

**City of Carson City
Agenda Report**

Date Submitted: December 7, 2010

Agenda Date Requested: December 16, 2010

Time Requested: 30 Minutes

To: Mayor and Supervisors

From: Parks and Recreation Department - Open Space Division

Subject Title: Action to accept the recommendation of the Open Space Advisory Committee to approve the fee title acquisition of the Serpa Property in the Carson River Canyon containing approximately 418.77 acres. (Juan F. Guzman / Chuck Pope, NVLC / Dwight Millard, NCRV&T)

Staff Summary: Staff is very pleased to inform the Board of Supervisors that Mr. Serpa has agreed to sell to Carson City approximately 418.77 acres of land for \$3,140,775. Mr. Tony Wren, appraiser appointed by the Board of Supervisors, estimated the value of the property at \$3,140,775 which is equivalent to \$7,500 per acre. Staff has prepared for your review and approval a draft purchase agreement based on that value. Grant funding has been obtained by the NVLC through the Question-1 State Conservation Program to assist with this acquisition. This property has been designated as a high priority in the Open Space Master Plan due to important environmental, cultural, and recreation values. This acquisition advances the provisions of the Carson River Master Plan, the Unified Pathways Master Plan, and the Carson River Aquatic Trail.

Type of Action Requested: (check one)

- Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to accept the recommendation of the Open Space Advisory Committee to approve the fee title acquisition of the Serpa Property in the Carson River Canyon containing approximately 418.77 acres.

Explanation for Recommended Board Action: The appraisal for the property was conducted by Mr. Tony Wren, MAI, SRA, licensed in the State of Nevada, and dated November 22, 2010, and updated by letter dated December 2, 2010. The 418.77-acre property is located east and west of Deer Run Road. The property contains approximately 3 miles of river shore, flood zones, floodway, riparian corridors, and interior valleys surrounded by a canyon geomorphic formation. All parcels except 8-531-05 have frontage along the Carson River. The parcels are characterized by a narrow band of riparian vegetation and provide habitat for wildlife. As the land backs away from the river the topography gets steeper and the vegetation quickly transforms into sagebrush and bunch grass communities more characteristic of the Great Basin environment. Much of the Carson River corridor provides excellent winter range for mule deer, as well as suitable habitat for a variety of other species. The critical Carson River aquatic refuge provides habitat for native fish, amphibians, aquatic invertebrates, and sensitive species.

Acquisition of this property will preserve Nevada's railroad heritage while the V&T Commission will protect the historic Virginia & Truckee Railroad right-of-way. The V&T Railroad was originally constructed between Virginia City and Carson City in 1869. Along this stretch of the Carson River, mine owners established their ore processing mills to take advantage of the available hydropower and proximity to

the Comstock mines to the north. This property encompasses the remains of the Nevada Historic Merrimac Mill and is adjacent to the site of the Brunswick and Copper Canyon mills. Please see the attached letters of support provided in 2007 as part of a Question-1 grant nomination by Dr. Fischer, Director of the Department of Cultural Affairs, and from Robert Hatfield, past Chairman of the Nevada Commission for the Reconstruction of the V&T Railway. The present Chairman, Dwight Millard, has been an integral part in the present day negotiations. Due to the mercury contamination from the historic mill activities, the river canyon has been designated as a Superfund Site. This issue was explored by the Board of Supervisors through the acceptance of a study prepared by Resource Concepts, Inc.

Mr. Serpa has reserved approximately 22.6 acres of permanent right-of-way easement, 4.2 acres of permanent slope easement, and approximately 3 acres of temporary construction easements for the future construction of the V&T Railroad track. The fee title will remain with Carson City; however, the easements to be in place at the close of escrow to allow for the V&T Commission program to extend track and activities into the Carson River Canyon.

The State of Nevada Conservation Bonds Question-1 Program has awarded \$1,075,000 to the Nevada Land Conservancy towards this acquisition. The Nevada Land Conservancy does not seek an interest in the land; however, will use these monies to facilitate this transaction. This project advances the goals of the Nevada Land Conservancy towards the preservation of lands in fragile environments and ecosystems throughout the State of Nevada.

Applicable Statute, Code, Policy, Rule or Regulation:

Chapter 13.06 of the Carson City Municipal Code
Nevada Revised Statutes Chapter 244.275
State of Nevada Question-1 Program regulations

Fiscal Impact: Approximately \$1,075,000 from the Question-1 Program through the Nevada Land Conservancy and the remaining \$2,065,775 from the Question-18 Open Space Program. In addition, there will be a reduction in the revenue obtained by Carson City from taxes on the property. A total of \$1,859.68 are the current taxes for these eight assessor parcel numbers.

Explanation of Impact: The value of the property was determined by MAI, SRA, Nevada licensed appraiser. The loss of taxes will occur since the property will pass from private hands into Carson City ownership. There will be miscellaneous escrow related costs.

Funding Source: A State of Nevada Question-1 Program grant, through the Nevada Land Conservancy, for approximately \$1,075,000 and Question-18 Open Space approximately \$2,065,775 plus miscellaneous closing costs. The Open Space acquisition account presently has a balance of \$3,400,000.

Alternatives:

Not approve this transaction.


To request that staff change the terms of the offer

Supporting Material:


- Draft minutes of the Open Space Advisory Committee meeting of November 30, 2010, for this item.
- Draft purchase agreement
- Exhibit of V&T easements and surveyor acre revision
- Appraisal conducted and update letter by Tony Wren, MAI
- Letters of support
- Mercury Study prepared for Carson City by Resource Concepts, Inc.

Prepared By:  Date: 12/3/2010
Juan F. Guzman, Open Space Manager

Reviewed By:  Date: 12/7/10
Roger Moellendorf, Parks & Recreation Director

 Date: 12/2/10
Lawrence A. Werner, City Manager

 Date: 12/7/10
District Attorney's Office

 Date: 12/7/10
Finance Department

Board Action Taken:

Motion: _____ 1: _____ Aye/Nay
2: _____

(Vote Recorded By)

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Serpa motion from November 30th OSAC meeting.

(7:03:57) Chairperson Hartman entertained public comments and, when none were forthcoming, a motion. **Member Scott moved to recommend to the Board of Supervisors approval of the fee title acquisition of the Serpa property in the Carson River Canyon, with the understanding that the basis for valuation would be \$7,500 per acre; that we estimate that there are approximately 419.57 acres in the area to be acquired; and that staff will work with the appraiser to clarify, in writing, the fact that existing easements at the time of closure would not adversely affect the value as determined by the appraisal. Member Fischer seconded the motion.**

At Member Green-Preston's request, the last part of the motion was read back by the recording secretary. Member Green-Preston suggested that staff obtain, from the appraiser, a written statement that the 29 acres excluded from the purchase price was considered in determining the \$7,500 per acre. Member Scott explained the intent of his motion for the appraiser to formally recognize that easements on the property, at the time of closure, do not adversely affect the value. He suggested this as "a clean and simple way to do it because we also have the Brunswick Canyon Road affecting some of it." Member Scott expressed hesitation "to make the motion to tight that it really ties his hands that way." Member Green-Preston expressed concern over having the appraiser acknowledge his awareness of the easement included at Section 9. She expressed confidence that the appraiser is aware of the Brunswick easement "and all the other different easements ...". Member Scott expressed the opinion that the written clarification would formally recognize that the easements exist at the time of closing and do not adversely affect his appraisal. He expressed the further opinion "that would suffice," and advised that the appraiser is aware of the proposed easement. He expressed understanding for Member Green-Preston's attempts to ensure "that's real clear" without any doubt.

Member Green-Preston expressed concern over the term "existing easements; this is not an existing easement." She suggested the wording "existing easements and the proposed easement." Member Riedl expressed agreement with Member Green-Preston, noting that the appraisal was dated November 22, 2010 and the draft purchase agreement, with the exclusion, is dated November 30th at 3:51 p.m. Member Riedl expressed concern "that the appraiser will not be able to confirm that."

Chairperson Hartman noted the draft purchase agreement provided to the committee members prior to the start of the meeting was marked Draft #4. "This has been going on for awhile." Chairperson Hartman acknowledged the confusion associated with the proposed easement not having been written. He expressed understanding for the intent of Member Scott's motion, i.e., "all easements of record, including the anticipated easement from the V&T." He acknowledged Member Green-Preston's intent to ensure clarification and

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Member Scott's intent to ensure flexibility. Chairperson Hartman further acknowledged "there are more easements out there and they're not of record. They're prescriptive and they would seemingly not affect value according to ... the appraiser ..." Chairperson Hartman requested Mr. Guzman to communicate to Appraiser Tony Wren the need for a real simple letter of clarification. He suggested everyone was "saying the same thing," and noted the importance of clear communication of the same to the Board of Supervisors.

Vice Chairperson Jacquet noted that the recommendation is subject to verification by the appraiser that he considered the V&T right-of-way in determining the \$7,500 per acre value. Vice Chairperson Jacquet acknowledged this as a proposed amendment to Member Scott's motion. Vice Chairperson Jacquet suggested amending the motion to indicate that the committee's recommendation to the Board of Supervisors is subject to verification by the appraiser that he considered the existence of the proposed easement to the V&T Railroad in determining his value of \$7,500 per acre; that, if he did not, then as Attorney Scott Heaton stated, the valuation of the permanent easement acreage will not be included in the purchase price; and subject to a survey determining the proper number of acres. **Member Scott so amended his motion. Member Fischer continued his second. Motion carried 7-0.**

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2010, by and between JOHN C. SERPA or nominee ("SELLER"), and Carson City, a consolidated municipality of the State of Nevada by and through its Board of Supervisors, of 201 North Carson Street, Suite 2, Carson City, Nevada 89701 ("BUYER"). SELLER and BUYER are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties."

R E C I T A L S

A. SELLER is the fee simple owner of the land and real property lying and situate in Carson City, Nevada, more particularly described on Parcels 1, 2, 3, 4, 5, 6, 7 and 8 in Exhibit A attached hereto and incorporated herein by this reference (herein sometimes referred to as "Property") and SELLER desires to sell and BUYER desires to acquire the Property. It is understood that this purchase agreement includes eight (8) specific parcel of real property comprising approximately 418.77 acres designated as the following Assessor Parcel Numbers. There are no water rights appurtenant to the Property in this transaction.

Parcel 1	8-531-40	19.1 Acres
Parcel 2	10-011-26	94 Acres
Parcel 3	10-011-27	100 Acres
Parcel 4	8-541-73	16 Acres
Parcel 5	8-531-05	0.73 Acres
Parcel 6	8-531-39	137.94 Acres
Parcel 7	10-021-55	35 Acres
Parcel 8	8-541-92	16 Acres
Total:		418.77 Acres

B. BUYER desires to acquire the Property to preserve and further the goals and objectives of open space and other purposes as set forth in Carson City Municipal Code Chapter 13.06.

C. The property is uniquely located in the Carson River Canyon running adjacent to the Carson River and consisting of floodway wetlands, river front and view scapes, and has other historic and cultural qualities which make it very desirable to preserve as in furtherance of the open space goals.

D. The Property possesses development potential which, if permitted, would frustrate BUYER'S desire to preserve the open space qualities of the Property.

E. There are no water rights from the Carson River which are appurtenant to the Property.

F. BUYER has obtained the financial cooperation of the Nevada Land Conservancy, (hereinafter referred to as the "NVLC") for the purchase of the Property.

G. The NVLC has obtained a \$1,075,000 grant from the State of Nevada, Conservation Bond - Question 1 Program, under the category of Non-Profit Organization, for assisting in Carson City's acquisition of this property.

H. The NVLC, Question-1 Program grant funding is contingent upon this transaction closing escrow by January 31, 2011.

I. The NVLC will not reserve or acquire any interest in the land ownership resulting from this transaction; the ownership is to be vested solely in the name of Carson City.

J. The Parties desire and intend by this Agreement to memorialize their agreements by this writing.

NOW THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the Parties hereby agree as follows:

1. REPRESENTATIONS AND WARRANTIES: NO PERSON IS AUTHORIZED TO MAKE, AND BY EXECUTION HEREOF BUYER ACKNOWLEDGES THAT NO PERSON HAS MADE, ANY REPRESENTATION, WARRANTY, GUARANTY OR PROMISE EXCEPT AS SET FORTH HEREIN; AND NO AGREEMENT, STATEMENT, REPRESENTATION OR PROMISE MADE BY ANY SUCH PERSON WHICH IS NOT CONTAINED HEREIN SHALL BE VALID OR BINDING ON SELLER. THE ONLY REPRESENTATIONS OR WARRANTIES OUTSTANDING WITH RESPECT TO THE SUBJECT MATTER OF THIS TRANSACTION, EITHER EXPRESS OR IMPLIED BY LAW, ARE SET FORTH HEREIN, AND BUYER EXPRESSLY WAIVES THE RIGHT TO ANY WARRANTY IMPLIED BY LAW. THE PARTIES ACKNOWLEDGES THAT BUYER AND SELLER HAVE MADE THE SUBJECT PROPERTY AVAILABLE FOR THE OTHER'S INDEPENDENT INSPECTION.

2. PURCHASE AND SALE OF PROPERTY: SELLER agrees to convey the Property, together with all rights, excluding water rights, title, and interest in accordance with the terms of this Agreement the following which shall comprise the sale contemplated in this Agreement:

- a. All of the real property lying and situate in Carson City, Nevada, consisting of 418.77 acres, more or less, and described in "Exhibit A."
- b. Any and all licenses, encroachment permits, ways, easements of whatever type or kind, together with all mineral rights, oil rights, gas rights, geothermal rights, sands and gravels which are appurtenant to or associated in any way with the Property which are owned by SELLER, but excluding the easement referred to in Paragraph 9 set forth below.

The foregoing listed elements of the Property in this Paragraph 2 are hereinafter collectively referred to as the "Property".

3. PURCHASE PRICE: The purchase price for the above described Property shall be Three Million, One Hundred and Forty Thousand, Seven Hundred Seventy-Five, and 00/100 dollars (\$3,140,775), which shall be paid by BUYER to SELLER in accordance with the terms of this Agreement.

4. ESCROW, CONVEYANCE, AND TITLE INSURANCE: Escrow shall be with Northern Nevada Title Company ("Escrow Holder"), which is located at 307 West Winnie Lane, Carson City, Nevada, 89703.

- a. Escrow shall open as of the date upon which Escrow Holder has received a fully signed original, or counterpart originals, of this Agreement accompanied by the sums and documents required herein. The date all such items have been delivered to Escrow Holder shall be referred to herein as the "Opening of Escrow" and reported by letter to the Parties by Escrow Holder,

and the date escrow actually closes and the deed is recorded shall be referred to as "Close of Escrow." Escrow Holder is hereby authorized and instructed to act in accordance with the provisions of this Agreement, which Agreement, together with Escrow Holder's standard escrow instructions, shall constitute Escrow Holder's escrow instructions. As between the Parties, if there is a conflict between Escrow Holder's standard instructions and this Agreement, this Agreement will control.

- b. Ad valorem property taxes for the current fiscal year shall be prorated as of the Close of Escrow.
- c. All assessments, and/or special taxes, including the full principal amount of all bonded indebtedness encumbering the Property, if any, shall be prorated to the Close of Escrow. To the extent such amounts can be identified or reasonably estimated by Escrow Holder they shall be accordingly paid (or reserved for payment) at Close of Escrow.
- d. SELLER, at BUYER'S expense, shall furnish BUYER with a C.L.T.A. owner's policy of title insurance in the full amount of the purchase price issued by NORTHERN NEVADA COMPANY OF CARSON CITY, subject only to those exceptions disclosed herein or otherwise not objected to by BUYER or the preliminary title report.
- e. BUYER shall pay the escrow fee and any and all other fees, including recording fees, document preparation fees, real property transfer taxes and similar costs not specifically allocated in this Agreement.
- f. In accordance with Nevada Revised Statutes (NRS) 361.060 and NRS 361A.265, SELLER shall have no liability for deferred taxes, interest, or penalties, arising out of any conversion of the Property from agricultural uses to open space or any higher use.
- g. Title to the Property shall be conveyed by Grant, Bargain and Sale Deed AND MUST CONTAIN THE FOLLOWING LANGUAGE: "This land was purchased with Quality of Life Sales and Use Tax Funds and is subject to the provisions of the Carson City Municipal Code Section 13.06."

5. PAYMENT OF PURCHASE PRICE: The Purchase Price for the Property described in Paragraph 3 above and detailed on the Exhibits hereto shall upon satisfaction of the conditions set forth in Paragraph 6 be paid by BUYER to Escrow Holder for SELLER as follows:

The sum of Three Million, One Hundred Forty Thousand, Seven Hundred Seventy-Five and 00/100 (\$3,140,775) shall be paid into Escrow on or before the date set for the Close of Escrow, which is thirty-five (35) days from the Opening of Escrow, fed funds, or other readily available funds.

6. BUYER'S CONDITIONS ON CLOSE OF ESCROW: Close of Escrow shall be subject to the following conditions: SELLER and BUYER shall diligently attempt to achieve the satisfaction of these conditions without undue delay. If any of these conditions cannot be met, then, unless waived by BUYER, Escrow Holder, upon receipt of notification from BUYER or from SELLER that it cannot or will not be able to satisfy a condition, shall immediately cancel the escrow and return the respective documents to SELLER and BUYER, and each party shall be responsible for one-half (1/2) of the escrow costs incurred, and thereafter neither Party shall have any further obligation, rights, or liability under this Agreement.

- a. Except as otherwise approved by BUYER, and subject to the provisions of Paragraph 9 below, title to the Property shall be conveyed to BUYER free of liens and encumbrances. SELLER shall furnish BUYER with a preliminary title report at BUYER'S expense and, upon request, copies of all recorded exceptions to title referred to therein within five (5) days after Opening of Escrow. Within ten (10) days of receipt of: (i) the preliminary title report and all documents referred to in it; or (ii) any supplemental or amendatory report and the documents referred to as exceptions thereto, BUYER shall give SELLER notice specifying those matters which are unacceptable conditions of title. Said preliminary title report as supplemented and/or amended is hereinafter referred to as the "Title Report." All exceptions in the Title Report not specifically disapproved by BUYER within ten (10) days after receipt of the initial submittal and/or, as applicable, supplementary or amendatory materials by BUYER, shall be deemed to have been approved. SELLER shall remove such objectionable items within fifteen (15) days thereafter, but in any event prior to the Close of Escrow and if SELLER fails to remove such objectionable items within said period, and/or if the Title Policy will not be issued in the exact form approved by BUYER, SELLER shall notify BUYER in writing of such fact, and BUYER shall have the election to be exercised in writing within five (5) days after delivery to BUYER of such notice of SELLER of either:
 - 1) Terminating this Agreement, in which event Escrow Holder shall return the documents deposited herein to the Party depositing same;
 - or
 - 2) Accepting the Property subject to the objectionable items.
- b. To the extent that the same exists, SELLER shall furnish BUYER with any and all land surveys, engineering information, environmental assessments, planning or zoning information of the Property in SELLER's possession, within fifteen (15) days after Opening of Escrow. Should BUYER fail to close escrow for whatever reason, BUYER shall promptly return all such land surveys, engineering information, environmental assessments, planning or zoning information or other evaluations of the Property to SELLER and treat as confidential all information contained therein.
- c. The NVLC has received a grant award from the State of Nevada, Conservation Fund Q1 for approximately \$1,075,000 to be used for the purchase of this property.
- d. This Agreement shall be approved by the Carson City Board of Supervisors.

In the event that any of the conditions to close are not met within the time frames set forth herein the SELLER or the BUYER may cancel and terminate this Agreement. In such event, this Agreement shall become null and void and the parties shall be returned to their original pre-Agreement condition. The parties will be released from any further obligation to each other and neither will be liable to the other for costs of partial performance or failure to perform. BUYER will be entitled to the return of all monies paid by it to the Escrow less one-half of the reasonable charges incurred by the Escrow Agent.

7. SELLER'S REPRESENTATIONS, COVENANTS, WARRANTIES AND OBLIGATIONS:

- a. SELLER represents to BUYER that to the best knowledge of SELLER, the

title to be conveyed to BUYER will not be encumbered by any easements, persons in possession, government patents or other rights, other than those items disclosed on the Title Report and referred to in Paragraph "9" below or which would be disclosed by a physical inspection of the Property. To the best knowledge of SELLER, there is no hazardous, toxic or radioactive material on the Property. BUYER is aware that the property has been designated by the National Environmental Protection Agency as the Carson River Mercury Site due to the potential presence of mercury from the historic location of ore processing activities from the Comstock period. SELLER agrees BUYER and/or its agents may make all disclosures and file all reports which, may be required by law with respect to discovery of any hazardous, toxic or radioactive materials on the Property as a result of such investigations and hereby releases and holds BUYER harmless with respect to liability arising out of such disclosure.

- b. SELLER warrants that there are no threatened or pending condemnation proceedings against or affecting any part of the Property.
- c. SELLER shall not knowingly or suffer to be committed any waste in or upon the Property. Waste shall include, but is not limited to, any injury to the Property which renders it in a condition materially different from its condition at the date of this Agreement.
- d. To the best knowledge of SELLER, SELLER has complied, and the Property is in compliance, with all laws relating to the storage, use and disposal of hazardous, toxic or radioactive materials (collectively, "Toxic Materials").
- e. To the best knowledge of SELLER, the execution and consummation of this Agreement pursuant to its terms will not result in a material breach of, contravene any provisions of, violate, or constitute a default under any articles of incorporation, charter, bylaw, mortgage, contract agreement to which SELLER is subject.
- f. From the date of this Agreement to the Close of Escrow, the SELLER will continue to provide BUYER full access to all of the Property and information relating to the historical use and operation of the Property.
- g. SELLER warrants that the property is free and clear of financial encumbrances and all other liens and encumbrances other than as set forth in the preliminary title report.

8. POSSESSION: Possession of the Property shall be given to the BUYER at Close of Escrow, but during the term of this Agreement BUYER and its agents may enter upon the Property for the purpose of performing environmental or engineering, surveying or soil testing. BUYER agrees to pay, defend, indemnify and hold SELLER harmless from all liability, claims, costs and expense, except such as might accrue from the mere discovery of hazardous or toxic material, resulting from BUYER's activities on the Property during the escrow period. Should the BUYER fail to acquire the Property, then it is agreed that SELLER shall receive copies of all studies, test results and engineering generated by BUYER.

9. RESERVATION OF EASEMENTS:

- a. SELLER or its designee has reserved easements, as illustrated in Exhibit B solely for the use of the operation and maintenance of the historic railroad restoration project of the Nevada Commission for Reconstruction of the V&T Railway.

- b. The easements will be available for the use of Carson City and the public at large until the time of transfer to the Nevada Commission for Reconstruction of the V&T Railway.
- c. The easements as described in Exhibit B include 22.6 acres for permanent right-of-way, 4.2 acres for permanent slope, and 3 acres for temporary construction easement.

10. GOOD FAITH AND FAIR DEALING: During the term of this transaction the parties hereto agree and covenant, one unto the other, to act in good faith and to fairly and openly deal with each other to accomplish the goals and objectives of the respective parties in closing the escrow envisioned herein.

11. BINDING EFFECT: This Agreement shall bind and inure to the benefit of the respective heirs, representatives, successors and assigns of BUYER and SELLER.

12. NOTICES: No notice, request, demand, instruction or other document to be given hereunder to any Party shall be effective for any purpose unless personally delivered to the person at the appropriate address set forth below (in which event such notice shall be deemed effective only upon such delivery) delivered by air courier next-day delivery (e.g., Federal Express), or delivered by U.S. mail, sent by registered or certified mail, return receipt requested as follows:

If to SELLER, to: John C. Serpa
 C/O Scott Heaton, Esquire
 716 North Carson Street, Suite E.
 Post Office Box 605
 Carson City, Nevada 89702

If to BUYER, to: Carson City, a Consolidated Municipality
 Juan F. Guzman, Open Space Manager
 3303 Butti Way, Building #9
 Carson City, Nevada 89701

Notices delivered by air courier shall be deemed to have been given the next business day after deposit with the courier and notices mailed shall be deemed to have been given on the second day following deposit of same in any United States Post Office mailbox in the state to which the notice is addressed or on the third day following deposit in any such post office box other than in the state to which the notice is addressed, postage prepaid, addressed as set forth above. The addresses and addressees, for the purpose of this Paragraph, may be changed by giving written notice of such change in the manner herein provided for giving notice. Unless and until such written notice of change is received, the last address and addressee stated by written notice, or provided herein if no such written notice of change has been received, shall be deemed to continue in effect for all purposes hereunder.

13. TIME: Time is of the essence for each provision of this Agreement of which time is a factor, and if this transaction is not closed by January 30, 2011, BUYER shall have right to terminate, and whereupon SELLER shall be relieved of any further obligation to convey the Property to BUYER.

14. ATTORNEYS' FEES: In the event of any action or proceeding, including an arbitration brought by either Party against the other under this Agreement, the prevailing Party shall be entitled to recover all costs and expenses including the actual fees of its attorneys incurred for prosecution, defense, consultation or advice in such action or proceeding.

15. COMPUTATION OF PERIODS: All periods of time referred to in this Agreement shall include all Saturdays, Sundays and state or national holiday, unless the period of time specifies business days, provided that if the date to perform any act or give any notice with respect to this Agreement, shall fall on a Saturday, Sunday or state or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state or national holiday.

16. INTERPRETATION: The Parties hereto acknowledge and agree that each has been given the opportunity to review this Agreement with legal counsel independently, and/or has the requisite experience and sophistication to understand, interpret and agree to the particular language of the provisions hereof. The Parties have equal bargaining power, and intend the plain meaning of the provisions herein. In the event of an ambiguity in or dispute regarding the interpretation of same, the interpretation of this Agreement shall not be resolved by any rule of interpretation providing for interpretation against the Party who causes the uncertainty to exist or against the draftsman. This Agreement contains the entire agreement between the parties relating to the transactions contemplated hereby and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged and integrated into this Agreement.

17. SURVIVABILITY: All covenants of BUYER or SELLER which are intended hereunder to be performed in whole or in part after Close of Escrow and all representations, warranties and indemnities by either Party to the other, shall survive Close of Escrow and delivery of the Grant, Bargain and Sale Deed, and be binding upon and inure to the benefit of the respective Parties, for a period of two years.

18. MUTUAL INDEMNITY: SELLER and BUYER hereby agree to indemnify, defend and hold the other Party harmless against any and all liability, claims, costs or expenses arising directly or indirectly out of the covenants, representations and warranties given by the indemnifying Party to the other in this Agreement.

19. AUTHORITY OF PARTIES: Any corporation signing this Agreement, and each agent, officer, director, or employee signing on behalf of such corporation, but in his individual capacity, represents and warrants that said Agreement is duly authorized by and binding upon said corporation. Any individual signing this Agreement on behalf of a partnership or business entity other than a corporation represents that such other entity has power and authority to enter into this Agreement, and by such person's act is bound hereby.

20. COUNTERPART: This Agreement and any other agreement (or document) delivered pursuant hereto may be executed in one or more counterparts and by different Parties in separate counterparts. All of such counterparts shall constitute one and the same agreement and shall become effective when one or more counterparts of this Agreement have been signed by each Party and delivered to the other Parties.

IN WITNESS WHEREOF, SELLER and BUYER have fully executed this Agreement as of the date first above written.

“SELLER”

“BUYER”
CARSON CITY

JOHN C. SERPA or Nominee

Robert Crowell, Mayor

DATE: _____, 2010

Juan F. Guzman, Open Space Manger

Approved as to form:

Neil Rombardo, District Attorney

DATE: _____, 2010

EXHIBIT "A"

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

PARCEL 1

The Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 12, Township 15 North, Range 20 East, M.D.B. & M., Carson City, Nevada.

EXCEPTING THEREFROM, all that portion of said land lying West of the Easterly line of the Carson River.

ALSO EXCEPTING THEREFROM, all that land lying within the bed of the Carson River.

Note: Legal description previously contained in Document recorded June 14, 1965 in Book 396, Page 372 as Document No. 36739 and re-recorded June 17, 1986 as Document No. 46476, Official Records of Carson City, State of Nevada.

Assessor's Parcel No. 8-531-40

PARCEL 2

The Southwest $\frac{1}{4}$ of Section 7 all being in Township 15 North, Range 21 East, M.D.B. & M., Carson City, Nevada.

EXCEPTING THEREFROM all that land lying within the bed of the Carson River.

Note: Legal description previously contained in Document recorded June 14, 1965 in Book 396, Page 372 as Document No. 36739 and re-recorded June 17, 1986 as Document No. 46476, Official Records of Carson City, State of Nevada.

Assessor's Parcel No. 10-011-26

PARCEL 3

The Northwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 18 in Township 15 North, Range 21 East, M.D.B. & M., Carson City, Nevada.

EXCEPTING THEREFROM all that land lying within the bed of the Carson River.

Note: Legal description previously contained in Document recorded June 14, 1965 in Book 396, Page 372 as Document No. 36739 and re-recorded June 17, 1986 as Document No. 46476, Official Records of Carson City, State of Nevada.

Assessor's Parcel No. 10-011-27

PARCEL 4

A portion of Parcel D as set forth on the Parcel Map for Carson River Development Co, being a portion of the Northeast $\frac{1}{4}$ of Section 11, Township 15 North, Range 20 East, M.D.B. & M., Carson City, Nevada filed for record September 4, 1979 in Book 3 of Maps, page 797, Document No. 90527, Official Records of Carson City, State of Nevada.

EXCEPTING THEREFROM that certain piece or parcel of land shown as Parcel 3A on Record of Survey to Support a Lot Line Adjustment for John C. Serpa & JS-SDA, LLC recorded in the office of the Carson City Recorder on May 27, 2005 in Book 9 of Maps, Page 2561A, Document No. 337116, Official Records of Carson City, State of Nevada and being more particularly described in that certain Lot Line Adjustment recorded May 27, 2005 as Document No. 337115, Official Records of Carson City, State of Nevada.

FURTHER EXCEPTING THEREFROM all the land lying within the bed of the Carson River.

Assessor's Parcel No. 8-541-73

PARCEL 5

A portion of the Northeast $\frac{1}{4}$ of Section 11, Township 15 North, Range 20 East, M.D.B. & M., Carson City, Nevada, described as follows:

COMMENCING at the East quarter corner of said Section 11, as set forth on Parcel Map recorded September 4, 1979 in Book 3 of Maps, Page 767, file No. 90527, Official Records of Carson City, Nevada, said point being the Point of Beginning; thence N. $89^{\circ}21'46''$ West along the East-West section line 729.15 feet; thence N. $73^{\circ}45'57''$ E, 204.61 feet; thence on a curve to the right with a central angle of $73^{\circ}48'06''$ a radius of 600.00 feet for an arc length of 772.85 feet; thence East 100 feet to a point on the section line common to sections 11 and 12: thence S. $0^{\circ}01'36''$ East, 641.65 feet to the Point of Beginning.

EXCEPTING THEREFROM that portion lying within the right of way boundary of Deer Run Road.

Note: Legal description previously contained in Document recorded June 14, 1965 in Book 396, Page 372 as Document No. 36739 and re-recorded June 17, 1986 as Document No. 46476, Official Records of Carson City, State of Nevada.

Assessor's Parcel No. 8-531-05

PARCEL 6

The Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$; the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$; the East $\frac{1}{2}$ of the Southwest $\frac{1}{4}$; the West $\frac{1}{2}$ of the Southeast $\frac{1}{4}$; and the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ all in Section 12, Township 15 North, Range 20 East, M.D.B. & M., Carson City, Nevada.

EXCEPTING THEREFROM those portions lying Northerly and Easterly of the Southerly and Westerly line of the Carson River.

ALSO EXCEPTING THEREFROM all that land lying within the bed of the Carson River.

ALSO EXCEPTING THEREFROM all that portion lying within the right of way boundary of Deer Run Road.

Note: Legal description previously contained in Document recorded June 14, 1965 in Book 396, Page 372 as Document No. 36739 and re-recorded June 17, 1986 as Document No. 46476, Official Records of Carson City, State of Nevada.

Assessor's Parcel No. 8-531-39

PARCEL 7

Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 13, Township 15 North, Range 20 East, M.D.B. & M., Carson City, Nevada.

EXCEPTING THEREFROM all that land lying within the bed of the Carson River.

Note: Legal description previously contained in Document recorded June 14, 1965 in Book 396, Page 372 as Document No. 36739 and re-recorded June 17, 1986 as Document No. 46476, Official Records of Carson City, State of Nevada.

Assessor's Parcel No. 10-021-55

PARCEL 8

All that certain real property situate within the northeast 1/4 of Section 11, Township 15 North, Range 20 East, M.D.M., Carson City, Nevada, further described as a portion of New Parcel 3 as shown on the Record of Survey to support a Lot Line Adjustment for John C. Serpa, recorded as Document No. 194756, Official Records of Carson City, Nevada, more particularly described as follows:

COMMENCING at the east 1/4 corner of said Section 11, said point being a 5/8" Rebar with Tag "RE 778";

THENCE N 89°21'46" W a distance of 729.16 feet to the TRUE POINT OF BEGINNING;

THENCE N 89°21'46" W a distance of 602.18 feet;

THENCE N 00°15'29" E a distance of 1315.43 feet;

THENCE N 89°18'23" W a distance of 1324.22 feet;

THENCE N 00°30'45" E a distance of 13.47 feet to a point on the southeasterly right-of-way line of Morgan Mill Road;

THENCE N 76°49'43" B along said southeasterly right-of-way, a distance of 471.97 feet;

THENCE continuing along said right-of-way along a curve to the left having a radius of 760.00 feet, arc length of 156.90 feet, delta angle of 11°49'43", a chord bearing of N 70°54'52" E, and a chord length of 156.62;

THENCE N 65°00'00" E continuing along said right-of-way a distance of 42.52 feet to the southwesterly corner of New Parcel 1 as shown on the aforementioned Record of Survey to support a Lot Line Adjustment for John C. Serpa;

THENCE along the southerly line of said New Parcel 1 the following six (6) courses;

THENCE S 63°38'57" E, a distance of 251.89 feet;

THENCE S 88°32'55" E, a distance of 254.33 feet;

THENCE S 67°39'20" E, a distance of 110.73 feet;

THENCE N 62°58' 10" E, a distance of 63.20 feet;

THENCE S 78°22'39" E, a distance of 69.91 feet;

THENCE N 75°44'48" E, a distance of 49.24 feet to the southeast corner of said New Parcel 1;

THENCE N 85°20'47" E, a distance of 462.74 feet;

THENCE S 87°20'00" E, a distance of 171.11 feet;

THENCE S 59°25'00" E, a distance of 580.12 feet to a point on the southwesterly right-of-way line of Deer Run Road;

THENCE along said southwesterly right-of-way, along a curve to the right having a radius of 600.00 feet, arc length of 139.89 feet, delta angle of $13^{\circ}21'30''$, a chord bearing of $S 06^{\circ}42'21''$ E, and a chord length of 139.57 feet;

THENCE $S 00^{\circ}01'36''$ E continuing along said right-of-way a distance of 356.98 feet;

THENCE continuing along said right-of-way along a curve to the right having a radius of 600.00 feet, arc length of 772.85 feet, delta angle of $73^{\circ}48'06''$, a chord bearing of $S 36^{\circ}51'54''$ W, and a chord length of 720.52 feet;

THENCE $S 73^{\circ}45'57''$ W continuing along said right-of-way a distance of 204.63 feet to the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM all that certain property lying southerly of the northerly mean high water mark of the Carson River.

Reference is further made to adjusted Parcel 3A on Record of Survey to Support a Lot Line Adjustment for John C. Serpa & JS-SDA, LLC recorded in the office of the Carson City Recorder on May 27, 2005 in Book 9 of Maps, Page 2561 as Document No. 337116, Official Records of Carson City State of Nevada.

Note: Legal description previously contained in Document recorded May 27, 2005 as Document No. 337115, Official Records of Carson City, State of Nevada.

Assessor's Parcel No. 8-541-92

EXHIBIT B

LEGAL DESCRIPTION RAILROAD RIGHT OF WAY EASEMENT APN 10-011-26

situate, lying and being in Carson City and the County of Lyon, State of Nevada, and more particularly described as being a portion of Section 7, T.15N., R.21E., M.D.M; being a strip of land fifty (50) feet in width "Left" of the "VC" centerline between Station "VC" 307+18.75 POC and "VC" 315+05.94 POT, also being a strip of land fifty (50) feet in width "Right" of the "VC" centerline between Station "VC" 307+18.75 POC and "VC" 315+28.73 POT, also being a strip of land, varying in width with the southerly boundary running concurrently with the high water mark of the Carson River "Right" of the "VC" centerline between Station "VC" 326+08.65 POT and "VC" 328+87.39 POC, also being a strip of land fifty (50) feet in width "Right" of the "VC" centerline between Station "VC" 328+87.39 POC and "VC" 339+04.85 POT, also being a strip of land fifty (50) feet in width "Left" of the "VC" centerline between Station "VC" 327+25.76 POT and "VC" 339+04.85 POC. Said centerline more fully described by metes and bounds as follows, to wit;

Beginning at a point of intersection on the railroad Right of Way centerline and the West line of Section 7, said point of beginning further described as Railroad Engineer's Station "VC" 307+18.75 POC, bearing S 00° 30' 14" W 2309.45 Ft. from a 5/8" rebar and cap in rock mound, the West 1/4 corner of Section 7, T.15 N., R.21 E. M.D.M.; The sidelines of the above described parcel or strip of land are to be shortened or lengthened to begin on said Section Line; thence along said railroad centerline the following (6) courses and distances:

1) thence along a curve to the Left having a radius of 415.88 Ft. and a central angle of 69° 08' 34" for an arc length of 501.87 Ft., said curve having a chord bearing of N 75° 23' 49" E for 471.97 Ft. to Sta. "VC" 312+20.62 PT;

2) thence N 40° 49' 32" E for 1562.17 Ft. to Sta. "VC" 327+82.79 PC;

3) thence along a curve to the Left having a radius of 410.28 Ft. and a central angle of 44° 06' 14" for an arc length of 315.82 Ft., said curve having a chord bearing of N 18° 46' 25" E for 308.08 Ft. to Sta. "VC" 330+98.61 PCC;

4) thence along a curve to the Left having a radius of 1736.48 Ft. and a central angle of 12° 35' 07" for an arc length of 381.42 Ft., said curve having a chord bearing of N 09° 34' 15" W for 380.66 Ft. to Sta. "VC" 334+80.03 PCC;

5) thence along a curve to the Left having a radius of 491.96 Ft. and a central angle of 32° 35' 06" for an arc length of 279.78 Ft., said curve having a chord bearing of N 32° 09' 21" W for 276.03 Ft. to Sta. "VC" 337+59.82 PT;

6) thence N 48° 26' 54" W for 145.04 Ft. to Sta. "VC" 339+04.85 POT, Point of Ending;

said point bears S 89° 28' 31" E 1238.15 Ft. from the 5/8" rebar and cap in rock mound, the West 1/4 corner of Section 7, T.15 N., R.21 E. M.D.M. The sidelines of the above described parcel or strip of land are to be shortened or lengthened to end on the property line as shown in Exhibit B;

TOGETHER with the following description of the "BT" line:

situate, lying and being in Carson City, State of Nevada, and more particularly described as being a portion of Section 7, T.15N., R.21E. M.D.M. and being a strip of land fifty (50) feet in width right of the "BT" centerline between Station "BT" 10+00.00 POT and "BT" 39+32.16 POT, also being a strip of land, varying in width with the southerly boundary running concurrently with the high water mark of the Carson River between Station "BT" 39+32.16 POT and "BT" 39+35.83 POE, also being all the property varying in width left of and bound by the "BT" centerline between Station "BT" 10+00.00 POB and "BT" 39+35.83 POE, centerline more fully described as follows, to wit:

Beginning at a point on the "VC" Line at station "VC" 327+25.76 POT, point also being the "BT" centerline at Station "BT" 10+00.00 POB; said point of beginning bears S 53° 29' 24" E a distance of 1767.22 ft. from a rock mound with a 5/8" rebar and cap, the West ¼ corner of Section 7, T.15N., R.21E., M.D.M.; thence along said "BT" centerline the following (11) courses and distances.

1) thence S 42° 35' 54" W for 16.51 ft. to Sta. "BT" 10+16.51 PC;

2) thence along a curve to the Right having a radius of 615.12 ft. and a central angle of 04° 35' 13" for an arc length of 49.24 ft., said curve having a chord bearing of S 44° 53' 31" W for 49.23 ft. to Sta. "BT" 10+65.75 PT;

3) thence S 47° 11' 07" W for 41.65 ft. to Sta. "BT" 11+07.40 PC;

4) thence along a curve to the Right having a radius of 396.20 ft. and a central angle of 52° 05' 25" for an arc length of 360.20 ft., said curve having a chord bearing of S 73° 13' 50" W for 347.93 ft. to Sta. "BT" 14+67.61 PT;

5) thence N 80° 43' 28" W for 118.41 ft. to Sta. "BT" 15+86.01 PC;

6) thence along a curve to the Left having a radius of 383.07 ft. and a central angle of 280° 38' 04" for an arc length of 1876.28 ft., said curve having a chord bearing of S 41° 02' 30" E for 489.21 ft. to Sta. "BT" 34+62.29 PT;

7) thence N 01° 35' 23" W for 117.85 ft. to Sta. "BT" 35+80.70 PC;

8) thence along a curve to the Right having a radius of 396.20 ft. and a central angle of 35° 49' 29" for an arc length of 247.73 ft., said curve having a chord bearing of N 16° 33' 13" E for 243.71 ft. to Sta. "BT" 38+28.43 PT;

9) thence N 34° 27' 57" E for 41.65 ft. to Sta. "BT" 38+70.08 PC;

10) thence along a curve to the Right having a radius of 615.12 ft. and a central angle of 04° 35' 13" for an arc length of 49.24 ft., said curve having a chord bearing of N 36° 45' 34" E for 49.23 ft. to Sta. "BT" 39+19.32 PT;

11) thence N 39° 03' 10" E for 16.51 ft. to Sta. "BT" 39+35.83 POE = "VC" 326+10.76 POT;

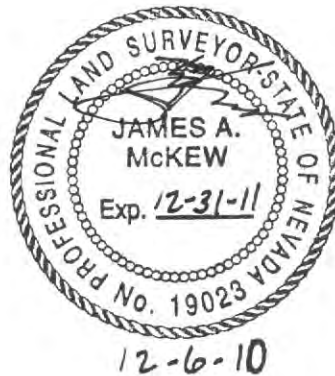
Said point of ending further described as bearing S 49° 45' 33" E a distance of 1762.30 ft. from a rock mound with a 5/8" rebar and cap, the West quarter corner of Section 7, T.15N., R.21E.,

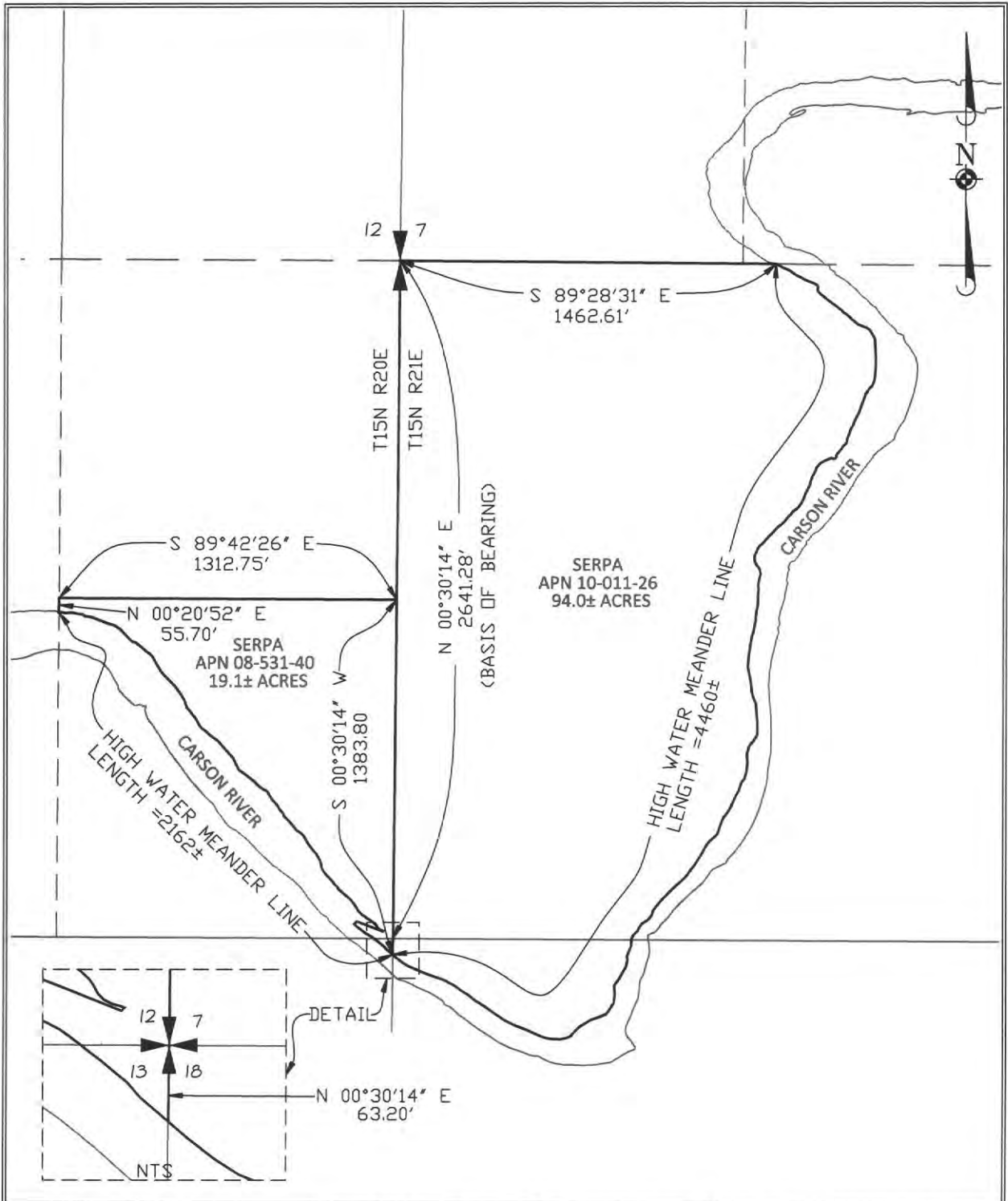
M.D.M.

BASIS OF BEARING for this legal description is N 00° 30' 14" E, between the Southwest corner and the West ¼ corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 19.36 acres, more or less.

Prepared by: James A. McKew
3476 Executive Pointe Way, Suite 12
Carson City, Nevada 89706
PLS #19023, Expires 12-31-11
(775) 882-5630
December 6, 2010





EXISTING PARCELS OVERVIEW

A.P.N. 08-531-40, 10-011-26

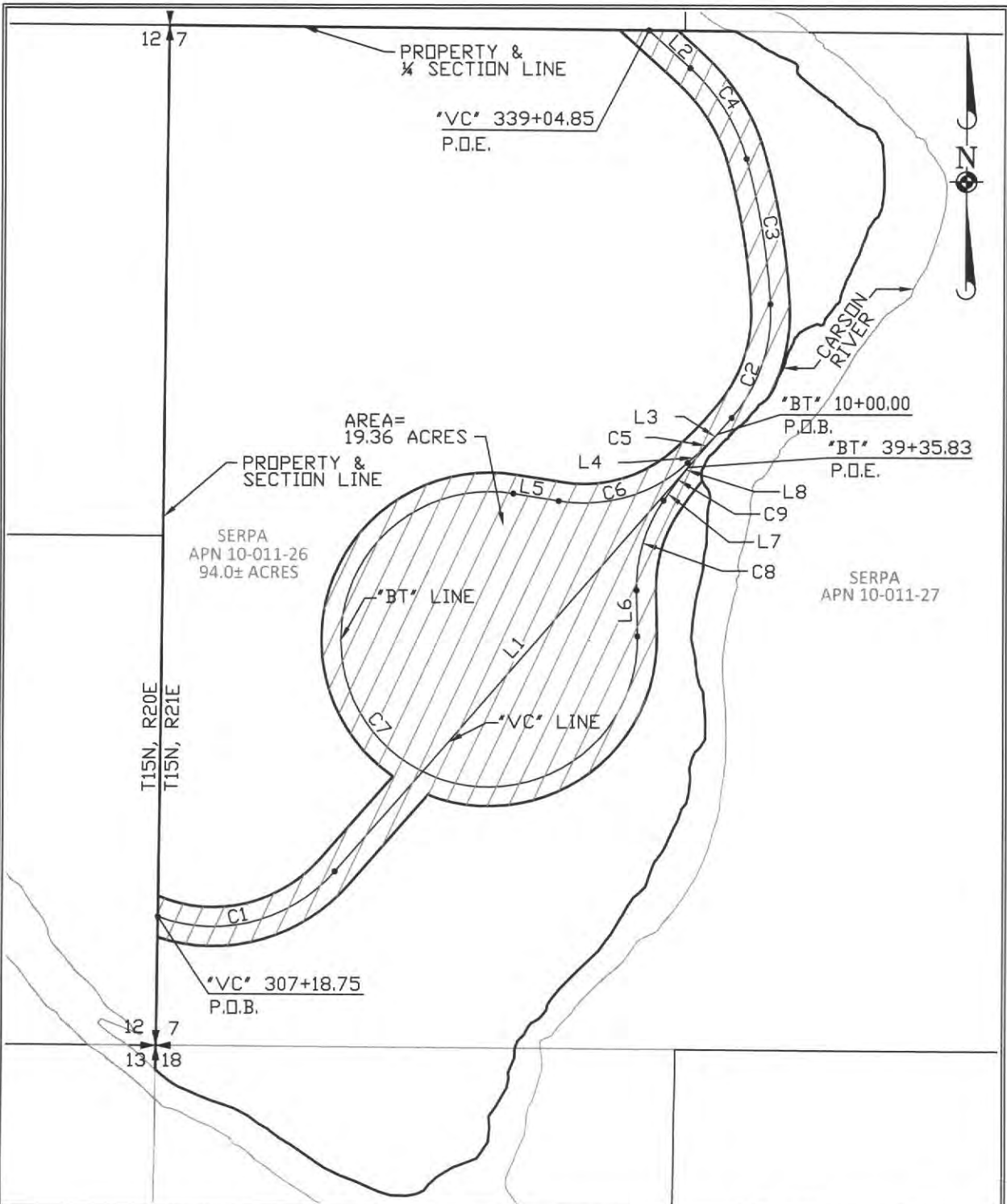
PROJ. MGR.: K.L.D.
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=600'

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EXHIBIT "B"



RAILROAD RIGHT OF WAY EASEMENT A.P.N. 10-011-26

PROJ. MGR.: K.L.D.
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=400'

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EXHIBIT "C"

LINE TABLE		
LINE	BEARING	LENGTH
L1	N 40°49'32" E	1562.17'
L2	N 48°26'54" W	145.04'
L3	S 42°35'54" W	16.51'
L4	S 47°11'07" W	41.65'
L5	N 80°43'28" W	118.41'
L6	N 01°35'23" W	117.85'
L7	N 34°27'57" E	41.65'
L8	N 39°03'10" E	16.51'

CURVE TABLE			
CURVE	RADIUS	LENGTH	DELTA
C1	415.88'	501.87'	69°08'34"
C2	410.28'	315.82'	44°06'14"
C3	1736.48'	381.42'	12°35'07"
C4	491.96'	279.78'	32°35'06"
C5	615.12'	49.24'	04°35'13"
C6	396.20'	360.20'	52°05'25"
C7	383.07'	1876.28'	280°38'04"
C8	396.20'	247.73'	35°49'29"
C9	615.12'	49.24'	04°35'13"

RAILROAD RIGHT OF WAY EASEMENT

A.P.N. 10-011-26

PROJ. MGR.: K.L.D
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1" = 400'



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EXHIBIT "D"

EXHIBIT B

LEGAL DESCRIPTION PERMANENT SLOPE AND DRAINAGE EASEMENT APN 10-011-26

situate, lying and being in Carson City, State of Nevada, and more particularly described as being a portion of Section 7, T.15N., R.21E., M.D.M; being three (3) strips of land varying in width, more fully described by metes and bounds as follows, to wit;

PERMANENT SLOPE AND DRAINAGE EASEMENT No. 1

Commencing on the railroad Right of Way centerline, said point of beginning further described as Railroad Engineer's Station "VC" 315+00.00 POT, bearing S 17° 22' 14" E for 2073.53 Ft. from a 5/8" rebar and cap, the West 1/4 corner of Section 7, T.15N., R.21E., M.D.M:

thence N 49° 10' 28" W for 50.00 Ft. to a point on the northerly railroad Right of Way, the Point of Beginning;

thence along said Right of Way S 40° 49' 32" W for 279.38 Ft.;

thence continuing along said Right of Way, following a curve to the Right having a radius of 365.88 Ft. and a central angle of 16° 37' 06" for an arc length of 106.12 Ft., said curve having a chord bearing of S 49° 08' 05" W for 105.75 Ft.;

thence leaving said Right of Way N 32° 33' 22" W for 50.00 Ft.;

thence along a curve to the Left having a radius of 315.88 Ft. and a central angle of 16° 37' 06" for an arc length of 91.62 Ft., said curve having a chord bearing of N 49° 08' 05" E for 91.30 Ft.;

thence N 40° 49' 32" E for 279.38 Ft.;

thence S 49° 10' 28" E for 50.00 Ft. to the Point of Beginning;

BASIS OF BEARING for this legal description is N 00° 30' 14" E, between the Southwest corner and the West ¼ corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 18,912 square feet, more or less.

PERMANENT SLOPE AND DRAINAGE EASEMENT No. 2

Commencing on the railroad Right of Way centerline, said point of beginning further described as Railroad Engineer's Station "VC" 315+00.00 POT, bearing S 17° 22' 14" E for 2073.53 Ft. from a 5/8" rebar and cap, the West 1/4 corner of Section 7, T.15N., R.21E., M.D.M:

thence S 49° 10' 28" E for 50.00 Ft. to a point on the southerly railroad Right of Way, the Point of Beginning;

thence leaving said Right of Way S 49° 10' 28" E for 50.00 Ft.;

thence S 40° 49' 32" W for 279.38 Ft.;

thence along a curve to the Right having a radius of 515.88 Ft. and a central angle of 16° 37' 06" for an arc length of 149.63 Ft., said curve having a chord bearing of S 49° 08' 05" W for 149.10 Ft.;

thence N 32° 33' 22" W for 50.00 Ft. to a point on the aforementioned Right of Way;

thence along said Right of Way, following a curve to the Left having a radius of 465.88 Ft. and a central angle of 16° 37' 06" for an arc length of 135.13 Ft., said curve having a chord bearing of N 49° 08' 05" E for 134.65 Ft.;

thence continuing along said Right of Way N 40° 49' 32" E for 279.38 Ft. to the Point of Beginning;

BASIS OF BEARING for this legal description is N 00° 30' 14" E, between the Southwest corner and the West ¼ corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 21,088 square feet, more or less.

PERMANENT SLOPE AND DRAINAGE EASEMENT No. 3

Commencing on the railroad Right of Way centerline, said point of beginning further described as Railroad Engineer's Station "VC" 330+00.00 POC, bearing S 62° 16' 52" E for 1751.67 Ft. from a 5/8" rebar and cap, the West 1/4 corner of Section 7, T. 15N., R. 21E., M.D.M:

thence N 79° 30' 27" W for 50.00 Ft. to a point on the northerly railroad Right of Way, the Point of Beginning;

thence along said Right of Way, following a curve to the Right having a radius of 360.28 Ft. and a central angle of 30° 19' 59" for an arc length of 190.74 Ft., said curve having a chord bearing of S 25° 39' 33" W for 188.52 Ft.;

thence continuing along said Right of Way S 40° 49' 32" W for 53.25 Ft.;

thence continuing along said Right of Way, following a curve to the Right having a radius of 648.81 Ft. and a central angle of 05° 39' 31" for an arc length of 64.08 Ft., said curve having a chord bearing of S 44° 08' 28" W for 64.05 Ft.;

thence continuing along said Right of Way S 47° 11' 07" W for 41.56 Ft.;

thence continuing along said Right of Way, following a curve to the Right having a radius of 346.20 Ft. and a central angle of 04° 03' 59" for an arc length of 24.57 Ft., said curve having a chord bearing of S 49° 13' 07" W for 24.57 Ft.;

thence leaving said Right of Way N 49° 10' 28" W for 38.11 Ft.;

thence N 40° 49' 32" E for 182.79 Ft.;

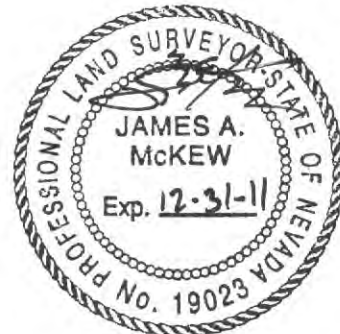
thence along a curve to the Left having a radius of 310.28 Ft. and a central angle of $30^{\circ} 19' 59''$ for an arc length of 164.27 Ft., said curve having a chord bearing of $N 25^{\circ} 39' 33'' E$ for 162.36 Ft.;

thence $S 79^{\circ} 30' 27'' E$ for 50.00 Ft. to the Point of Beginning;

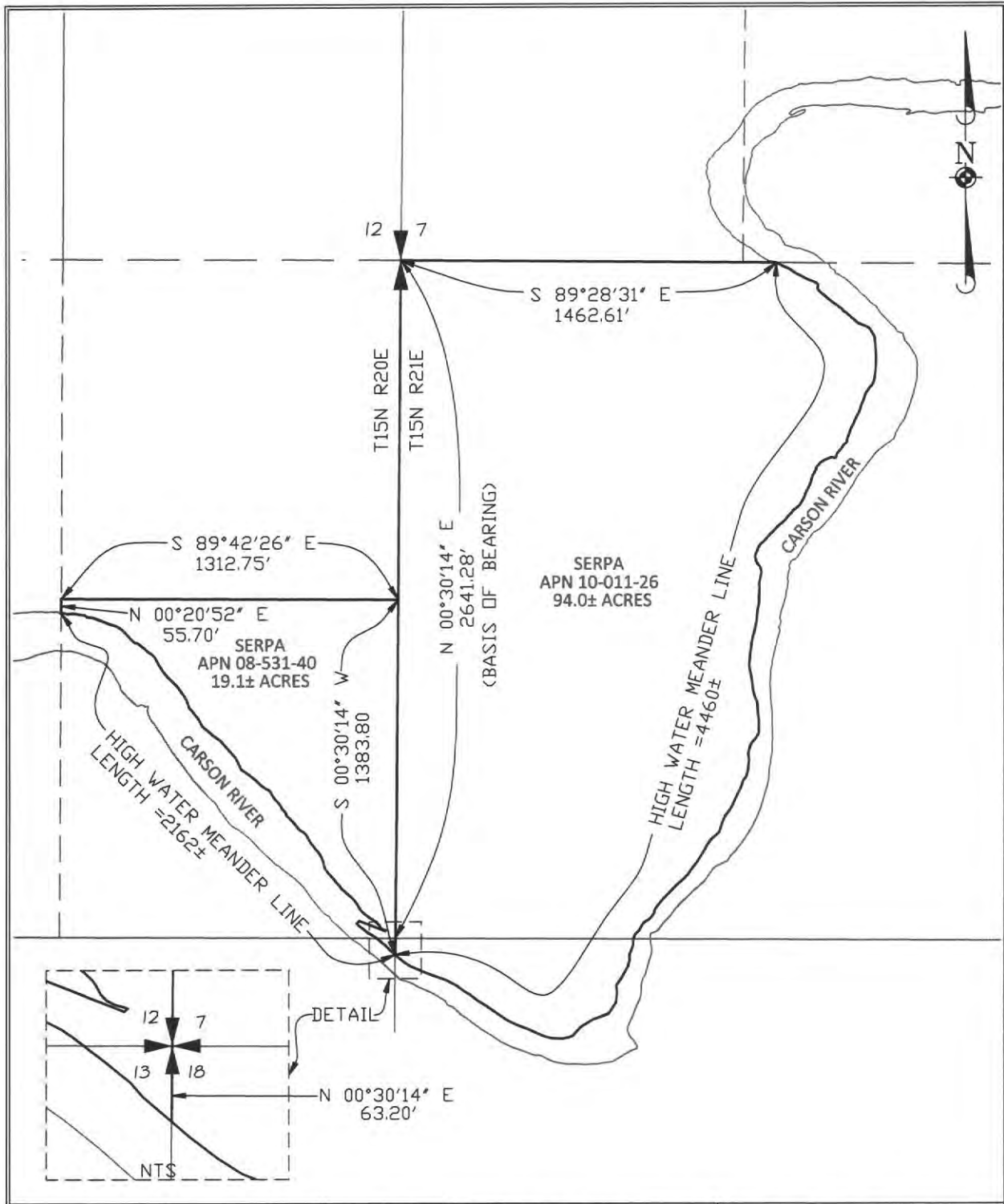
BASIS OF BEARING for this legal description is $N 00^{\circ} 30' 14'' E$, between the Southwest corner and the West 1/4 corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 17,440 square feet, more or less.

Prepared by: James A. McKew
3476 Executive Pointe Way, Suite 12
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PLS #19023, Expires 12-31-11
(775) 882-5630
December 6, 2010



12-6-10



EXISTING PARCELS OVERVIEW A.P.N. 08-531-40, 10-011-26

PROJ. MGR.: K.L.D
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=600'

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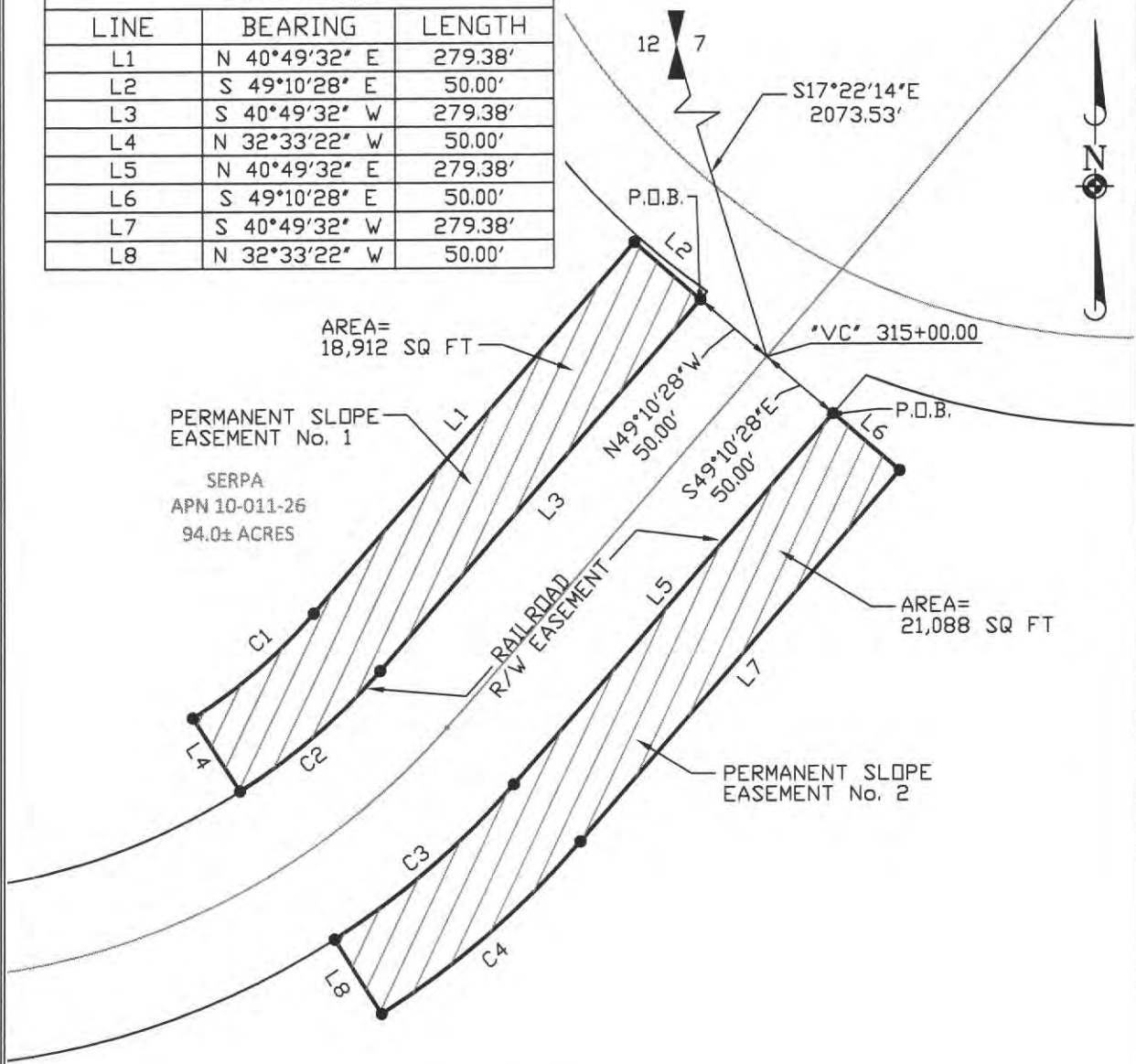


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EXHIBIT "B"

LINE TABLE		
LINE	BEARING	LENGTH
L1	N 40°49'32" E	279.38'
L2	S 49°10'28" E	50.00'
L3	S 40°49'32" W	279.38'
L4	N 32°33'22" W	50.00'
L5	N 40°49'32" E	279.38'
L6	S 49°10'28" E	50.00'
L7	S 40°49'32" W	279.38'
L8	N 32°33'22" W	50.00'



CURVE TABLE			
CURVE	RADIUS	LENGTH	DELTA
C1	315.88'	91.62'	16°37'06"
C2	365.88'	106.12'	16°37'06"
C3	465.88'	135.13'	16°37'06"
C4	515.88'	149.63'	16°37'06"

SLOPE & DRAINAGE EASEMENT A.P.N. 10-011-26

PROJ. MGR.: K.L.D.
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=100'

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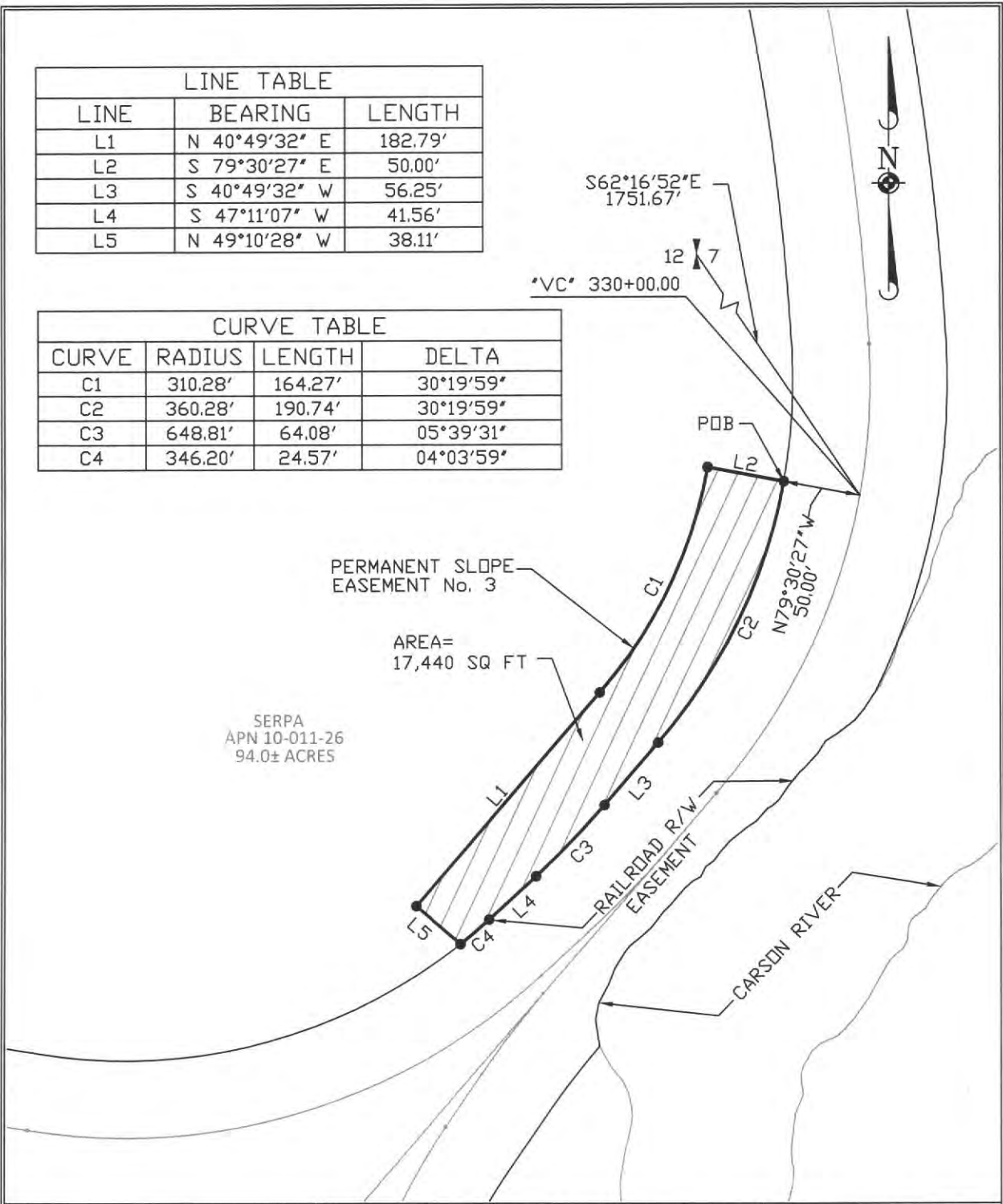
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EXHIBIT "C"

LINE TABLE		
LINE	BEARING	LENGTH
L1	N 40°49'32" E	182.79'
L2	S 79°30'27" E	50.00'
L3	S 40°49'32" W	56.25'
L4	S 47°11'07" W	41.56'
L5	N 49°10'28" W	38.11'

CURVE TABLE			
CURVE	RADIUS	LENGTH	DELTA
C1	310.28'	164.27'	30°19'59"
C2	360.28'	190.74'	30°19'59"
C3	648.81'	64.08'	05°39'31"
C4	346.20'	24.57'	04°03'59"



SLOPE & DRAINAGE EASEMENT A.P.N. 10-011-26

PROJ. MGR.: K.L.D.
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=100'

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EXHIBIT "D"

EXHIBIT B

LEGAL DESCRIPTION TEMPORARY CONSTRUCTION EASEMENT APN 10-011-26

situate, lying and being in Carson City, State of Nevada, and more particularly described as being a portion of Section 7, T.15N., R.21E., M.D.M; being a strip of land varying in width, more fully described by metes and bounds as follows, to wit;

Commencing at a point of intersection on the railroad Right of Way centerline and the West line of Section 7, T.15N., R.21E., M.D.M., said point of beginning further described as Railroad Engineer's Station "VC" 307+18.75 POC, bearing S 00° 30' 14" W 2309.45 Ft. from a 5/8" rebar and cap, the West 1/4 corner of Section 7, T.15N., R.21E., M.D.M:

thence along said Section Line N 00° 30' 14" E for 53.49 Ft. to a point on the northerly railroad Right of Way, being Engineer's Station "VC" 306+98.49, 50.00 Ft. Left, the Point of Beginning;

thence continuing along said Section Line N 00° 30' 14" E for 234.27 Ft.;

thence leaving said Section Line S 53° 29' 24" E for 50.76 Ft.;

thence along a curve to the Left having a radius of 165.88 Ft. and a central angle of 69° 03' 58" for an arc length of 199.96 Ft., said curve having a chord bearing of S 88° 01' 23" E for 188.07 Ft.;

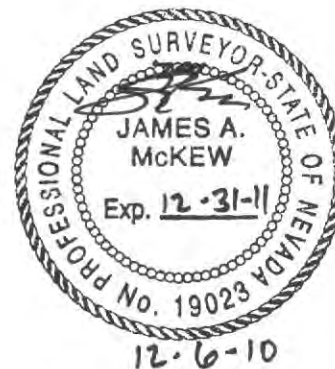
thence S 32° 33' 22" E for 200.00 Ft. to a point on the northerly railroad Right of Way, said point being at Engineer's Station "VC" 311+00.00, 50.00 Ft. Left;

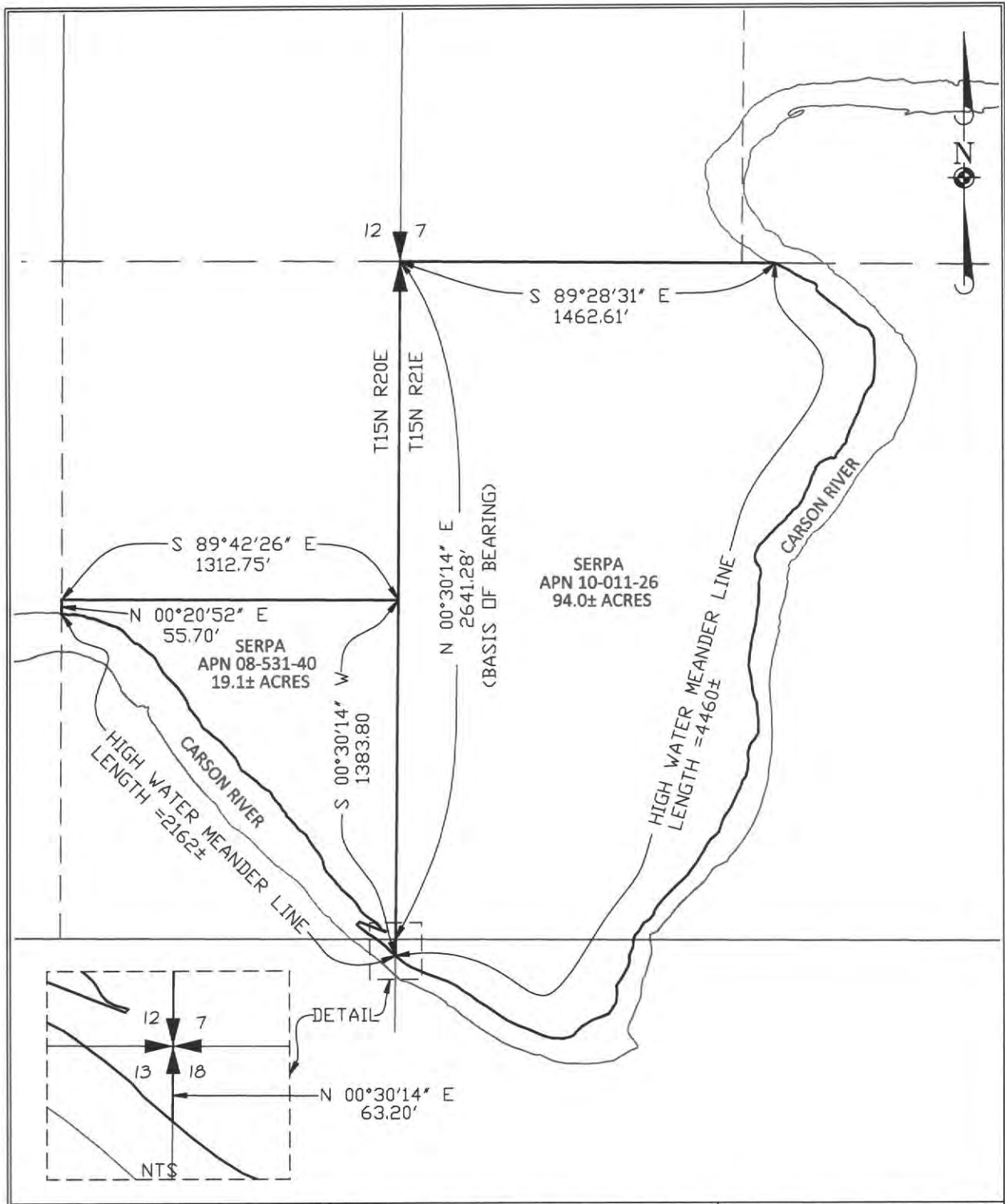
thence following said Right of Way along a curve to the Right having a radius of 365.88 Ft. and a central angle of 55° 19' 01" for an arc length of 353.24 Ft., said curve having a chord bearing of S 85° 06' 08" W for 339.68 Ft. to the Point of Beginning;

BASIS OF BEARING for this legal description is N 00° 30' 14" E, between the Southwest corner and the West ¼ corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 1.38 acres, more or less.

Prepared by: James A. McKew
3476 Executive Pointe Way, Suite 12
Carson City, Nevada 89706
PLS #19023, Expires 12-31-11
(775) 882-5630
December 6, 2010





EXISTING PARCELS OVERVIEW A.P.N. 08-531-40, 10-011-26

PROJ. MGR.: K.L.D.
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1" = 600'

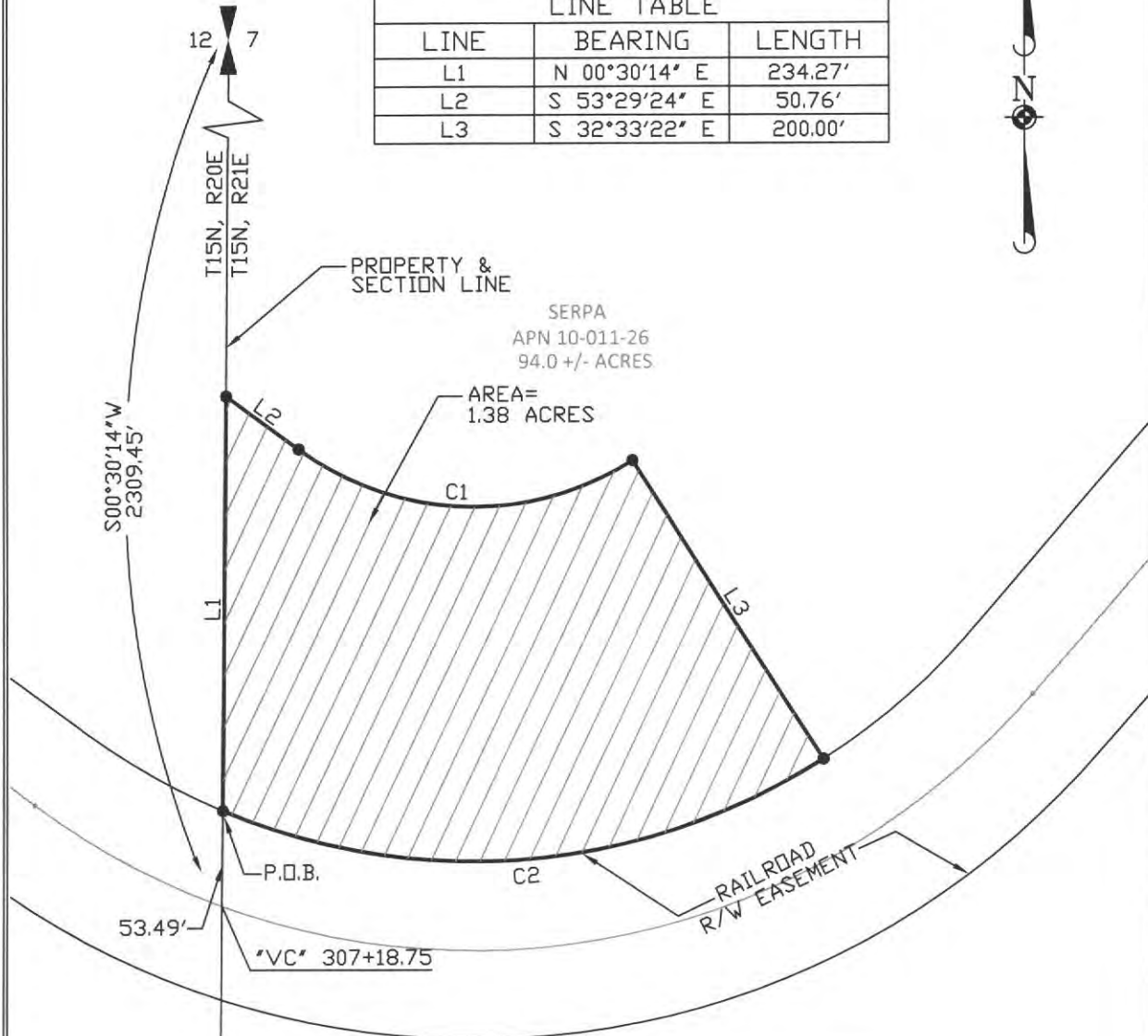
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EXHIBIT "B"

LINE TABLE		
LINE	BEARING	LENGTH
L1	N 00°30'14" E	234.27'
L2	S 53°29'24" E	50.76'
L3	S 32°33'22" E	200.00'



CURVE TABLE			
CURVE	RADIUS	LENGTH	DELTA
C1	165.88'	199.96'	69°03'58"
C2	365.88'	353.24'	55°19'01"

TEMPORARY CONSTRUCTION EASEMENT A.P.N. 10-011-26

PROJ. MGR.: K.L.D.
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=100'

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EXHIBIT "C"

EXHIBIT B

LEGAL DESCRIPTION TEMPORARY ACCESS ROAD APN 10-011-26

situate, lying and being in the Carson City, State of Nevada, and more particularly described as being a portion of the SW ¼ of Section 7, T.15N., R.21E, M.D.M.; being a strip of land fifteen (15) feet in width on each side of the "MA" centerline between Station "MA" 14+02.39 POT and "MA" 18+61.48 POT, also being a strip of land twenty (20) feet in width "Left" of the "MA" centerline between Station "MA" 18+61.48 POT and "MA" 20+95.42 POC, also being a strip of land forty (40) feet in width "Right" of the "MA" centerline between Station "MA" 18+61.68 POT and "MA" 21+21.48 POC, also being a strip of land twenty (20) feet in width "Left" of the "MA" centerline between Station "MA" 25+00.12 POC and "MA" 26+50.00 POT, also being a strip of land forty (40) feet in width "Right" of the "MA" centerline between Station "MA" 25+24.80 POC and "MA" 26+50.00 POT, centerline more fully described as follows, to wit:

TEMPORARY ACCESS ROAD No.1

Beginning at a point of intersection on the West Section Line of Section 7 and the "MA" centerline at Station "MA" 14+02.39 POT. said point of beginning bears S 00° 30' 14" W a distance of 1548.20 Ft. from a 5/8" rebar and cap in a rock mound, the West 1/4 corner of Section 7, T.15 N., R.21 E., M.D.M.; The sidelines of the above described parcel or strip of land are to be shortened or lengthened to begin on said Section Line thence along said "MA" centerline the following (6) courses and distances.

- 1) thence S 88° 53' 27" E for 40.75 Ft. to Sta. "MA" 14+43.13 PC;
- 2) thence along a curve to the Right having a radius of 100.00 Ft. and a central angle of 64° 10' 43" for an arc length of 112.01 Ft., said curve having a chord bearing of S 56° 48' 06" E for 106.25 Ft. to Sta. "MA" 15+55.15 PT;
- 3) thence S 24° 42' 44" E for 206.08 Ft. to Sta. "MA" 17+61.22 PC;
- 4) thence along a curve to the Left having a radius of 150.00 Ft. and a central angle of 15° 45' 44" for an arc length of 41.27 Ft., said curve having a chord bearing of S 32° 35' 36" E for 41.14 Ft. to Sta. "MA" 18+02.49 PT;
- 5) thence S 40° 28' 28" E for 236.90 Ft. to Sta. "MA" 20+39.39 PC;
- 6) thence along a curve to the Right having a radius of 150.00 Ft. and a central angle of 25° 56' 20" for an arc length of 67.91 Ft., said curve having a chord bearing of S 27° 30' 19" E for 67.33 Ft. to Sta. "MA" 21+07.30 POC, Point of Ending;

Said point bears S 11° 11' 18" E a distance of 2108.97 Ft. from a 5/8" rebar and cap in a rock mound, the West 1/4 corner of Section 7, T.15 N., R.21 E., M.D.M. The sidelines of the above described parcel or strip of land are to be shortened or lengthened to end on the Permanent Slope and Drainage Easement.

BASIS OF BEARING for this legal description is N 00° 30' 14" E, between the Southwest corner and the West ¼ corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 28,646 square feet, more or less.

TEMPORARY ACCESS ROAD No.2

Beginning at a point of intersection of the southerly line of a Slope and Drainage Easement and the "MA" centerline at Station "MA" 25+10.76 POC. said Point of Beginning bears S 17° 02' 02" E a distance of 2199.25 Ft. from a 5/8" rebar and cap in a rock mound, the West 1/4 corner of Section 7, T.15 N., R.21 E., M.D.M.; The sidelines of the above described parcel or strip of land are to be shortened or lengthened to begin on said Slope and Drainage Easement Line thence along said "MA" centerline the following (2) courses and distances.

1) thence along a curve to the Left having a radius of 150.00 Ft. and a central angle of 21° 16' 06" for an arc length of 55.68 Ft., said curve having a chord bearing of S 35° 25' 20" E for 55.36 Ft. to Sta. "MA" 25+66.44 PT;

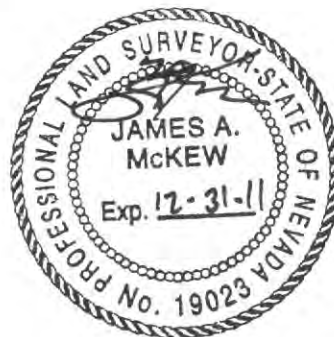
2) thence S 46° 03' 23" E for 83.56 Ft. to Sta. "MA" 26+50.00 POT, Point of Ending;

Said point bears S 18° 27' 47" E a distance of 2325.58 Ft. from a 5/8" rebar and cap in a rock mound, the West 1/4 corner of Section 7, T.15 N., R.21 E., M.D.M.

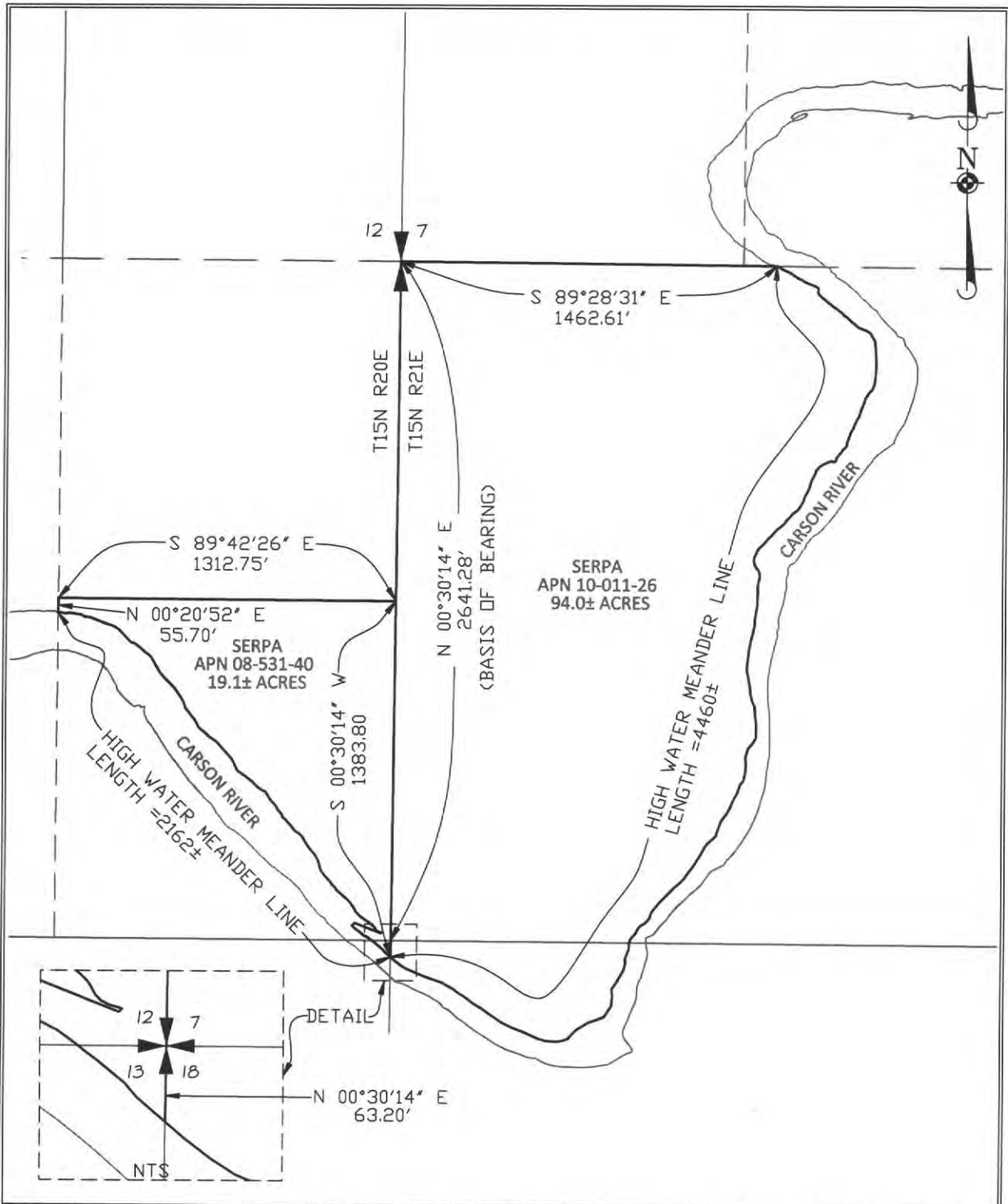
BASIS OF BEARING for this legal description is N 00° 30' 14" E, between the Southwest corner and the West ¼ corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 8,311 square feet, more or less.

