

MULTIFAMILY REAL PROPERTY AGREEMENT

THIS MULTIFAMILY REAL PROPERTY AGREEMENT is entered into effective as of the 29TH day of June, 2011 ("Effective Date"), between NEVADA RURAL HOUSING AUTHORITY ("NRHA"), a local government entity created and organized under Nevada Revised Statutes Chapter 315, and EUREKA COUNTY, NEVADA ("Eureka County") a political subdivision of the State of Nevada. Each of NRHA and Eureka County is a "Party," and collectively are the "Parties."

Questions or concerns regarding this MULTIFAMILY REAL PROPERTY AGREEMENT should be directed in the first instance to the persons identified below for NRHA and Eureka County:

NRHA:

D. Gary Longaker
Executive Director
Nevada Rural Housing Authority
3695 Desatoya Drive
Carson City, NV 89701
Phone: (775) 887-1042
Fax: (775) 887-1838
Email: glongaker@nvrural.org

Eureka County:

Ron Damele
P.O. Box 714
Eureka, NV 89316
Phone: (775) 237-5372
Fax: (775) 237-5708
Email: rdamele@eurekanv.org

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100. RECITALS

This MULTIFAMILY REAL PROPERTY AGREEMENT is entered into by Eureka County and NRHA with respect to the following Recitals:

- A. Eureka County is the owner of approximately 164 acres of certain real property located in Eureka County, Nevada, which is the subject of a final subdivision map for "Eureka Canyon Subdivision" and within which an approximately 12.74 acre legal parcel has been created for multifamily rental use (the "Multifamily Parcel"). The Multifamily Parcel is legally described on **Attachment A** hereto. The Multifamily Parcel is intended to be improved by NRHA with a market rate rental apartment project with an initial phase of fifty (50) townhome style units.
- B. NRHA seeks to enhance the quality of life in rural communities by providing housing and community development programs that help build and sustain independent communities; and to that end works with a consortium of public and private parties, such as Eureka County, to establish and support housing programs which enhance the quality of life throughout rural Nevada.
- C. NRHA and Eureka County recognize the Eureka Canyon Subdivision is exempt from the usual requirements of appraisal before the sale or transfer of government property because Eureka County is jointly developing this area with NRHA, and because of the authority granted by NRS 244.2795 (appraisal exceptions) and NRS 315.550(2) (powers respecting housing projects); and
- D. NRHA and Eureka County recognize the authorization for expenditure of local government funds to build the improvements and do the work necessary for the Eureka Canyon Subdivision are permitted by NRS 244.1505(1) (expenditure of public money), NRS 244.189 (development of affordable housing), NRS 315.550 (powers respecting housing projects), and Nevada Assembly Bill 198 (effective July 1, 2011) (loans to local governments).

200. DEFINITIONS

Agreement – This Multifamily Real Property Agreement

Change Order – Change to the Final Plans and Specifications described in ¶700H

Closing – The date when all the Closing Events occur according to ¶500A

Closing Events – signing this Agreement, recording the Final Map, and conveying the Multifamily Parcel by deed from Eureka County to NRHA described in ¶500A

Construction Documents – The Preliminary Drawings and Plans and Specifications, including the Final Plans and Specifications according to ¶700D

Development Fee – 10% of Multifamily Phase 1 Project Estimated Costs (\$407,400.00 as of the Effective Date) to be paid to NRHA, as provided in ¶600G

Development Standards – Standards of construction filed as "Development Standards" with the Eureka Canyon Subdivision Tentative Map, and includes all other applicable County, State, and federal ordinances, codes, regulations, and laws according to ¶300C

Effective Date - the date set forth in the first (1st) paragraph of this Agreement

Escrow Agent – identified in ¶500C as Stewart Title of Nevada Holdings, Inc.

Eureka County – Party to this Agreement with NRHA, interchangeable with the Board of Eureka County Commissioners

Eureka County Utility or Roadway - each utility improvement and/or fully constructed roadway to be accepted by Eureka County as provided in ¶700L

Final Map – Eureka Canyon Subdivision final subdivision map

Final Plans and Specifications - final versions of the Plans and Specifications

Future Multifamily Parcel – parcel created by a parcel map of the Multifamily Parcel to secure financing for some or all Remaining Units in ¶500E

Map of Completed Improvements and Utility Easements (as built) – map with all constructed improvements and easements depicted on the Multifamily Parcel in ¶700K

Multifamily Grant Agreement – a separate funding agreement to accomplish the work described in this Agreement

Multifamily Parcel – the parcel at the Eureka Canyon Subdivision described as "Adjusted Parcel 1" on that certain Record of Survey recorded on May 20, 2011, as Document No. 217136, Official Records, Eureka County, Nevada, as more particularly described on **Attachment A**

Multifamily Parcel Utility Easement – the utility easement burdening the Multifamily Parcel described in **Attachment B**

Multifamily Phase 1 Eureka County Work – listed on **Attachment C**

Multifamily Phase 1 NRHA Work – listed on **Attachment B** to be completed on or before November 26, 2011 by ¶600A and ¶700J

Multifamily Project – the improvements to the Multifamily Parcel, including some improvements away from the Multifamily Parcel, to be made by NRHA in accordance with this Agreement

MULTI-FAMILY SITE – term used in the Eureka Canyon Subdivision Tentative Maps to identify where the rental units will be placed

Multifamily Phase 1 Estimated Project Costs – defined in ¶600G and used to calculate the Development Fee

NRHA – Nevada Rural Housing Authority, party to this Agreement with Eureka County

Performance Deed of Trust – deed of trust encumbrance against the Future Multifamily Parcel as security for NRHA’s construction of some or all Remaining Units in ¶500F

Permitted Delays – delays to the Multifamily Project described in ¶700G

Permitted Exceptions – the exceptions to the title for the Multifamily Parcel, listed on **Attachment D**

Plans and Specifications - those plans and specifications prepared from approved Preliminary Drawings of the Multifamily Project improvements pursuant to ¶700

Preliminary Drawings - those preliminary drawings of the Multifamily Project improvements which are to be approved by Eureka County and upon which the Plans and Specifications are to be prepared

Remaining Unit Construction Covenant – NRHA agrees to build a minimum number of rental units on or before a certain date in ¶500F

Remaining Units – up to 80 rental units over and above the initial 50 townhome rental units in ¶500E and ¶600A

Title Policy –the owner's policy of title insurance described in ¶500B

300. USE, STANDARDS FOR DEVELOPMENT, AND TERM

- A. Land for development. The land to be developed by the terms of this Agreement is the Multifamily Parcel, comprised of approximately 12.74 acres. The legal description for the Multifamily Parcel is **Attachment A** to this Agreement.

- B. Permitted use. The only permitted use of the Multifamily Parcel is the placement of up to 130 rental units of a size and type acceptable to Eureka County and NRHA in the commercially reasonable exercise of discretion as to each Party, with no rental programs for lower or very low income households.
- C. Development Standards. All improvements must be made in conformance with the Development Standards filed with the Eureka Canyon Subdivision Tentative Map and other applicable County, State and federal ordinances, regulations and laws.
- D. Term of this Agreement. The duration of this Agreement is 5 years, commencing on the Effective Date and terminating on the fifth (5th) anniversary of the Effective Date.
- E. What survives termination. Even upon termination of this Agreement, NRHA and Eureka County agree these provisions will remain in force until NRHA is no longer the owner of the rental units on the Multifamily Parcel: (1) no sale of the Multifamily Parcel and its improvements shall be made to any buyer for use in a rental program for lower or very low income households, and (2) no additional building, modification or demolition of improvements on the Multifamily Parcel or any part is permitted, without written approval of both Eureka County and NRHA.
- F. Progress reports. Both NRHA and Eureka County agree to provide progress reports at least once every 3 months during a public meeting of the Board of Eureka County Commissioners regarding the status of work performed in accordance with this Agreement.

