee's leasehold interest in the Site the amount of \$1.00 for the entire term of this Ground Lease. WCSD acknowledges prepayment in full by Paul Lipparelli Lessee of the rent.

Section 4. Use of Site. WCSD acknowledges and consents to Lessee operating a public golf course for the term of this Ground Lease.

Section 5. Use of Project. Lessee shall not use or occupy the Project Facilities contrary to any statute, rule, order, ordinance, requirement or regulation applicable thereto, or in any manner which would cause the value or the usefulness of the Site to be substantially diminished or would cause a public nuisance or waste.

Section 6. Site and Approvals.

(a) Except for the representations, warranties, and covenants contained in the Ground Lease, WCSD has not made and does not hereby make, any warranty as to the condition of the Site or as to the fitness or security of the Site for any specific use.

(b) The representations, warranties and covenants of WCSD contained in this Ground Lease shall not merge into or be extinguished by the execution, delivery or assignment of this Ground Lease but, rather, shall survive and continue in force throughout the term of this Ground Lease.

Section 7. Insurance. From the date hereof until termination of this Ground Lease, Lessee shall, and shall cause its golf operator, sublessee, contractor, or subcontractor to have and maintain in full force and effect golf industry standards for insurance coverages for golf operators for Lessee and any golf operator that may operate golf operations at Site. WCSD shall be furnished a copy of such policies and shall be an additional insured thereunder.

Section 8. Insurance, Casualty and Indemnification.

(a) The Lessee agrees to hold harmless, indemnify, and defend WCSD, its officers, officials, agents, employees, and volunteers from any loss or liability, financial or otherwise resulting from any claim, demand, suit, action, or cause of action based on bodily injury including death or property damage, including damage to Lessee's property, caused by any action, either direct or passive, the omission, failure to act, or negligence on the part of the Lessee, its employees, agents, representatives, subcontractors, or sublessees arising out of the possession of the Site or the performance duties under this Ground Lease by the Lessee, or by others under the direction or supervision of the Lessee, during the term of this Ground Lease; provided, however, that Lessee shall not be liable hereunder to the extent any such damage shall be caused by the fault or negligence of WCSD, its employees, agents or representatives.

(b) In the event of a lawsuit against WCSD, its officers, officials, agents, employees, or volunteers, the Lessee shall reimburse WCSD for costs of WCSD in defending such actions.

(c) Lessee agrees to provide the same insurance for the indoor recreation center as it provides for the Family Resource Center as set forth in Exhibit A to the Family Resource Center Lease.

Section 9. Mechanic's Liens. If, as a result of any additions, alterations, improvements, repairs or replacements to the Site (hereinafter in this Section referred to as the

“construction”), the Site or any part thereof shall, at any time during this Ground Lease term, become subject to any vendor’s, mechanic’s, laborer’s, materialman’s or other similar lien based upon furnishings of materials or labor to the golf operations, Lessee shall, subject to Lessee’s right to contest as set forth below and subject to WCSD’s obligations under this Ground Lease, cause the same to be discharged of record with Washoe County Recorder at its sole cost and expense, and after prior notice to WCSD, by appropriate proceedings duly instituted and diligently prosecuted, to contest in good faith the validity or the amount of any such lien. However, if WCSD shall deliver to Lessee an opinion of independent counsel to the effect that, by nonpayment of any such items, the interest created by this Ground Lease will be materially affected or the golf operations or any part thereof will be subject to imminent loss or forfeiture, Lessee shall promptly cause such lien to be discharged of record. If Lessee fails to cause any such lien to be discharged of record, WCSD shall have the right, but shall not be obligated, to cause such lien to be discharged and Lessee shall be obligated to reimburse WCSD for the amount expended.

Notice is hereby given that WCSD shall not be liable for any work performed or to be performed by Lessee or the golf operator on the Site, or in the golf operations or for any materials furnished or to be furnished for golf operations for Lessee and that no mechanic’s or other lien for such work or materials shall attach to the reversionary or other interest of WCSD from the golf operations or the Site.

Section 10. Utilities and Taxes. Washoe County shall pay all charges for utilities (including as, electric, water and telephone) furnished to the Site and any federal, state, county or city agency or subdivision tax assessed against the Site or the Project Facilities.

Section 11. Effluent Water. Pursuant to the Agreement for the Sale and Use of Treated Effluent (hereinafter in this Section referred to as the “Agreement”), attached hereto as Exhibit B, WCSD, as the assignee to the Agreement from the Reno-Sparks Convention and Visitors Authority (RSCVA), agrees to purchase 500 acre feet of treated effluent for use as irrigation water only at Wild Creek Golf Course for Twenty-Five Thousand Dollars and No Cents (\$25,000.00) per month from the City of Sparks for the life of this Ground Lease or until the obligations in the Agreement are fulfilled. As part of this Ground Lease, WCSD agrees to convey, transfer, or provide Washoe County the 500 acre feet of treated effluent for use as irrigation water only at Wild Creek Golf Course.

Section 12. Attornment by Ground Lessee. Upon prior written notice to Lessee, WCSD may assign its interests under this Ground Lease or sell or convey the Site, provided that no such assignment, sale or conveyance shall relieve WCSD of its primary liability to Lessee for WCSD’s obligations hereunder. Upon receiving notice of such conveyance, Lessee agrees to recognize the new owner as Lessor hereunder and will continue to be bound by the terms and conditions of this Ground Lease.