Prepared by: James A. McKew
3476 Executive Pointe Way, Suite 12
Carson City, Nevada 89706
PLS #19023, Expires 12-31-11
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December 6, 2010



12-6-10



EXISTING PARCELS OVERVIEW A.P.N. 08-531-40, 10-011-26

PROJ. MGR.: K.L.D
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=600'

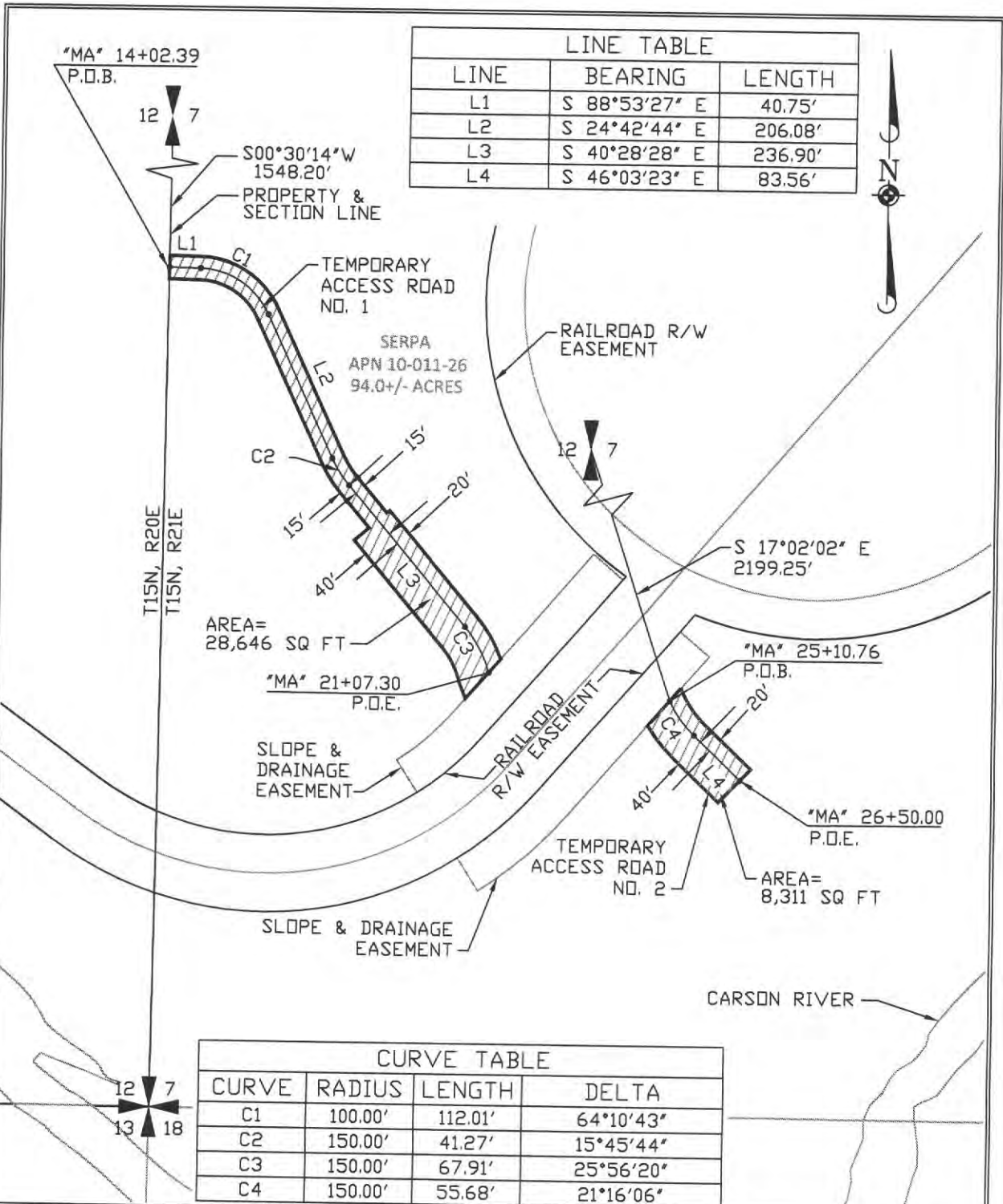
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EXHIBIT "B"



LINE TABLE		
LINE	BEARING	LENGTH
L1	S 88°53'27" E	40.75'
L2	S 24°42'44" E	206.08'
L3	S 40°28'28" E	236.90'
L4	S 46°03'23" E	83.56'

CURVE TABLE			
CURVE	RADIUS	LENGTH	DELTA
C1	100.00'	112.01'	64°10'43"
C2	150.00'	41.27'	15°45'44"
C3	150.00'	67.91'	25°56'20"
C4	150.00'	55.68'	21°16'06"

TEMPORARY ACCESS ROAD		A.P.N. 10-011-26
PROJ. MGR.: K.L.D DRAWN BY: JAM DATE: 11/30/10 SCALE: 1"=100'	 Manhard CONSULTING LTD <small>3478 Executive Points Way, Suite 12, Carson City, NV 89706 tel: (775) 882-5630 fax: (775) 885-7262 www.manhard.com</small>	© 2006 ALL RIGHTS RESERVED EXHIBIT "C"

EXHIBIT B

LEGAL DESCRIPTION TEMPORARY ACCESS ROAD APN 08-531-40

situate, lying and being in the Carson City, State of Nevada, and more particularly described as being a portion of the SE ¼ of Section 12, T.15N., R.20E.; being a strip of land fifteen (15) feet in width on each side of the "MA" centerline between Station "MA" 10+00.00 POT and "MA" 14+02.39 POT, centerline more fully described as follows, to wit:

Beginning at a point of intersection on the northerly property line and the "MA" centerline at Station "MA" 10+00.00 POT, said point of beginning bears S 13° 11' 02" W a distance of 1354.83 Ft. from a 5/8" rebar and cap in a rock mound, the East 1/4 corner of Section 12, T.15 N., R.20 E., M.D.M.. The sidelines of the above described parcel or strip of land are to be shortened or lengthened to begin on said property line, thence along said "MA" centerline the following (5) courses and distances.

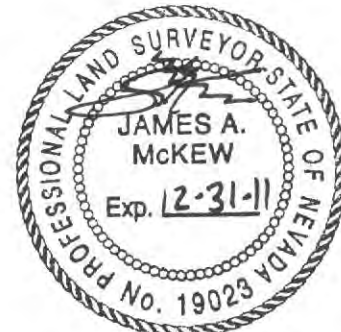
- 1) thence S 21° 43' 44" E for 35.89 Ft. to Sta. "MA" 10+35.89 PC;
- 2) thence along a curve to the Left having a radius of 150.00 Ft. and a central angle of 19° 53' 12" for an arc length of 52.06 Ft., said curve having a chord bearing of S 31° 40' 20" E for 51.80 Ft. to Sta. "MA" 10+87.95 PT;
- 3) thence S 41° 36' 56" E for 133.96 Ft. to Sta. "MA" 12+21.91 PC;
- 4) thence along a curve to the Left having a radius of 150.00 Ft. and a central angle of 47° 16' 31" for an arc length of 123.77 Ft., said curve having a chord bearing of S 65° 15' 12" E for 120.29 Ft. to Sta. "MA" 13+45.68 PT;
- 5) thence S 88° 53' 27" E for 56.71 Ft. to Sta. "MA" 14+02.39 POT being a point on the Section Line common to Sections 12 & 7, T.15N. R.20 & 21E. Point of Ending,

said point bears S 00° 30' 14" W a distance of 1548.20 Ft. from a 5/8" rebar and cap in a rock mound, the West ¼ corner of Sections 7, T.15N., R.21 E. The sidelines of the above described parcel or strip of land are to be shortened or lengthened to end on said Section Line;

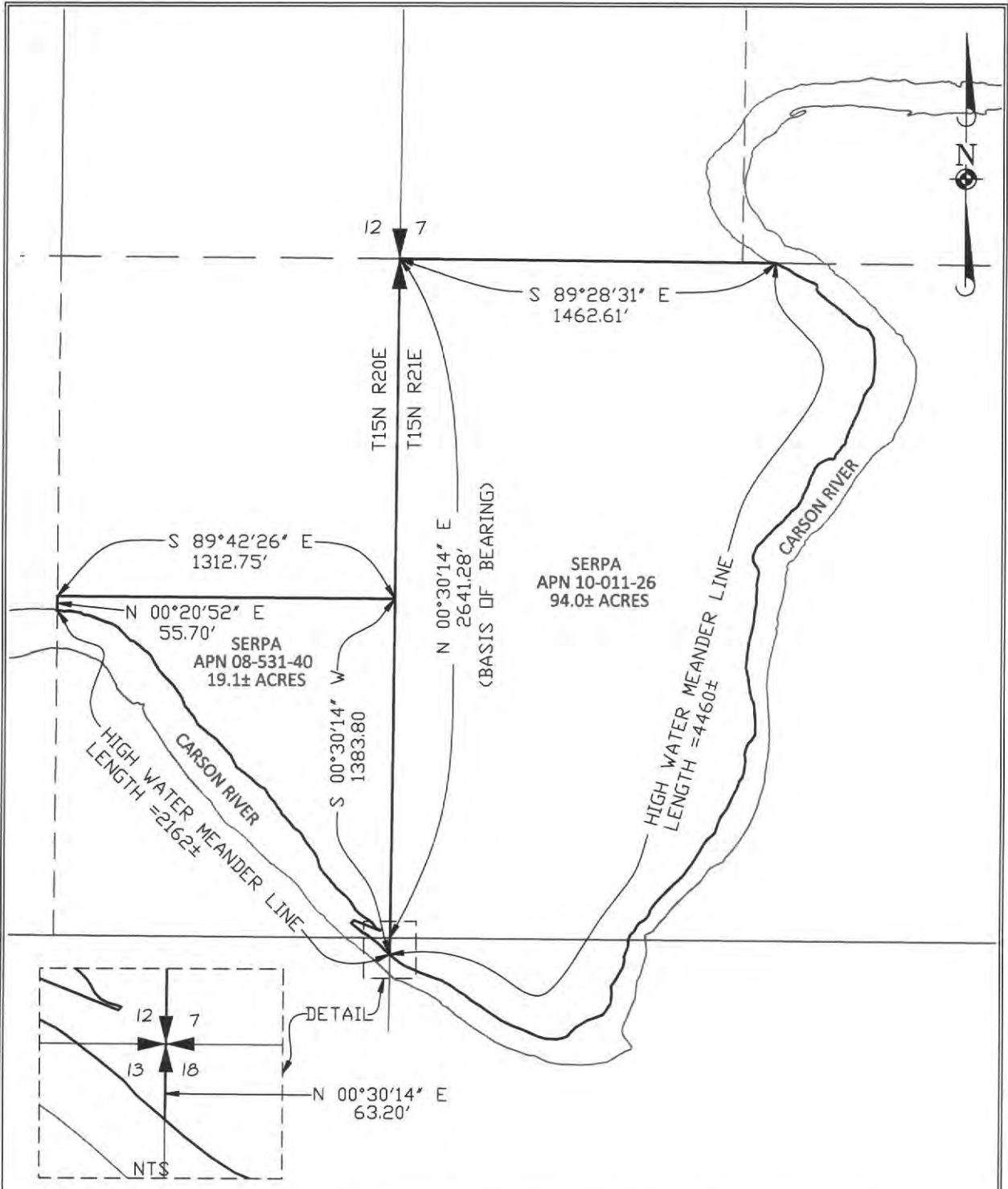
BASIS OF BEARING for this legal description is N 00° 30' 14" E, between the Southwest corner and the West ¼ corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 12,072 square feet, more or less.

Prepared by: James A. McKew
3476 Executive Pointe Way, Suite 12
Carson City, Nevada 89706
PLS #19023, Expires 12-31-11
(775) 882-5630
December 6, 2010



12-6-10



EXISTING PARCELS OVERVIEW A.P.N. 08-531-40, 10-011-26

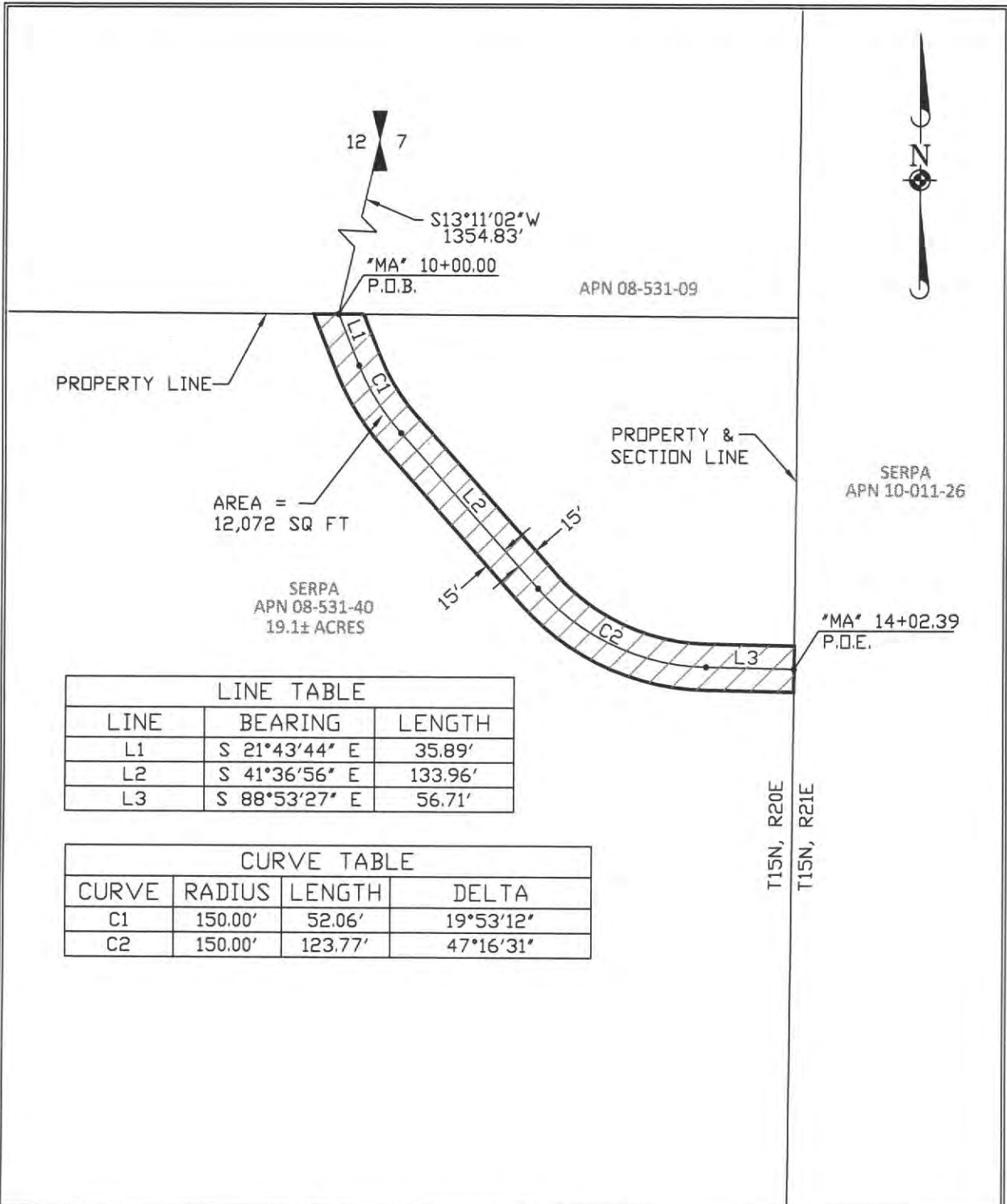
PROJ. MGR.: K.L.D
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=600'

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EXHIBIT "B"



LINE TABLE		
LINE	BEARING	LENGTH
L1	S 21°43'44" E	35.89'
L2	S 41°36'56" E	133.96'
L3	S 88°53'27" E	56.71'

CURVE TABLE			
CURVE	RADIUS	LENGTH	DELTA
C1	150.00'	52.06'	19°53'12"
C2	150.00'	123.77'	47°16'31"

TEMPORARY ACCESS ROAD

A.P.N. 08-531-40

PROJ. MGR.: K.L.D
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=100'

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EXHIBIT "C"

EXHIBIT B

LEGAL DESCRIPTION RAILROAD RIGHT OF WAY EASEMENT APN 08-531-40

situate, lying and being in Carson City, State of Nevada, and more particularly described as being a portion of Section 12, T.15N., R.20E., M.D.M; being a strip of land with the southerly boundary running concurrently with the high water mark of the Carson River, varying in width "Right" of the "VC" centerline between Station "VC" 290+58.45 POC and "VC" 299+81.18 POT, also being a strip of land fifty (50) feet in width "Left" of the "VC" centerline between Station "VC" 290+58.45 POC and "VC" 307+18.75 POC, also being a strip of land fifty (50) feet in width "Right" of the "VC" centerline between Station "VC" 299+81.18 POT and "VC" 307+18.75 POC. Said centerline more fully described by metes and bounds as follows, to wit;

Beginning at a point of intersection on the railroad Right of Way centerline and the 1/16 Section Line, said point of beginning further described as Railroad Engineer's Station "VC" 290+58.45 POC, bearing S 44° 33' 17" W 1887.91 Ft. from a 5/8" rebar and cap, the East 1/4 corner of Section 12, T.15N., R.20E., M.D.M; The sidelines of the above described parcel or strip of land are to be shortened or lengthened to begin on said 1/16 Section line thence along said railroad centerline the following (5) courses and distances:

1) thence along a curve to the Right having a radius of 573.69 Ft. and a central angle of 48° 24' 59" for an arc length of 484.78 Ft., said curve having a chord bearing of S 60° 25' 42" E for 470.49 Ft. to Sta. "VC" 295+50.70 PT

2) thence S 36° 13' 13" E for 161.23 Ft. to Sta. "VC" 297+11.93 PC;

3) thence along a curve to the Left having a radius of 603.80 Ft. and a central angle of 17° 16' 11" for an arc length of 181.99 Ft., said curve having a chord bearing of S 44° 51' 18" E for 181.31 Ft. to Sta. "VC" 298+93.92 PT;

4) thence S 53° 29' 24" E for 704.77 Ft. to Sta. "VC" 305+98.69 PC,

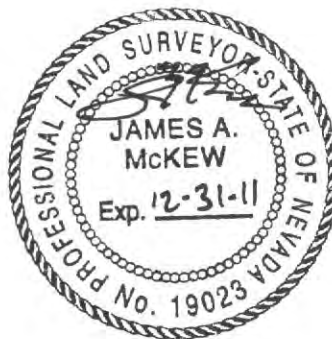
5) thence along a curve to the Left having a radius of 415.88 Ft. and a central angle of 16° 32' 30" for an arc length of 120.07 Ft., said curve having a chord bearing of S 61° 45' 39" E for 119.65 Ft. to Sta. "VC" 307+18.75 POC, being a point on the Section Line common to Sections 12 & 7, T.15N., R. 20 & 21 E. Point of Ending;

said point bears S 00° 30' 14" W 2309.45 Ft. from a 5/8" rebar and cap in rock mound, the East 1/4 corner of Section 12, T.15 N., R.20 E.; The sidelines of the above described parcel or strip of land are to be shortened or lengthened to end on said Section line;

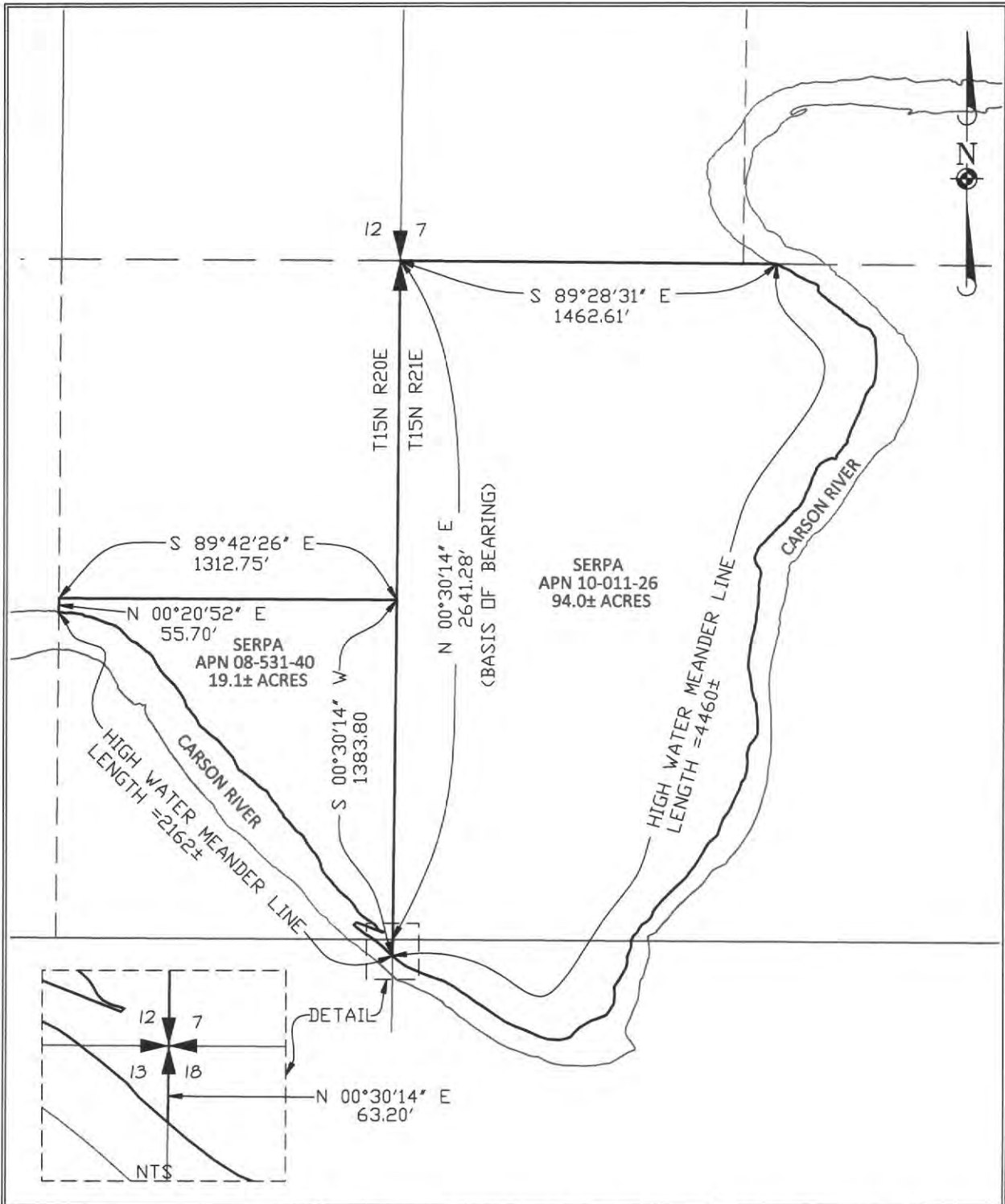
BASIS OF BEARING for this legal description is N 00° 30' 14" E, between the Southwest corner and the West ¼ corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 3.21 acres, more or less.

Prepared by: James A. McKew
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PLS #19023, Expires 12-31-11
(775) 882-5630
December 6, 2010



12-6-10



EXISTING PARCELS OVERVIEW A.P.N. 08-531-40, 10-011-26

PROJ. MGR.: K.L.D
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=600'

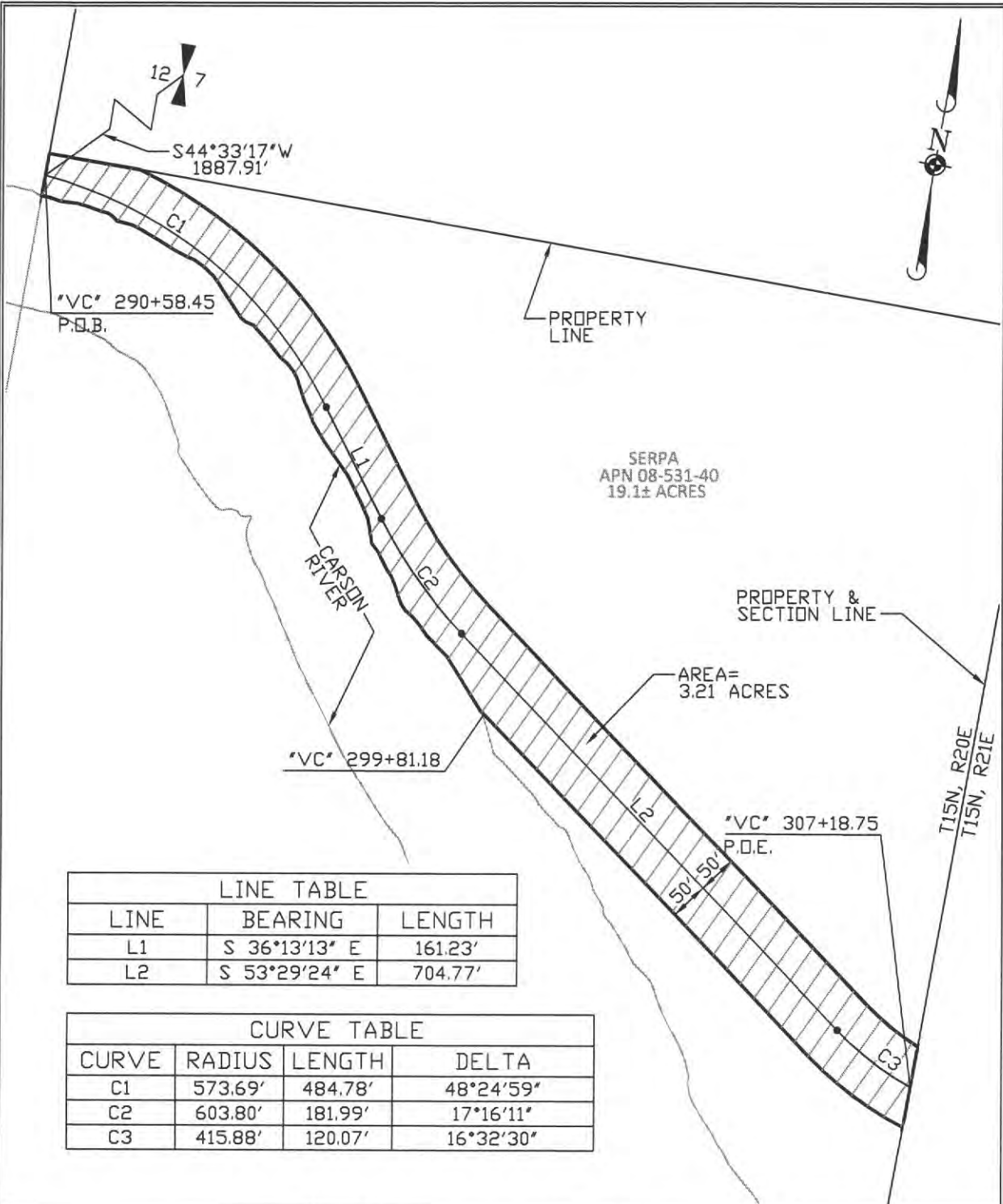
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EXHIBIT "B"



LINE TABLE		
LINE	BEARING	LENGTH
L1	S 36°13'13" E	161.23'
L2	S 53°29'24" E	704.77'

CURVE TABLE			
CURVE	RADIUS	LENGTH	DELTA
C1	573.69'	484.78'	48°24'59"
C2	603.80'	181.99'	17°16'11"
C3	415.88'	120.07'	16°32'30"

RAILROAD RIGHT OF WAY EASEMENT **A.P.N. 08-531-40**

PROJ. MGR.: K.L.D.
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=200'

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EXHIBIT "C"

EXHIBIT B

LEGAL DESCRIPTION TEMPORARY CONSTRUCTION EASEMENT APN 08-531-40

situate, lying and being in Carson City, State of Nevada, and more particularly described as being a portion of Section 12, T.15N., R.20E., M.D.M; being a strip of land varying in width, more fully described by metes and bounds as follows, to wit;

Commencing at a point of intersection on the railroad R/W centerline and the East line of Section 12, T.15N., R.20E., M.D.M., said point of beginning further described as Railroad Engineer's Station "VC" 307+18.75 POC, bearing S 00° 30' 14" W 2309.45 Ft. from a 5/8" rebar and cap, the East 1/4 corner of Section 12, T.15N., R.20E., M.D.M:

thence along said Section Line N 00° 30' 14" E for 53.49 Ft. to a point on the northerly railroad Right of Way, being Engineer's Station "VC" 306+98.49, 50.00 Ft. Left, the Point of Beginning;

thence following said Right of Way along a curve to the Right having a radius of 365.88 Ft. and a central angle of 13° 44' 57" for an arc length of 87.80 Ft., said curve having a chord bearing of N 60° 21' 53" W for 87.59 Ft.;

thence continuing along said Right of Way N 53° 29' 24" W for 98.69 Ft.;

thence leaving said Right of Way N 36° 30' 36" E for 200.00 Ft.;

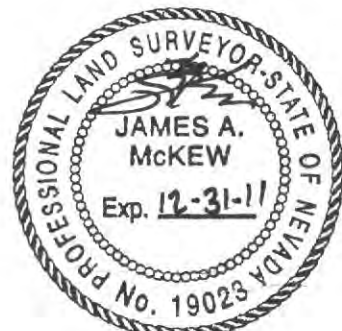
thence S 53° 29' 24" E for 47.92 Ft. to a point on the aforementioned Section Line;

thence along said Section Line S 00° 30' 14" W for 234.27 Ft. to the Point of Beginning;

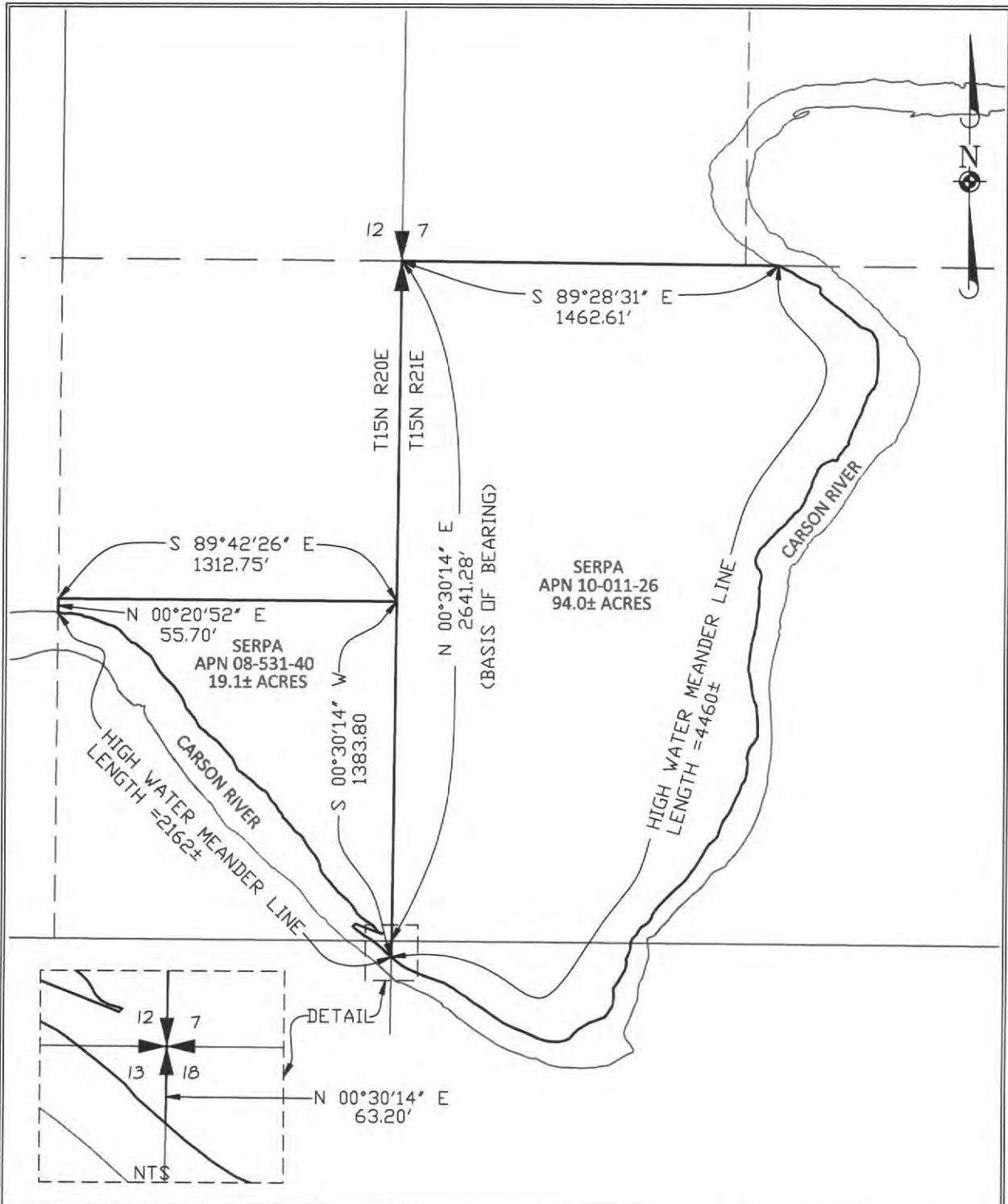
BASIS OF BEARING for this legal description is N 00° 30' 14" E, between the Southwest corner and the West ¼ corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 23,777 square feet, more or less.