400. IMPROVEMENTS

Eureka County and NRHA share the responsibility for improvements to the Multifamily Parcel and the improvements away from the Parcel necessary to serve the Multifamily Parcel in the following manner:

- A. NRHA responsibilities. The onsite and offsite work of improvement and other matters to be accomplished by NRHA are set out in **Attachment B**, and is referred to as the Multifamily Phase 1 NRHA Work.
- B. Eureka County responsibilities. The offsite work of improvement and other matters to be accomplished by Eureka County are set out in **Attachment C**, and is referred to as the Multifamily Phase 1 Eureka County Work.

500. CONVEYANCE OF MULTIFAMILY PARCEL; CREATION OF FUTURE MULTIFAMILY PARCEL

- A. Agreement to Convey. Upon mutual execution of this Agreement by both NRHA and Eureka County and the recordation of the Final Map, Eureka County will convey the Multifamily Parcel to NRHA by Eureka County's execution, acknowledgment and recording of a Grant, Bargain and Sale Deed. These events are the Closing Events; and the date on which all of the Closing Events occur is the Closing.
- B. Condition of Title; Owner's Title Policy. The Multifamily Parcel shall be conveyed to NRHA subject only to those exceptions to title set forth on **Attachment D**. Permitted Exceptions shall include the Multifamily Parcel as within the full *ad valorem* general real property taxation powers of Eureka County after Closing. NRHA's obligation to accept title to the Multifamily Parcel and proceed with the development of the Multifamily Project is conditioned upon the irrevocable commitment of the Escrow Agent to issue an ALTA extended coverage owner's policy of title insurance, insuring that fee simple title to the Multifamily Parcel vests in NRHA, subject only to (1) standard printed exclusions from coverage set forth in the Title Policy and (2) the Permitted Exceptions described in **Attachment D**.
- C. Escrow. Within a reasonable period of time prior to the anticipated date the Closing Events could occur, Eureka County and NRHA shall open an escrow with this Escrow Agent:

Stewart Title of Nevada Holdings, Inc.
Northern Division
5335 Kietzke Lane, Suite 110
Reno, Nevada 89511
Attention: Suzanne Haskins
Phone: (775) 398-2451
Fax: (866) 476-8952
Email: shaskins@stewart.com

by depositing a copy of this Agreement with Escrow Agent. ¶500 of this Agreement shall serve as escrow instructions to Escrow Agent. NRHA and Eureka County shall execute any additional instructions to Escrow Agent as are reasonably necessary to carry out the terms and conditions of this Agreement. The terms of any such additional escrow instructions shall not supersede or be inconsistent or in conflict with the terms of this Agreement; and in the event of inconsistency or conflict, the terms of this Agreement shall be controlling, unless a contrary intent is clearly indicated by both Eureka County and NRHA.

- D. Closing Costs.** NRHA shall pay (1) the cost of the preparation of and recording fee for the Deed, (2) any transfer tax charged in connection with such recording, (3) the cost of the premium for the Title Policy and (4) such other reasonable and customary closing costs as are typical or required for similar transactions in Eureka County, Nevada. Each Party shall bear its respective costs and fees of its attorneys and consultants incurred in connection with this Agreement.
- E. Creation of Future Multifamily Parcel.** After the Closing and upon request of NRHA, Eureka County shall agree to a parceling of the Multifamily Parcel for the purpose of creating a separate legal parcel of that portion of the Multifamily Parcel which would be necessary for the construction of the Remaining Units, which are any or all of the allowed additional 80 rental units once the first 50 townhome units are in place and being rented, once the conditions in ¶600A are satisfied. Such parceling shall be in compliance with such laws, ordinances, rules and regulations as are applicable to parcel maps (as opposed to subdivision maps). Eureka County agrees to and shall cooperate with NRHA in a timely and diligent manner in processing the application for such parceling. NRHA shall pay for the preparation and application for the approval of this parcel map, just as it will in connection with the application process for the Final Map(s). The creation of this Future Multifamily Parcel is necessary for NRHA's ability to obtain financing for the construction of the Remaining Units.
- F. Remaining Unit Construction Covenant; Performance Deed of Trust.** NRHA covenants to use its commercially reasonable efforts to construct such number of the Remaining Units for which market conditions are reasonably conducive, including available financing, and present such Remaining Units to the rental market on or before the termination of this Agreement. In the event NRHA has not complied with this Remaining Unit Construction Covenant, the Parties agree that the Future Multifamily Parcel shall, at the option of Eureka County, be reconveyed to Eureka County. To that end, NRHA shall execute and deliver to Eureka County, concurrently with the recording of the Future Multifamily Parcel Map, a Performance Deed of Trust encumbering the Future Multifamily Parcel for the purpose of securing the performance of this Remaining Unit Construction Covenant. Eureka County agrees to and shall subordinate the Performance Deed of Trust to the deed(s) of trust securing construction financing which might be obtained by NRHA for the construction of any or all of the Remaining Units.
- G. Sale of Multifamily Parcel or Future Multifamily Parcel.** NRHA shall not sell the Multifamily Parcel or the Future Multifamily Parcel, to any purchaser, including any who have the then manifested intent to commit any or all of the rental units included in such sale to a rental program for lower or very low income households, without the written consent of Eureka County.

600. CONSTRUCTION OF MULTIFAMILY PROJECT

- A. Construction by NRHA. Upon the Closing, NRHA shall proceed with the design and construction of the Multifamily Project in a commercially reasonable and diligent manner and in accordance with this Agreement. The Multifamily Project construction obligation shall initially include only NRHA's obligation to undertake and complete the Multifamily Phase 1 NRHA Work listed on **Attachment B** on or before November 26, 2011. Construction, if any, of the Remaining Units contemplated and allowed for the remainder of the Multifamily Project (together with the design and construction of all other improvements required in connection with the Remaining Units) shall also be subject to the terms and provisions of this Agreement. NRHA's obligation to construct any or all of the Remaining Units shall be predicated on NRHA's determination, in consultation with Eureka County, that market conditions at the time are conducive to a commercially reasonable buildout, lease-up and stabilization of the applicable Remaining Units at fair market rentals sufficient to service and positively amortize debt and equity provided to finance such Remaining Units. By its execution and delivery of this Agreement, Eureka County hereby approves the development density of the Multifamily Parcel during the term of this Agreement at a total of 130 units, and the 80 rental units over and above the initial 50 units are the Remaining Units. Any increase in such density shall require written approval of Eureka County, and may also be denied by Eureka County.
- B. Construction by Eureka County. Upon the Closing, Eureka County shall proceed with construction and accomplishment of the Multifamily Phase 1 Eureka County Work, listed on **Attachment C**, in a commercially reasonable and diligent manner.
- C. NRHA Design and Construction Obligations. NRHA shall either directly or through others, engage, retain, contract with, supervise, coordinate and discharge all persons reasonably required to design and construct the Multifamily Project, including architects, consultants, engineers, surveyors, general contractors, designers, subcontractors, suppliers, materialmen and applicable governmental inspectors. To the extent required by the Development Standards and applicable ordinances, codes, regulations and laws, all persons engaged or retained in connection with the Multifamily Phase 1 NRHA Work described on **Attachment B** shall be properly licensed by all appropriate governmental authorities to provide work, services or materials for the Multifamily Project; and all general contractors and subcontractors retained in connection with the construction of the Multifamily Project by NRHA shall be required by express contractual directive in each general contractor and subcontractor agreement to use local (that is, Eureka County, Nevada) vendors, suppliers and laborers to the extent they are reasonably available and capable of providing the services and products necessary to construct the Multifamily Project, as determined by NRHA in the commercially reasonable exercise of its discretion.