Section 13. Lessee Default, Termination. WCSD shall have the right to terminate this Ground Lease prior to the expiration of the lease term set forth in Section 2 upon a Lessee Default. Any of the following is a Lessee Default:

- (1) Lessee fails to operate a public golf course at the Site;
- (2) Lessee fails to perform or observe any covenant or promise in this Ground Lease to be performed by it under this Ground Lease and such failure is not cured within thirty (30) days after written notice from WCSD to Lessee to take curative action;
- (3) A lien of any kind is placed upon the Site, and such lien is not removed within thirty (30) days after WCSD provides notice of same to Lessee;
- (4) The discovery by WCSD that any material statement, representation or warranty made by Lessee in this Ground Lease, or made by Lessee, is false, misleading, or erroneous in any material respect.

Section 14. Surrender of Project Site and Project Facilities. Lessee agrees that, upon the expiration or termination of this Ground Lease, it will surrender to WCSD the Site, together with other improvements located thereon, free and clear of all liens, encumbrances, covenants, conditions, restrictions, easements, and rights-of-way of record, leases or other tenancy agreements and other matters of record.

Section 15. Defaults and Remedies.

(a) WCSD and Lessee acknowledge and agree that in the event Lessee or WCSD should default in the performance of any of their respective obligations or agreements under this Ground Lease, either may take whatever other actions in law or in equity as may appear necessary or desirable to enforce performance and observance of their respective rights, obligations, and agreements under this Ground Lease, including termination of this Ground Lease.

(b) Notwithstanding anything to the contrary provided for in this Ground Lease, the rights of either party, in the event of a breach by the other party of its covenants and obligations under this Ground Lease, may not be exercised until written notice of such default is given to the other party at the notice addresses set forth in this Ground Lease. It is agreed that defaulting party shall have the right to cure any such default with respect to any default that can be cured by payment of money within fifteen (15) days of receipt of such notice, or within thirty (30) days thereafter with respect to any other covenant or condition or term of this Ground Lease, and, if such default is of such nature that it cannot be remedied within said time, the defaulting party shall have such additional time (not in excess of sixty (60) days) as is reasonably necessary to cure such default, provided that it commences the curing of such default within the requisite period and thereafter diligently continues the curing of the same.

Section 16. Notice. Any notice required by this Lease to be given by either WCSD or Lessee to the other shall be in writing and hand delivered or sent by certified mail, return receipt requested, and, unless otherwise specifically stated herein, if delivered, notice shall be deemed given when delivered and if mailed, notice shall be deemed to be given five (5) business days

after being deposited in the United States mail, postage prepaid, addressed to the respective party at their respective addresses as follows:

WCSD:

Washoe County School District
c/o Pete Etchart, Chief of Operations
425 E. 9th Street
Reno, Nevada 89502

WASHOE:

Washoe County, Nevada
c/o County Manager
1001 E. 9th Street
Reno, Nevada 89512

Or at such other address as one party may give notice of to the others in writing.

Section 17. Headings. It is understood and agreed that the headings of the various sections of this Ground Lease have been inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this Ground Lease or any of its provisions. The singular number and gender of personal pronouns as used throughout this Ground Lease shall be construed to mean such number and gender as the context, circumstances or its antecedent may require.

Section 18. Successors and Assigns. Neither Party may assign its interest hereunder without the written consent of the other except WCSD consents to Lessee contracting, assigning, or permitting a golf operator of Lessee's choice to operate the golf course. Any term, covenant or condition of this Ground Lease which inures to the benefit of or is binding upon WCSD shall also inure to the benefit of and be binding upon the successors and assigns of WCSD. Any term, covenant, or condition of this Ground Lease which inures to the benefit of or is binding upon Lessee shall also inure to the benefit of and be binding upon the successors and assigns of Lessee.

Section 19. Entire Agreement. This Ground Lease and the attached exhibits agreements constitute the entire agreement between Washoe and Lessee with respect of the subject matter hereof, and this Ground Lease supersedes all prior and contemporaneous ground leases, if any, between Washoe County and Lessee in connection with the subject matter of this Ground Lease. This Ground Lease may be modified only by a writing signed by both WCSD and Lessee.

Section 22. Waiver. No failure by either WCSD or Lessee to insist upon the strict performance by the other of any covenant, agreement, term or condition of this Ground Lease or to exercise any right or remedy contingent upon a breach thereof shall constitute a waiver of any such breach or of such covenant, agreement, term or condition of this Ground Lease and the covenant, agreement, term or conditions shall continue in full force and effect with respect to any then existing or subsequent breach.

Section 23. Computation of Time. The time in which any act provided by this Ground Lease is to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday or legal holiday, and then it is also excluded.

Section 24. Counterparts. This Ground Lease may be executed by the parties in several counterparts, each of which shall be deemed to be an original copy.

Section 25. Recordings. WCSD and Lessee shall cause the Ground Lease to be duly executed in recordable form and recorded in the Official Records of Washoe County, Nevada.

Section 26. Severability. If any provisions of this Ground Lease or any application thereof shall be invalid or unenforceable, the remainder of this Ground Lease and any other application of such provision shall not be affected thereby.

Section 27. Governing Law. This Ground Lease shall be governed by and construed in accordance with the laws of the State of Nevada.

Section 28. Need for Appropriations. All of WCSD's obligations under this Agreement, are subject to the WCSD Board of Trustees lawfully making an appropriation to pay the amount needed to fulfill the obligation and are binding upon WCSD only to the extent such an appropriation is made.

WCSD:

WASHOE:

**WASHOE COUNTY SCHOOL DISTRICT
BOARD OF TRUSTEES**

**WASHOE COUNTY BOARD OF
COMMISSIONERS**

By: _____

By: _____

Title: _____

Title: Chairman

Attest:

County Clerk

STATE OF NEVADA)
 : ss.
COUNTY OF WASHOE)

On the _____ day of _____, 2018, before me, a notary public in and for the said State, personally appeared _____, personally known to me (or proved to me and the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC