

Report To: Board of Supervisors **Meeting Date:** November 16, 2017

Staff Contact: Darren Schulz, Public Works Director

Agenda Title: For Possible Action: Discussion and possible action regarding a request to terminate a lease created September 1, 1974, between Carson City, Nevada, (Lessor) and Douglas Scott Kreck, Deceased, and Steven Christopher Kreck, and Jeffrey Weston Kreck (Lessees) for Lot 59 of the Carson City Industrial Airpark (also known as APN 005-062-12; 2450 Lockheed Way). (Stephanie Hicks; SHicks@carson.org)

Staff Summary: Staff was contacted by Realtor Bruce Robertson regarding a leasehold which was listed on a title report for 2450 Lockheed Way. The property is in escrow and the property owner is requesting that the Board of Supervisors approve the Notice of Termination of Lease.

Agenda Action: Formal Action/Motion **Time Requested:** 20 minutes

Proposed Motion

Proposed Option 1: Move to approve Notice of Termination of Lease created September 1, 1974, between Carson City, Nevada, (Lessor) and Douglas Scott Kreck, Deceased, and Steven Christopher Kreck, and Jeffrey Weston Kreck (Lessees) for Lot 59 of the Carson City Industrial Airpark (also known as APN 005-062-12; 2450 Lockheed Way).

Proposed Option 2: Move to direct staff based on discussion.

Board's Strategic Goal

Economic Development

Previous Action

June 18, 1974. Board of Supervisors adopted Resolution 1974-R-8 declaring the intent to lease Lot 59 of the Carson City Industrial Airpark for industrial purposes.

May 7, 1981. Board of Supervisors adopted Resolution 1981-R-13 authorizing the sale of certain property belonging to Carson City in the Carson City Air Industrial Park, including Lot 59.

Background/Issues & Analysis

On September 1, 1974, the City entered into a lease with Douglas Scott Kreck, Deceased, and Steven Christopher Kreck, and Jeffrey Weston Kreck (Lessees) for Lot 59 of the Carson City Industrial Airpark (also known as APN 005-062-12; 2450 Lockheed Way).

From March through August 1981, the Board of Supervisors discussed the options for sale of the leasehold parcels at the Industrial Airpark. On May 7,1981, the Board adopted Resolution 1981-R-13 authorizing the sale of the leased parcels in the Carson City Air Industrial Park, including Lot 59. Notices of sale were posted in the newspaper on May 13, 1981.

Final Version: 12/04/15

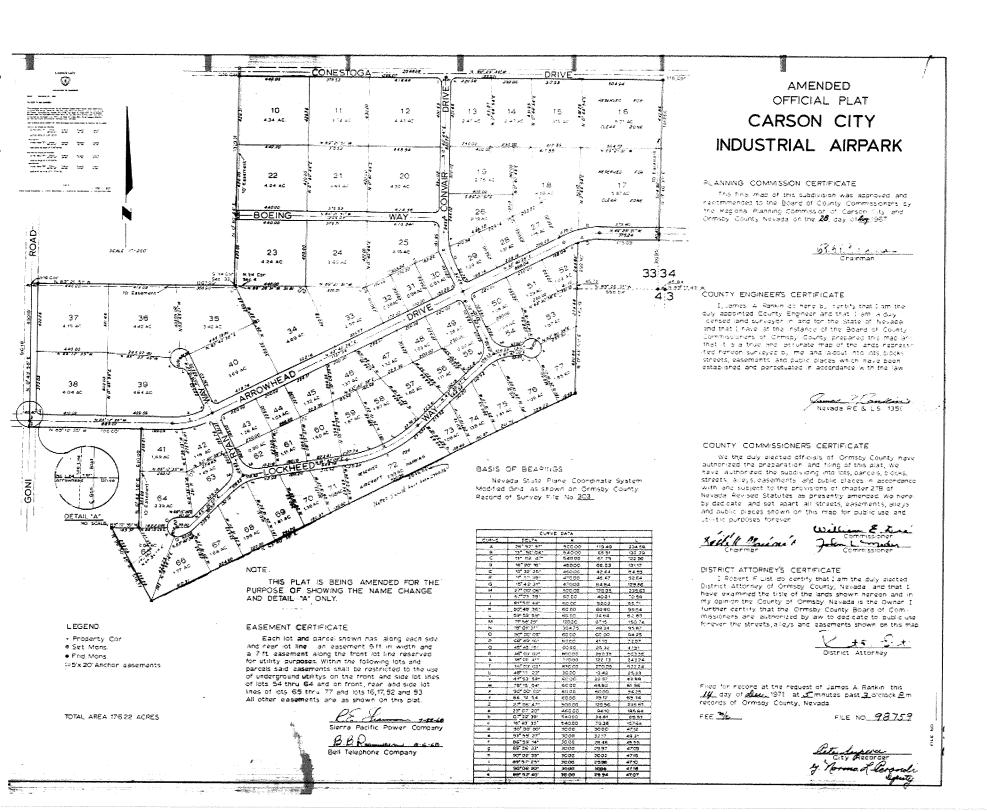
On September 8, 1981, the City signed a Grant, Bargain, Sale Deed which conveyed Lot 59 to Douglas Scott Kreck, Deceased, Steven Christopher Kreck, and Jeffrey Weston Kreck and Peggy Rae Kreck subject to a leasehold estate created by the lease of September 1, 1974.