- D. Permits.** NRHA shall ensure the procurement of all permits, approvals and other governmental authorizations required by law for the design and construction of the Multifamily Project.
- E. Design and Construction Standards.** NRHA shall use commercially reasonable efforts to cause the design and construction of the Multifamily Project to be performed in a good, workmanlike manner, and in accordance with all applicable laws and other governmental requirements, including, without limitation, the Development Standards filed with the Eureka Canyon Subdivision Tentative Map.
- F. Party Representative.** NRHA and Eureka County shall each designate representatives who shall be fully acquainted with the Multifamily Project and who have ability to render decisions promptly, furnish information expeditiously, and to act on their behalf in connection with all aspects of this Agreement and the Multifamily Project. Until written notice is given to the contrary, NRHA designates Gary Longaker
- G.** as NRHA's representative(s) to act on NRHA's behalf. Until written notice is given to the contrary, Eureka County designates Ronald Damele as Eureka County's representative(s) to act on Eureka County's behalf. Their address and contact information is listed on page 2 of this Agreement
- H. Development Fee.** In consideration of its work and efforts in assisting Eureka County in the design and processing of the Final Map, and the development and construction of the Multifamily Project, NRHA shall be paid a Development Fee in the amount of ten percent (10%) of the Multifamily Phase 1 Project Estimated Costs. The Multifamily Phase 1 Estimated Project Costs are defined as:
1. all costs paid or incurred by NRHA in connection with or related to the acquisition of the Multifamily Parcel, and the obtaining of all necessary approvals for development and construction of the initial 50 units of the Multifamily Project; and
 2. all direct and indirect costs (including, without limitation, costs of materials, labor, permits, fees and surveyors, engineers, and other professionals) incurred by NRHA to provide offsite and onsite improvements for the initial 50 units of the Multifamily Project; and
 3. all costs incurred by NRHA in procuring, constructing and placing any building and other structures on the Multifamily Parcel as part of the initial 50 units of the Multifamily Project, including, without limitation, costs of materials, labor, engineers, architects and other professionals, and permit fees; and

4. all other costs incurred by NRHA which are attributable to the construction and development of the initial 50 units of the Multifamily Project.

The Development Fee is fully earned as of the Effective Date, and will be paid by Eureka County in installments with the draw and disbursement procedure described in the Multifamily Grant Agreement. As of the Effective Date the Developer Fee is estimated to be in the total sum of \$407,400.00, \$_____ of which has already been earned by and paid to NRHA as of the Effective Date. This estimated amount of the Development Fee shall be increased, if at all, only as a result of approved Change Orders and budget adjustments made to Multifamily Phase 1 Estimated Project Costs. Likewise, the Development Fee is subject to a decrease below such estimated amount if the total Multifamily Phase 1 Estimated Project Costs turn out to be less than set forth in the Budget attached to the Multifamily Grant Agreement as **Attachment D** as of the Effective Date.

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700. DESIGN AND CONSTRUCTION

- A. Preliminary Drawings; Plans and Specifications. NRHA shall retain such architects, engineers and other qualified and duly licensed consultants as it deems appropriate to prepare and deliver to Eureka County the Preliminary Drawings of the improvements comprising the Multifamily Project. The Preliminary Drawings shall be delivered to Eureka County at each stage of preparation, including schematic designs, design development and construction design. Eureka County shall approve or disapprove each version of the Preliminary Drawings. The Final Plans and Specifications shall be prepared in substantial conformity with the Preliminary Drawings.
- B. Approval by Eureka County. Eureka County shall have the right to approve or disapprove (1) the Preliminary Drawings at each stage of preparation and (2) the Plans and Specifications, including the Final Plans and Specifications. Eureka County shall have the right to disapprove the Preliminary Drawings or the Plans and Specifications only to the extent the Preliminary Drawings or the Plans and Specifications are not in substantial conformity with earlier versions of the Preliminary Drawings or Plans and Specifications already reviewed and approved by Eureka County.
- C. Standards of Approval. NRHA and Eureka County will not unreasonably withhold, delay or condition approval of the Preliminary Drawings and the Plans and Specifications.
- D. Approval Procedure. In each instance, Eureka County shall be deemed to have approved the Construction Documents, which include all versions of the Preliminary Drawings and the Plans and Specifications, unless Eureka County delivers written disapproval to NRHA within ten (10) calendar days following

receipt, together with a reasonably detailed explanation of the reasons for any disapproval. Eureka County approval/disapproval shall always be in writing signed by the Eureka County Director of Public Works. If NRHA disagrees with Eureka County's disapproval, the Parties shall negotiate in good faith to resolve such disagreement. If NRHA agrees with Eureka County's disapproval, NRHA shall cause the relevant Construction Document to be redrawn or revised and resubmit the Construction Document for approval by Eureka County. In each instance, NRHA shall be deemed to have approved any requested changes unless NRHA delivers written disapproval to Eureka County within ten (10) calendar days. Eureka County and NRHA agree that any changes to the Final Plans and Specifications shall be processed as a Change Order in accordance with the procedure set forth in ¶700H. Once approved by Eureka County, the final Construction Documents are a part of this Agreement.

- E. Construction of Multifamily Project; Construction Easement. NRHA shall construct, or cause to be constructed, the Multifamily Project in a good and workmanlike manner and substantially in compliance with (1) the Final Plans and Specifications, as the same may be amended from time to time pursuant to the change order procedure specified in ¶700H and (2) the Development Standards then in effect.

The Parties acknowledge that portions of the Multifamily NRHA Work will take place on various portions of the Eureka Canyon Subdivision owned by Eureka County. Eureka County hereby grants to NRHA a non-exclusive, temporary easement over, across, through and under all portions of the Eureka Canyon Subdivision to the extent reasonably convenient or necessary for the staging, access to and from, and construction of the Multifamily NRHA Work. Such easement shall terminate on the later of (i) the termination of this Agreement or (ii) the completion or abandonment of the last Multifamily NRHA Work, for which Final Plans and Specifications have been approved by Eureka County and work has commenced prior to the termination of this Agreement. All disturbances of Eureka County property which are caused by NRHA's use of this easement (except disturbances for the work of improvement itself) shall be remediated, as closely as commercial reasonableness allows, to the condition of such property prior to the disturbance.

- F. Cooperation During Construction. It is the intent of both NRHA and Eureka County to complete work on the Multifamily Project in a cooperative and diligent manner; and each Party commits to use commercially reasonable and diligent efforts to complete their respective work. The Parties, through their Representatives, shall communicate with each other on a routine basis for the purpose of keeping each other reasonably informed concerning their

construction activities, progress and schedules, and to coordinate their schedules and activities to the extent necessary for construction sequencing and efficiencies.

G. Permitted Delays. Permitted Delays shall include delays in the completion of the Multifamily Project as a result of:

1. any failure of Eureka County to commence and complete construction of or complete the requirements of the Multifamily Phase 1 Eureka County Work, to the extent such failure directly or indirectly impairs NRHA's ability to proceed reasonably with or complete the Multifamily Phase 1 NRHA Work;
2. any failure of NRHA to commence and complete construction of or complete the requirements of the Multifamily Phase 1 NRHA Work, to the extent such failure directly or indirectly impairs Eureka County's ability to proceed reasonably with or complete the Multifamily Phase 1 Eureka County Work;
3. any changes, additions or alterations to the Final Plans and Specifications requested by NRHA or Eureka County and approved by Eureka County pursuant to ¶700H; or
4. any acts of God; war, riot or civil unrest; strikes, lockouts or labor unrest; disease; pestilence or epidemic; scarcity of labor or material; accident; act of any governmental authority; unusual inclement weather; damage to or destruction of any portion of the Multifamily Project; or any other cause beyond the reasonable control of NRHA or Eureka County which prevents or delays construction and completion of the Multifamily Project.

The time for performance of the obligations of each Party shall be extended by the period of time equal to the length of the Permitted Delay.

H. Change Orders. Eureka County or NRHA may, from time to time, request changes to the Final Plans and Specifications by a written change order request, setting forth in detail the nature of the requested change. Upon receipt of a change order request, NRHA shall furnish a statement of the changes or revised Plans and Specifications. Change order requests are subject to approval by Eureka County according to ¶700D when the requested change requires a material modification of the Plans and Specifications. If Eureka County approves a change order request in writing the change order request shall constitute a Change Order; and, if necessary, any Change Order shall include the written approval of both Parties relative to any cost adjustments needing to be made to the budget for the Multifamily Project. The Multifamily Project Budget is **Attachment E** to the Multifamily Grant Agreement. The

Eureka County Public Works Director shall have the discretion and authority to approve any Change Order up to \$15,000.00; and all Change Orders in excess of \$15,000.00 require approval by the Board of Eureka County Commissioners.

- I. Deviation from Plans and Specifications. Nothing contained in this Agreement shall limit NRHA to permit the design or construction of the Multifamily Project to deviate from the approved Final Plans and Specifications if deviation is required by the Development Standards. NRHA shall promptly advise Eureka County if a deviation is required. Eureka County and NRHA shall jointly decide how to comply with the Development Standards giving rise to the required deviation.
- J. Outside Completion Date. Subject to Permitted Delays, NRHA shall complete the construction of the Multifamily Phase 1 NRHA Work described in **Attachment B** and place the 50 townhome rental units into service (i.e., present such units to the rental marketplace as ready and available for rent at prevailing market rates with no governmental rent subsidy applicable or provided) not later than November 26, 2011. Eureka County will not supply water service to the rental units until NRHA has presented evidence to Eureka County of all project site and building inspection reports and permits required by the Development Standards.
- K. Map of Completed Improvements and Utility Easements (as built). Upon completion of the Multifamily Phase 1 NRHA Work, NRHA shall prepare and provide to Eureka County the Map of Completed Improvements and Utility Easements identifying the constructed improvements as built, and also showing the location of the Multifamily Parcel Utility Easement described in **Attachment B**, as well as all easements for utilities serving the Multifamily Parcel.
- L. Eureka County Acceptance of Multifamily Phase 1 NRHA Work. Provided the work performed by NRHA is constructed in accordance with the terms of this Agreement and is tested and determined to be working and functioning adequately for its intended purpose, Eureka County will proceed in a diligent manner to take such steps as are necessary to complete and document such acceptance as below set forth in this ¶700L. All offsite utility improvements provided by Eureka County and the roads constructed by NRHA as part of the Multifamily Phase 1 NRHA Work (but not including internal/private streets within the Multifamily Parcel) (a "Eureka County Utility or Roadway") shall be owned by and maintained, repaired and replaced by Eureka County effective on the date each such Eureka County Utility or Roadway initially is accepted. Upon completion of a work of improvement by NRHA for a Eureka County Utility or Roadway, NRHA may deliver written notice of such

completion to NRHA, together with the Map of Completed Improvements and Utility Easements for the work of improvement and a request that the Parties arrange a time and place to meet and conduct or have conducted such testing or inspection(s) as are required to substantiate that such work of improvement (i) has been constructed in accordance with the standards set forth in ¶700E and (ii) is working and functioning adequately for its intended purpose. Upon delivery of the Map of Completed Improvements and Utility Easements and satisfaction of the requirements of clauses (i) and (ii) above, and Eureka County's agreement in writing that such satisfaction has occurred, such work of improvement shall be deemed accepted by Eureka County. Eureka County and NRHA promptly shall repair and replace to its condition existing prior to disturbance, any improvement, including streets, which is disturbed by either Party, at that Party's expense.

800. DEFAULTS AND REMEDIES

- A. Defaults -- General.** The failure of either Eureka County or NRHA to perform timely any term or provision of this Agreement is a default of the applicable Party. In the event default is not cured within 30 days after notice to the defaulting Party (unless a shorter or longer time is specifically provided elsewhere in this Agreement), then the Party giving notice of the default may, at its option, exercise one or both of the remedies set forth in ¶800E. In the event the default is of a nature which may not be cured within a 30 day period (unless a shorter or longer time is specifically provided elsewhere in this Agreement), and the defaulting Party begins to remedy the default within the 30 day or other applicable period, and thereafter diligently continues such cure, the defaulting Party shall be given a reasonable period of time to complete the cure of the default.
- B. No waiver.** Except as otherwise stated in this Agreement, any failure or delay by either Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.
- C. Dispute Resolution.** The Parties agree to endeavor in good faith and in a timely and diligent manner to resolve between themselves any dispute, disagreement or impasse arising out of or related to this Agreement prior to either Party taking any action to enforce any remedy available to either Party.
- D. No Monetary Damages.** Except for monetary damages which might be awarded to a Party in the enforcement of its rights and remedies under ¶1000B or ¶1000C, as applicable, Eureka County and NRHA agree that neither Party would have entered into this Agreement if it were liable for monetary damages under this Agreement. Therefore, except for monetary damages which might be awarded to a Party in the

enforcement of its rights and remedies under ¶1000B or ¶1000C, as applicable, NRHA and Eureka County expressly agree neither Party shall be liable for monetary damages under this Agreement; and for purposes of this Agreement monetary damages includes costs and attorney's fees.

E. Specific Performance or Termination. Eureka County and NRHA agree that neither Party would have entered into this Agreement if it were unable to obtain the approvals cited in this Agreement, the vested rights, and the public and private infrastructure and improvements included in the Multifamily Phase 1 NRHA Work and the Multifamily Phase 1 Eureka County Work. If a notice of default is not cured, and reasonable attempts to remedy the default have failed, then the non-defaulting Party may (1) bring a civil cause of action to specifically enforce the performance of the defaulting Party's obligations and duties under this Agreement, subject to the limitation placed on monetary damages, or (2) elect to terminate this Agreement, subject only to winding up the affairs of the Parties by disbursing funds necessary to complete work already begun. However, any suit for specific performance brought by Eureka County to enforce NRHA's performance and completion of the Multifamily Phase 1 NRHA Work shall be conditioned upon Eureka County's readiness, willingness and ability to fund (or Eureka County shall have funded) the proceeds of the Multifamily Grant Agreement budgeted for such work under the Multifamily Grant Agreement.

F. Venue; Forum. The Parties expressly agree that for any judicial proceeding brought by either Party, venue shall lie in Eureka County, Nevada; or if the subject matter of the action requires federal jurisdiction, then the forum shall be the Federal District Court sitting in Reno, Nevada. These venue and forum choices are expressly bargained for and are exclusive.

900. REPRESENTATIONS AND WARRANTIES

A. By Eureka County. Eureka County represents and warrants to NRHA that:

1. Eureka County has full right, power and authority to enter into and carry out the terms of this Agreement.
2. This Agreement is and will be the valid and binding obligation of Eureka County enforceable in accordance with its terms, subject only to NRS 244.320, moratorium laws or similar laws or equitable principles affecting contracting parties generally.
3. All requisite action has been taken by Eureka County in connection with the entering into of this Agreement, the instruments referenced herein, and the consummation of this transaction, in full compliance with all statutes, laws, ordinances, rules and regulations applicable thereto. The individuals executing this Agreement and the instruments referenced herein on behalf of Eureka

County have the legal power, right and actual authority to bind Eureka County. No further consent of any judicial or administrative body, governmental authority or other party is required.

4. This Agreement does not now or shall not hereafter breach, invalidate, cancel, make inoperative or interfere with any contract, agreement or other instrument to which Eureka County is a party or by which it is bound.

B. By NRHA. NRHA represents and warrants to Eureka County that:

1. NRHA has full right, power and authority to enter into and carry out the terms of this Agreement.
2. This Agreement is and will be the valid and binding obligation of NRHA enforceable in accordance with its terms, subject only to moratorium laws or similar laws or equitable principles affecting contracting parties generally.
3. All requisite action has been taken by NRHA in connection with the entering into of this Agreement, the instruments referenced herein, and the consummation of this transaction, in full compliance with all statutes, laws, ordinances, rules and regulations applicable thereto. The individuals executing this Agreement and the instruments referenced herein on behalf of NRHA have the legal power, right and actual authority to bind NRHA. No further consent of any judicial or administrative body, governmental authority or other party is required.
4. This Agreement does not now or shall not hereafter breach, invalidate, cancel, make inoperative or interfere with any contract, agreement or other instrument to which NRHA is a party or by which it is bound.

1000. INSURANCE AND INDEMNIFICATION

- A. NRHA shall maintain in force at all times a commercial general public liability policy of insurance covering liabilities incident to NRHA's development and construction operations on the Multifamily Project, naming Eureka County as an additional insured thereunder, having limits of not less than \$2,000,000.00 each accident, \$1,000,000.00 each person, and \$500,000.00 property damage.
- B. NRHA shall also assume and be responsible for, and shall hold harmless Eureka County, and its officers, consultants, employees and agents from and against any and all actions, claims, demands, liabilities, losses or costs, including attorney's fees and court costs, for injuries to or death of any person(s) or damages to property, including property of Eureka County, to the extent caused by or resulting from the negligent act or omission of NRHA in the performance or failure to perform of NRHA's obligations under this Agreement, excluding any claims,

demands, liabilities, losses or costs resulting from the acts or omissions of Eureka County; provided, however, that any award of monetary damages in favor of Eureka County as a result of Eureka County's enforcement of this ¶1000B against NRHA shall be limited to an amount no greater than could be awarded against Eureka County if the same enforcement action was brought against Eureka County, it being the intent of the Parties that NRHA enjoy, effectively, the same "limited waiver of sovereign immunity" afforded Eureka County as provided in ¶1000C below.

- C. Subject to the limited waiver of sovereign immunity described in the Nevada Revised Statutes, Eureka County shall also assume and be responsible for, and shall hold harmless NRHA and its officers, consultants, employees and agents, from and against any and all actions, claims, demands, liabilities, losses or costs, including attorney's fees and court costs, for injuries to or death of any person(s) or damages to property, including property of NRHA, to the extent caused by or resulting from the negligent act or omission of Eureka County in the performance or failure to perform of Eureka County's obligations under this Agreement, excluding any claims, demands, liabilities, losses or costs resulting from the acts or omissions of NRHA.
- D. No member, official, agent or employee, of either Party, barring an act of gross negligence or other action outside the course and scope of employment, shall be personally liable as the result of any default or breach of this Agreement.

1100. GENERAL PROVISIONS

- A. Incorporation of Exhibits and Schedules. All Attachments, Exhibits and Schedules which are referred to in to this Agreement are incorporated into this Agreement by reference as though set forth in full herein.
- B. Attorney's Fees and Disbursements. Except as provided otherwise in ¶1000B and ¶1000C, in the event that any Party shall engage an attorney in connection with any action or proceeding to enforce this Agreement, both NRHA and Eureka County agree both Parties shall bear their own costs and attorney's fees.
- C. Further Assurances. NRHA and Eureka County shall cooperate in good faith and attempt to deliver any further instruments or documents in writing which may be reasonably necessary or appropriate to assure or confirm the matters covered by this Agreement, whenever occasion therefore shall arise and a request for such instrument or document is made in writing by either Party to the other.
- D. Notices. Any notices by either Party to the other Party required or desired to be given shall be in writing and shall be validly given or made only if (1) delivered personally by hand-delivery, or (2) deposited in the United States mail, certified or registered, postage prepaid, return receipt requested, or (3) made by Federal

Express or other similar delivery service which keeps records of deliveries and attempted deliveries, or (4) made by a confirmed transmission by facsimile machine or telecopy during the intended recipient's normal business hours. Service shall be deemed made on the first (1st) business day of attempted delivery or upon receipt, whichever is sooner, and addressed as follows:

If to NRHA: For business related matters:
Nevada Rural Housing Authority
3695 Desatoya Drive
Carson City, Nevada 89701
Attn: D. Gary Longaker,
 Executive Director
Tel: (775) 887-1042
Fax: (775) 887-1838

For matters relative to financial issues or concerns:
Nevada Rural Housing Authority
3695 Desatoya Drive
Carson City, NV 89701
Attn: C J Manthe, COO
Tel: (775) 887-1794
Fax: (775) 887-1838

With a copy to: Jones Vargas
100 W. Liberty St., 12th Floor
P.O. Box 281
Reno, Nevada 89504-0281
Attn: Elizabeth Fielder, Esq.
Tel: (775) 786-5000
Fax: (775) 786-1177

If to Eureka County: County of Eureka
c/o Public Works
P.O. Box 714
Eureka, Nevada 89316
Attn: Ronald Damele
Tel: (775) 237-5372
Fax: (775) 237-5708

With a copy to: Eureka County District Attorney
701 S. Main Street
P.O. Box 190
Eureka, Nevada 89316
Attn: Theodore Beutel, Esq.
Tel: (775) 237-5315
Fax: (775) 237-6005

Any Party may change its address for the purpose of receiving notices or demands provided by written notice given in the manner specified above to the other Party, which notice of change of address shall not become effective, however, until the actual receipt thereof by the other Party.

- E. Governing Law. The laws of the State of Nevada shall govern this Agreement.
- F. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties and their successors and assigns; provided, however, that any assignment by either Party without the prior express written consent of the other Party shall be null and void.
- G. Severability. If any term, provision, covenant or condition of this Agreement or any application thereof, should be held by a court of competent jurisdiction to be held invalid, void or unenforceable, all provisions, covenants and conditions of this Agreement, and all applications thereof, not held invalid, void or unenforceable, shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- H. Entire Agreement. This Agreement and the Multifamily Grant Agreement contain the entire agreement between Eureka County and NRHA with respect to the subject matter hereof, and can be amended or modified only in writing executed by both Parties.
- I. Captions. The captions appearing at the commencement of the sections and subsections hereof are descriptive only and for convenience and reference to this Agreement and in no way whatsoever define, limit or describe the scope or intent of this Agreement, nor in any way affect this Agreement.
- J. Pronouns. Personal pronouns shall be construed as though the gender and number required by the context, and the singular shall include the plural and the plural shall include the singular as may be required by the context.
- K. Construction. This Agreement has been prepared through the joint efforts of NRHA and Eureka County. Eureka County and NRHA believe that this Agreement is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor or against either Eureka County or

NRHA The phrases "includes" or "including" shall be construed to mean "including but not limited to", "including without limitation" or their correlative meanings, as the context may require.

- L. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute but one and the same Agreement. Any signature page of this Agreement may be detached from any counterpart without impairing the legal effect of any signatures thereon, and may be attached to another counterpart, identical in form thereto, but having attached to it one or more additional signature pages.

1200. MEMORANDUM OF AGREEMENT

A memorandum of the terms, covenants, conditions and restrictions of this Agreement, substantially in the form of **Attachment E** to this Agreement, will be executed, acknowledged and delivered by NRHA and Eureka County and recorded in the Official Records of Eureka County, Nevada, promptly following the execution of this Agreement by all Parties.

[Signatures appear on following page.]

IN WITNESS WHEREOF, NRHA and Eureka County have executed this Agreement as of the dates set forth with their respective signatures, to be effective as of the Effective Date.

NRHA:

COUNTY:

**NEVADA RURAL HOUSING
AUTHORITY, a local government entity
created and organized under Nevada
Revised Statutes Chapter 315**

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

Signed: _____

Signed: Leonard J. Fiorenzi

By: Tom Cook

By: Leonard J. Fiorenzi

Its: Chairman, Nevada Rural Housing
Authority Board of Commissioners

Its: County Commission Chairman

Date: _____, 2011.

Date: JUNE 29, 2011.

Attest: Jackie Berg
Jackie Berg, Clerk of the Board

IN WITNESS WHEREOF, NRHA and Eureka County have executed this Agreement as of the dates set forth with their respective signatures, to be effective as of the Effective Date.

NRHA:

**NEVADA RURAL HOUSING
AUTHORITY, a local government entity
created and organized under Nevada
Revised Statutes Chapter 315**

Signed: Tom Cook

By: Tom Cook

Its: Chairman, Nevada Rural Housing
Authority Board of Commissioners

Date: June 28, 2011.

COUNTY:

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

Signed: _____

By: Leonard J. Fiorenzi

Its: County Commission Chairman

Date: _____, 2011.

Attest: _____
Jackie Berg, Clerk of the Board

Attachment A

Legal Description of Multifamily Parcel

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

Adjusted Parcel 1 as shown on the Record of Survey in support of a boundary line adjustment for Eureka County, recorded May 20, 2011 as document number 217136 on file with the Official Records of Eureka County, Nevada.

* * *

**COPY OF FINAL MAP TO BE ATTACHED HERE AS
WELL FOLLOWING RECORDING OF FINAL MAP.**

Attachment A

Attachment B

Multifamily Phase 1 NRHA Work

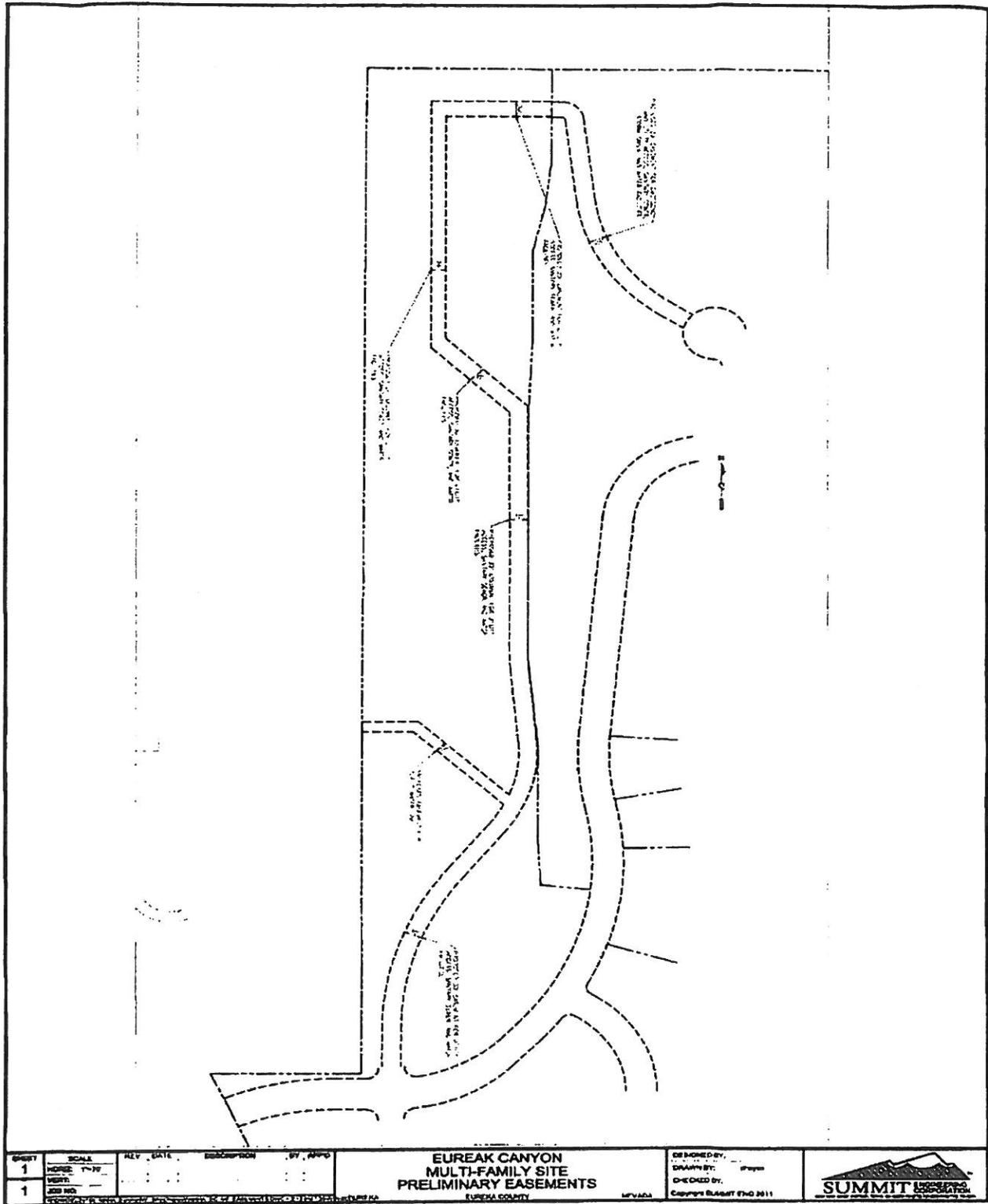
- A utility easement (the "Multifamily Parcel Utility Easement") located on the Multifamily Parcel and designed appropriately to allow for all wet and dry utilities entering the Multifamily Parcel from the west side of the Multifamily Parcel, to a location intended to allow for those utility services to be provided to the remainder of the subdivision. It is anticipated that the Multifamily Parcel Utility Easement (25 feet in width) would run from the location where these utilities enter the Multifamily Parcel from the west, and then run parallel along the eastern perimeter line of the BLM Maintenance Yard, to the far southwestern end of Street "A" at the west side of the access point to the Multifamily Parcel at Street "A".
- The rough build-out and fine grading of the service/maintenance road located within the subdivision starting at the northeastern end of the Multifamily Parcel and extending to the far north end of "C" Street as identified on the Infrastructure Map made a part of this Attachment B, and installing underground sewer and storm drainage from the Multifamily Parcel to the turn-a-round located at the far north end of "C" Street as identified on the Infrastructure Map.
- NRHA or its authorized agent will be responsible for all road maintenance (including, but not limited to snow removal) for all surface roads and parking areas created within the property boundaries of the Multifamily Parcel.