Prepared by: James A. McKew
3476 Executive Pointe Way, Suite 12
Carson City, Nevada 89706
PLS #19023, Expires 12-31-11
(775) 882-5630
December 6, 2010



12-6-10



EXISTING PARCELS OVERVIEW A.P.N. 08-531-40, 10-011-26

PROJ. MGR.: K.L.D
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=600'

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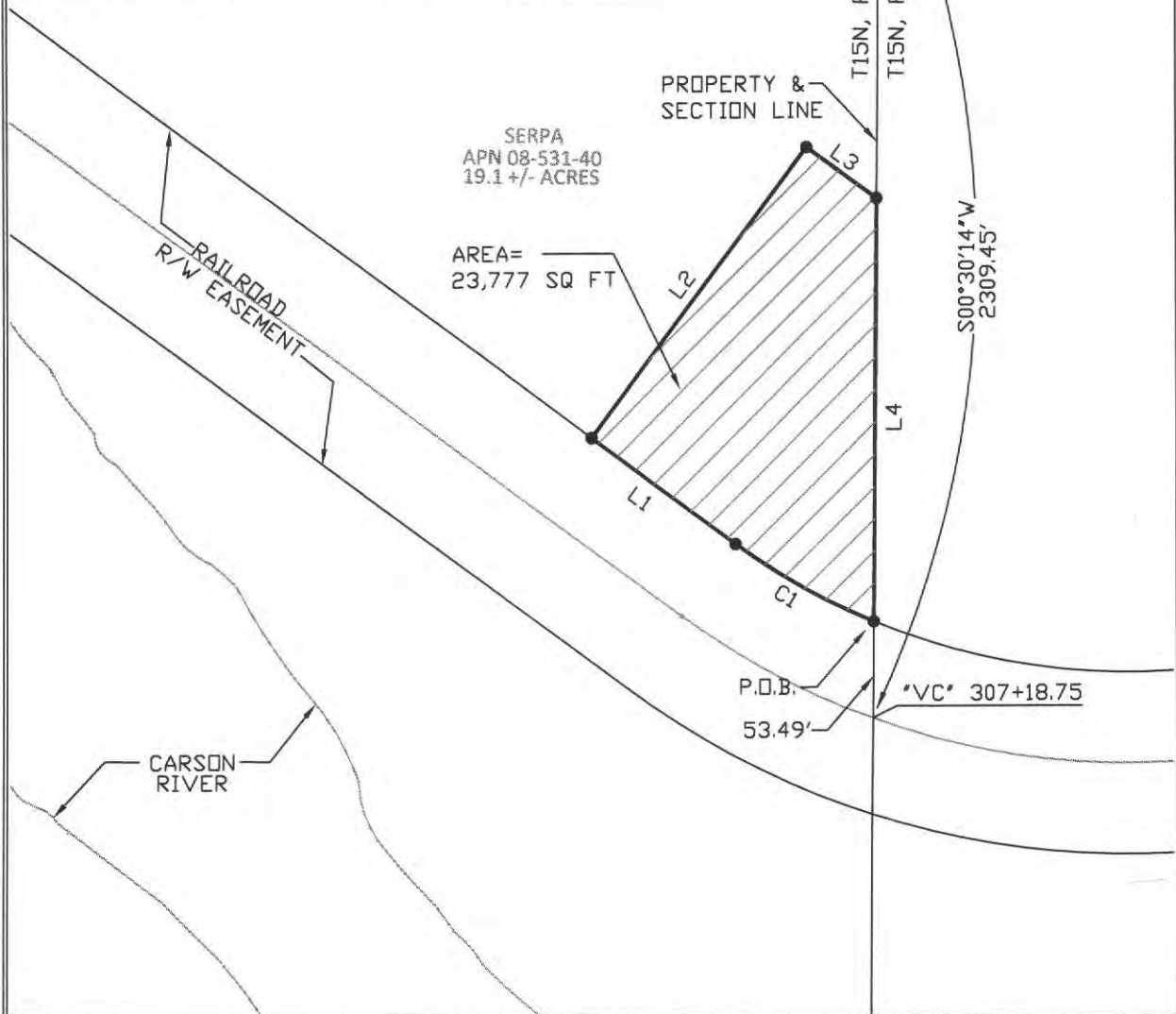


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EXHIBIT "B"

LINE TABLE		
LINE	BEARING	LENGTH
L1	N 53°29'24" W	98.69'
L2	N 36°30'36" E	200.00'
L3	S 53°29'24" E	47.92'
L4	S 00°30'14" W	234.27'

CURVE TABLE			
CURVE	RADIUS	LENGTH	DELTA
C1	365.88'	87.80'	13°44'57"



TEMPORARY CONSTRUCTION EASEMENT A.P.N. 08-531-40

PROJ. MGR.: K.L.D
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=100'

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EXHIBIT "C"

EXHIBIT B

LEGAL DESCRIPTION PERMANENT SLOPE AND DRAINAGE EASEMENT APN 08-531-40

situate, lying and being in Carson City, State of Nevada, and more particularly described as being a portion of Section 12, T.15N., R.20E., M.D.M; being a strip of land varying in width, more fully described by metes and bounds as follows, to wit;

Commencing at a point of intersection on the railroad Right of Way centerline and the 1/16 Section Line, said point of beginning further described as Railroad Engineer's Station "VC" 290+58.45 POC, bearing S 44° 33' 17" W 1887.91 Ft. from a 5/8" rebar and cap, the East 1/4 corner of Section 12, T.15N., R.20E., M.D.M:

thence along said 1/16 Section Line N 00° 20' 52" E for 28.73 Ft.;

thence leaving said 1/16 Section Line, along the north property line S 89° 42' 26" E for 118.92 Ft. to the Point of Beginning;

thence continuing along said property line S 89° 42' 26" E for 318.60 Ft.;

thence leaving said property line along a curve to the Right having a radius of 773.69 Ft. and a central angle of 14° 21' 29" for an arc length of 193.88 Ft., said curve having a chord bearing of S 43° 23' 58" E for 193.38 Ft.;

thence S 36° 13' 13" E for 161.23 Ft.;

thence along a curve to the Left having a radius of 403.80 Ft. and a central angle of 17° 16' 11" for an arc length of 121.71 Ft., said curve having a chord bearing of S 44° 51' 18" E for 121.25 Ft.;

thence S 53° 29' 24" E for 106.08 Ft.;

thence S 36° 30' 36" W for 50.00 Ft.;

thence S 53° 29' 24" E for 250.00 Ft.;

thence S 36° 40' 19" W for 100.00 Ft. to a point on the northerly railroad Right of Way at Engineers Station "VC" 302+00.00, 50.00 Ft. Left;

thence along said Right of Way N 53° 29' 24" W for 355.80 Ft.;

thence continuing said Right of Way along a curve to the Right having a radius of 553.80 Ft. and a central angle of 17° 16' 11" for an arc length of 166.92 Ft., said curve having a chord bearing of N 44° 51' 18" W for 166.29 Ft.;

thence continuing said Right of Way N 36° 13' 13" W for 161.23 Ft.;

thence along a curve to the Left having a radius of 623.69 Ft. and a central angle of 37° 42' 11" for an arc length of 410.41 Ft., said curve having a chord bearing of N 55° 04' 18" W for 403.05 Ft. to the Point of Beginning;

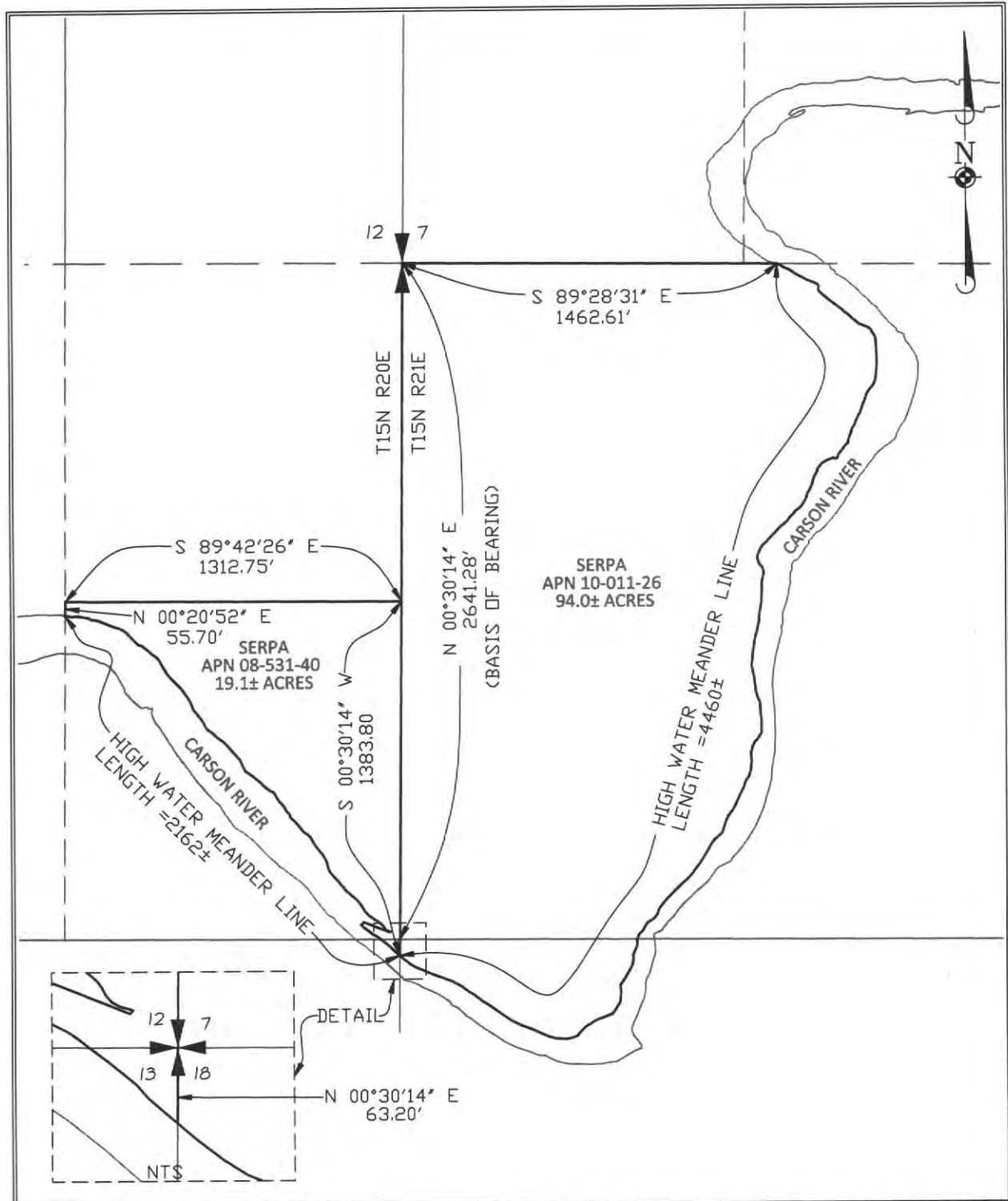
BASIS OF BEARING for this legal description is N 00° 30' 14" E, between the Southwest corner and the West ¼ corner of Section 7, T. 15N., R. 21E., M.D.M.

AREA is 2.86 acres, more or less.

Prepared by: James A. McKew
3476 Executive Pointe Way, Suite 12
Carson City, Nevada 89706
PLS #19023, Expires 12-31-11
(775) 882-5630
December 6, 2010



12-6-10



EXISTING PARCELS OVERVIEW

A.P.N. 08-531-40, 10-011-26

PROJ. MGR.: K.L.D.
 DRAWN BY: JAM
 DATE: 11/30/10
 SCALE: 1"=600'

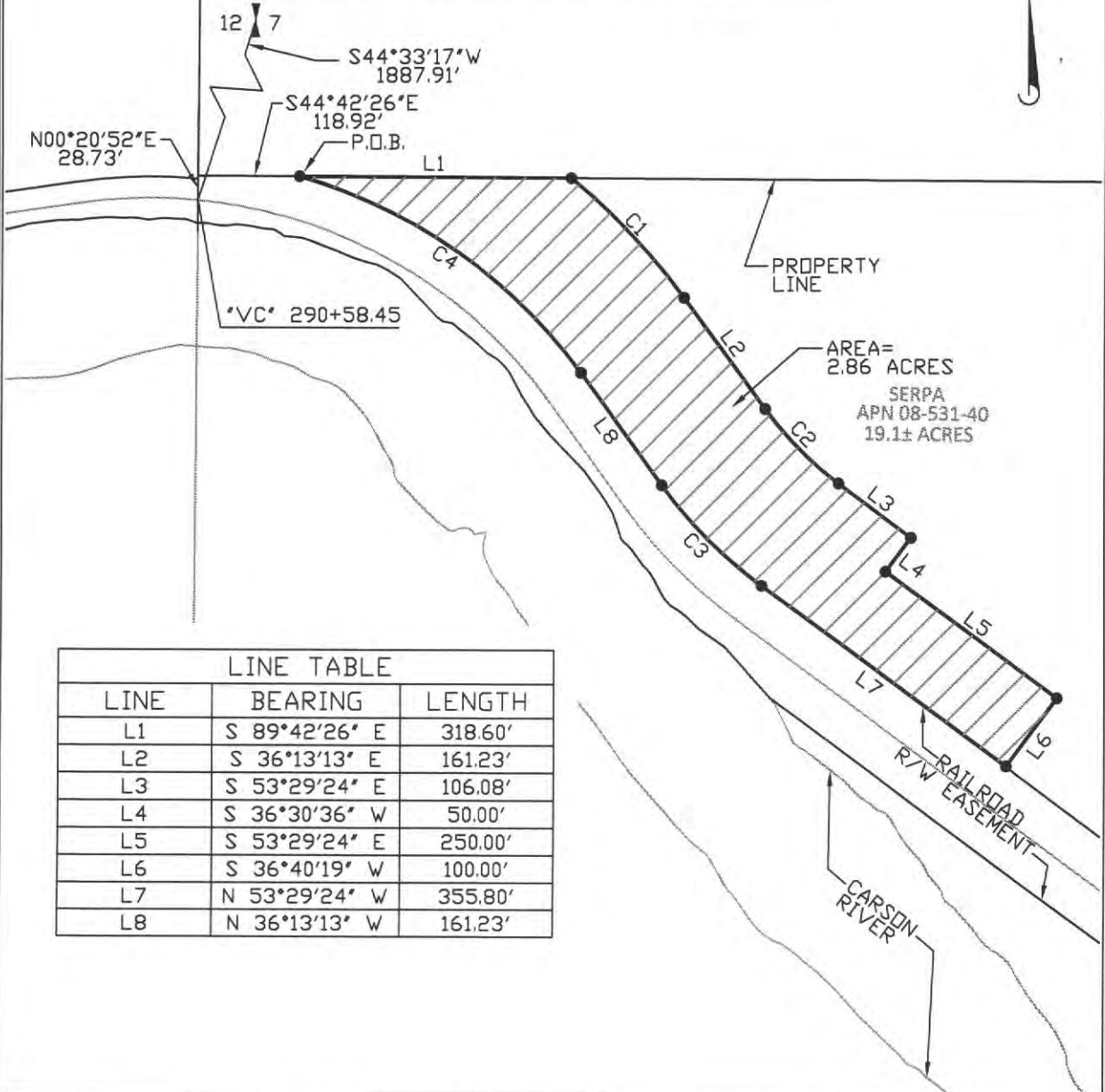


Manhard
 CONSULTING LTD
 3476 Executive Pointe Way, Suite 12, Carson City, NV 89708
 tel: (775) 882-5630 fax: (775) 885-7292 www.manhard.com

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EXHIBIT "B"

CURVE TABLE			
CURVE	RADIUS	LENGTH	DELTA
C1	773.69'	193.88'	14°21'49"
C2	403.80'	121.71'	17°16'11"
C3	553.80'	166.92'	17°16'11"
C4	623.69'	410.41'	37°42'11"



N00°20'52"E
28.73'

S44°33'17"W
1887.91'

S44°42'26"E
118.92'

P.O.B.

VC 290+58.45

PROPERTY LINE

AREA= 2.86 ACRES
SERPA
APN 08-531-40
19.1± ACRES

LINE TABLE		
LINE	BEARING	LENGTH
L1	S 89°42'26" E	318.60'
L2	S 36°13'13" E	161.23'
L3	S 53°29'24" E	106.08'
L4	S 36°30'36" W	50.00'
L5	S 53°29'24" E	250.00'
L6	S 36°40'19" W	100.00'
L7	N 53°29'24" W	355.80'
L8	N 36°13'13" W	161.23'

PERMANENT SLOPE AND DRAINAGE EASEMENT

A.P.N. 08-531-40

PROJ. MGR.: K.L.D.
DRAWN BY: JAM
DATE: 11/30/10
SCALE: 1"=200'



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EXHIBIT "C"



RECEIVED

DEC 01 2010

CARSON CITY PARKS DEPT.

Civil Engineers

Surveyors

Water Resources Engineers

Water & Wastewater Engineers

Construction Managers

Environmental Scientists

Landscape Architects

Planners

December 1, 2010

Re: V&T Railway Reconstruction – Serpa Properties in Carson River Canyon

Mr. Juan Guzman,

Based on our field survey for the V&T Railway Right of Way, which included locating the property lines and the Carson River meander line on John Serpa's properties i.e.: APN 10-011-26 & APN 08-531-40. We have concluded that the acreage for each of the parcels is as follows and that these acreages will be included in our supporting documents.

APN 10-011-26 = 94 +/- acres

APN 08-531-40 = 19.1 +/- acres

If you have any questions or need further assistance please feel free to contact me.

James A. McKew, PLS
Project Surveyor