Attachment B

Attachment B
Infrastructure Map

[See attached.]

Attachment B



| SHEET | SCALE | REV. | DATE | DESCRIPTION | BY | APP'D |
|-------|----------|------|------|-------------|----|-------|
| 1 | AS SHOWN | | | | | |
| 1 | | | | | | |

**EUREAK CANYON
MULTI-FAMILY SITE
PRELIMINARY EASEMENTS**

DESIGNED BY: _____
 DRAWN BY: _____
 CHECKED BY: _____
 Copyright SUMMIT 2011



Boundary Line Adj.
near Thompson
TAVLSS No. 17

217136-1

LEGEND

- 1. ST. 1/4" scale after 1/4" scale
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- 97. ST. 1/4" scale after 1/4" scale
- 98. ST. 1/4" scale after 1/4" scale
- 99. ST. 1/4" scale after 1/4" scale
- 100. ST. 1/4" scale after 1/4" scale

REFERENCES

BASES OF BEARINGS

BOARD OF EUREKA COUNTY COMMISSIONERS APPROVAL

COUNTY TREASURER'S CERTIFICATE

OWNERS CERTIFICATE

SURVEYORS CERTIFICATE

RECORDERS CERTIFICATE

RECORD OF SALES

EUREKA COUNTY

RECORD OF SALES

1

Attachment C

Multifamily Phase 1 Eureka County Work Infrastructure Map – refer to page 2 of Attachment B

- Off-site wet utilities to be delivered to the Multifamily Parcel along the west side of the Multifamily Parcel, at a location situated between the Eureka County Fair Grounds site and the existing BLM Maintenance Yard, which are both located to the west of, and contiguous to, the Multifamily Parcel.
- All work for the installation of the offsite sewer lines, from a connection point on site located within the property boundaries as identified on the Infrastructure Map which is page 2 of Attachment B. The main sewer connection point will be located at the far eastern end of the to-be-built Eureka County maintenance road extending from the east side of "C" Street between residential lots No. 45 and 46 respectively (as identified on the Infrastructure Map) to the "Y" end of the to-be-built Eureka County maintenance road (a location presently occupied by the Eureka County Dog Pound facility).
- The ownership and on-going maintenance of all streets, maintenance roads and/or right-of-ways identified on the Infrastructure Map (excluding within the Multifamily Parcel), and/or any tentative or final maps adopted and/or approved by Eureka County in the future for property located within the Final Map.
- The ownership and on-going maintenance of the green-belt/open areas identified on the Infrastructure Map, and any future tentative or final maps adopted and/or approved by the Eureka County for property located within the Final Map.
- The provision of legal temporary access to and from the Multifamily Project from U.S. Highway 50, until permanent legal and NDOT approved access is provided as part of Eureka County's work pursuant to **Attachment C** to the "Single Family Real Property Agreement" to be entered into between NRHA and Eureka County for the Eureka County Subdivision.

Attachment C

Attachment D

Permitted Exceptions

[See attached.]

Attachment D

**SCHEDULE B
PART I**

Order Number: 1038511

Schedule B of this policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Taxes for the current year.
3. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or any overlapping of improvements or other boundary or location disputes (can be eliminated or amended in mortgagee's policy upon proper evidence being furnished).
4. Restrictive covenants affecting the property described in Schedule A.
5. Rights or claims of parties in possession, and not of record in the public records; liens, for labor, services or material or claims to same which are not of record in said records.
6. Any roadway or easement, similar or dissimilar, on, under, over or across said property, or any part thereof and not of record in said records.
7. Any titles or rights asserted by anyone, including but not limited to persons, corporations, governments, or other entities, to tidelands, or lands comprising the shores or bottoms of navigable rivers, lakes, bays, ocean or gulf, or lands beyond the line of the harbor or bulkhead lines as established or changed by the United States Government or riparian rights, if any.
8. (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, (d) Indian tribal codes or regulations, Indian Treaty or Aboriginal Rights, including easements or equitable servitudes.
9. Taxes which may become a lien upon recordation of a deed to a taxable entity.

APN: 001-221-02 and 001-221-05

10. The lien, if any, of supplemental taxes, assessed pursuant to provisions adopted by the Nevada Legislature, and as disclosed by the Nevada Revised Statutes.
11. Reservations and exceptions contained in Patent from THE UNITED STATES OF AMERICA,
Recorded : June 23, 1997, Book 309, Page 18, Document No. 166948,
Official Records of Eureka County, Nevada

Said reservation and exception recites as follows:

"EXCEPTING AND RESERVING TO THE UNITED STATES:

ALTA Commitment (6/17/06)

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States. Act of August 30, 1890, (43 U.S.C. 945).

2. A right-of-way for water pipeline purposes as reserved under Right-of-way No. N-50249, pursuant to Title V of the Act of October 21, 1976 (43 U.S.C. 1767).

SUBJECT TO:

1. Those rights for road purposes granted to Nevada Department of Transportation, its successors or assigns, by right-of-way No. Nev-04979, pursuant to the Act of November 9, 1921 (42 Stat. 216).

Portions of said right-of-way have been abandoned by Resolution of Abandonment, executed by State of Nevada, Department of Transportation, recorded June 29, 1998, in Book 319, Page 457, Document No. 170231, Official Records, Eureka County, Nevada.

2. Those rights for telephone line purposes granted to Nevada Bell, its successors or assigns, by rights-of-way Nos. N-61091 and N-61092, pursuant to the Act of October 21, 1976 (43 U.S.C. 1761).

Affects Parcel 2

12. Reservations and exceptions contained in Patent from THE UNITED STATES OF AMERICA,

Recorded : July 18, 1997, Book 310, Page 110, Document No. 167527,
Official Records of Eureka County, Nevada

Said reservation and exception recites as follows:

***EXCEPTING AND RESERVING TO THE UNITED STATES:**

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States. Act of August 30, 1890, (43 U.S.C. 945)
Affects Parcel 1

13. Reservations and exceptions contained in Patent from the United States of America,

Recorded : May 21, 1973, Book 45, Page 387, Document No. 57333,
Official Records of Eureka County, Nevada

Said reservation and exception recites as follows:

EXCEPTING AND RESERVING TO THE UNITED STATES:

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States, Act of August 30, 1890, 26 Stat. 391; 43 U.S.C. 945;

2. All the coal and other mineral deposits in the lands so patented, and to it, or persons authorized by it, the right to prospect, mine and remove such deposits for the same under applicable law.

SUBJECT TO:

1. A right-of-way for a Federal Aid Highway, Act of August 27, 1958, as amended, 23 U.S.C. 317;

ALTA Commitment (6/17/06)

2. Those rights for pipe line purposes which have been granted to Town of eureka, its successors or assigns, under the Act of February 15, 1901, 31 Stat. 790, 43 U.S.C. 959.

Affects Parcel 3

14. Reservations and exceptions contained in Patent from the United State of America,
Recorded : April 12, 1983, Book 110, Page 146, Document No. 87387,
Official Records of Eureka County, Nevada

Said reservation and exception recites as follows:

EXCEPTING AND RESERVING TO THE UNITED STATES:

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States; Act of August 30, 1890, 26 Stat. 391; 43 U.S.C. 945.
2. All mineral deposits in the lands so patented, and to it, or persons authorized by it, the right to prospect, mine, and remove such deposits from the same under applicable law and such regulations as the Secretary of the Interior may prescribe.

SUBJECT TO:

1. Those rights granted by oil and gas lease, N-26211 made under Section 29, Act of February 25, 1920, 41 Stat. 437 and the Act of March 4, 1933, 47 Stat. 1570. This patent is issued subject to the right of the prior permittee or lessee to use so much of the surface of said land as is required for oil and gas exploration and development operations, without compensation to the patentee for damages resulting from proper oil and gas operations, for the duration of oil and gas lease, N-26211, and any authorized extension of that lease. Upon termination or relinquishment of said oil and gas lease, this reservation shall terminate.
2. Those rights for sewer pipeline purposes which have been granted to the Town of Eureka, its successors or assigns, by Permit No. Nev. 065179, under the Act of February 15, 1901, 31 Stat. 790, 43 U.S.C. 959.
3. A right-of-way 66 feet in width along the east boundary for State Route 46.
4. An easement 33 feet in width along the north boundary for road and public utilities purposes to insure continued ingress and egress to adjacent lands.

Affects Parcel 4

15. An easement affecting a portion of said land for the purposes stated herein, together with incidental rights thereto,
Granted to : Eureka County Commissioners
Purpose : water line
Recorded : September 24, 1987, Book 164, Page 285, Document No. 112106,
Official Records of Eureka County, Nevada
Affects : portion of Section 11
16. An easement affecting a portion of said land for the purposes stated herein, together with incidental rights thereto,
Granted to : NEVADA BELL

ALTA Commitment (6/17/06)

Purpose : communication facilities
Recorded : October 12, 1994, Book 277, Page 256, Document No. 155469,
Official Records of Eureka County, Nevada
Affects : a portion of the SE1/4

17. A Permit to Construct Underground Cable executed by Eureka County, recorded December 6, 1994, in Book 279, Page 130, Official Records, Eureka County, Nevada.

18. Easements, dedications, reservations, provisions, relinquishments, recitals, building set back lines, certificates, and any other matters as provided for or delineated on the record of survey map filed January 2, 1998, as Document No. 169478.

Reference is hereby made to said Plat for particulars. If one is not included herewith, one will be furnished upon request.

must be removed
~~19. A Deed of Trust to secure an indebtedness in the original amount stated herein, and/or other obligations secured thereby,~~

~~Dated : February 21, 2006
Amount : \$ 65,000.00
Trustor : David R. Clark and Terri R. Clark
Trustee : First American Title Company
Beneficiary : Lawrence L. Melka and Vickie L. Melka, husband and wife as joint tenants
Recorded : April 4, 2006, Book 434, Page 302, Document No. 204427,
Official Records of Eureka County, Nevada~~

~~Affects Parcels 3 and 4~~

20. Central Nevada Regional Water Authority Agreement recorded May 2, 2006, in Book 435, Page 246, Document No. 204562, Official Records, Eureka County, Nevada.

must be removed
~~21. Promissory Note dated January 10, 2011 by and between Nevada Rural Housing Authority, a political subdivision of the State of Nevada, and Eureka County, a political subdivision of the State of Nevada, in the amount of \$1,700,000.00, recorded January 11, 2011, Book 511, Page 270, Document No. 216637, Official Records of Eureka County, Nevada.~~

22. Any facts, matters or interests which would be disclosed by survey, physical inspection of the premises, and/or inquiry of the parties in possession.

Attachment E

Memorandum of Multifamily Real Property Agreement

[See attached.]

Attachment E

APN: _____

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:

MEMORANDUM OF MULTIFAMILY REAL PROPERTY AGREEMENT

THIS MEMORANDUM OF MULTIFAMILY REAL PROPERTY AGREEMENT ("Memorandum") is entered into effective as of June _____, 2011 ("Effective Date"), by and between **EUREKA COUNTY, NEVADA, a political subdivision of the State of Nevada** ("Eureka County"), and **NEVADA RURAL HOUSING AUTHORITY, a local government entity created and organized under Nevada Revised Statutes Chapter 315** ("NRHA").

1. Premises. For the term and upon the provisions set forth in that certain Multifamily Real Property Agreement dated effectively as of June _____, 2011, between Eureka County and NRHA (the "Agreement"), all of which provisions are specifically made a part hereof as fully and completely as if set out in full herein, Eureka County has granted to NRHA the right, and NRHA has accepted the obligation, to construct certain improvements on real property owned by Eureka County in connection with NRHA's and Eureka County's development of public and private roads, utilities and other infrastructure (the "Infrastructure Works") in support of NRHA's development of a multifamily apartment project on the real property located in Eureka County, Nevada, described particularly in **Exhibit "A"** attached hereto and incorporated herein by this reference (the "NRHA Property"). The real property owned by Eureka County and upon which the Infrastructure Works are to be conducted are certain of those legal parcels of real property situate within and created by the Final Map of Eureka County Subdivision recorded _____, 2011, as Document No. _____, Official Records, Eureka County, Nevada (the "Eureka County Property"). The Agreement touches and concerns both the NRHA Property and Eureka County Property as burdens and benefits running with the land.

2. Term. The term of the Agreement expires no later than _____, 20__.

3. Purpose of Memorandum. This memorandum is prepared for the purposes of recording and notice, and in no way modifies the express and particular provisions of the Agreement.

IN WITNESS WHEREOF, NRHA and Eureka County have executed this Memorandum as of the dates set forth with their respective signatures, to be effective as of the Effective Date.

NRHA:

**NEVADA RURAL HOUSING
AUTHORITY, a local government entity
created and organized under Nevada
Revised Statutes Chapter 315**

Signed: _____

By: Gary Longaker

Its: Executive Director

Date: _____, 2011.

COUNTY:

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

Signed: _____

By: Leonard J. Fiorenzi

Its: County Commission Chairman

Date: _____, 2011.

Attest: _____
Jackie Berg, Clerk of the Board

EXHIBIT "A" to the
Memorandum of Multifamily Real Property Agreement

Legal Description of NRHA Property