Between 1994 and 2015, interests and ownership percentages were changed between family members five times. Current ownership is listed under the Kreck Brother Investment Fund, LLC.

The subject property is currently in escrow with anticipation for the sale to close the end of November. When the title report was prepared on September 5, 2017, the leasehold was identified on the parcel. City staff was contacted by Bruce Robertson of NAI Alliance requesting to have the leasehold removed. Research by staff has concluded that there is no lease termination of record.

Applicable Statute, Code, Policy, Rule or Regulation N/A
Financial Information Is there a fiscal impact? Yes No
If yes, account name/number:
Is it currently budgeted? Yes No
Explanation of Fiscal Impact:
Alternatives Do not approve Notice of Termination of Lease.
Modify the recommended motion.
Board Action Taken: Motion: 1) Aye/Nay 2)
(Vote Recorded By)

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PRELIMINARY REPORT

Proposed Buyer: Wayne F. Johnson and Robert L. Turnbow and Darlene F. Turnbow,

Trustee of the Robert L. Turnbow and Darlene F. Turnbow 2006

Revocable Trust

Proposed Lender

Proposed Loan Amount: \$0.00

Property Address: 2450 Lockheed, Carson City, Nevada

Escrow Office: Title Office:

Ticor Title of Nevada, Inc.
5441 Kietzke Lane, Suite 100

Ticor Title of Nevada, Inc.
5441 Kietzke Lane, Suite 100

Reno, NV 89511 Reno, NV 89511

Phone: (775) 824-3232 Fax: (775) 824-3233 Phone: (775) 324-7400 Fax: (775) 324-7402

Escrow Officer: Commercial Division

Customer No.: / Order No.: 01704335-CD

The information contained in this report is through the date of September 5, 2017 at 7:30 a.m.

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

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

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

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

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

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

Shelly Saltz, Title Officer

Ghelly Saltz

Order No.: 01704335-CD

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

1. The Company will require the following documents for review prior to the issuance of any title insurance predicated upon a conveyance or encumbrance from the entity named below:

Limited Liability Company: Kreck Brothers Investment Fund, LLC, a Nevada limited liability company

- a) A copy of its operating agreement, if any, and any and all amendments, supplements and/or modifications thereto, certified by the appropriate manager or member
- b) If a domestic Limited Liability Company, a copy of its Articles of Organization and all amendments thereto with the appropriate filing stamps
- c) If the Limited Liability Company is member-managed, a full and complete current list of members certified by the appropriate manager or member
- d) A current dated certificate of good standing from the proper governmental authority of the state in which the entity was created
- e) If less than all members, or managers, as appropriate, will be executing the closing documents, furnish evidence of the authority of those signing.

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

- 2. Furnish to the Company for review:
 - a) Certification of Trust in accordance with Nevada Revised Statutes.
- 3. Please be advised that our search did not disclose any open Deeds of Trust of record. If you should have knowledge of any outstanding obligation, please contact the Title Department immediately for further review prior to closing.

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SCHEDULE A

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

FEE

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

Kreck Brothers Investment Fund, LLC, a Nevada limited liability company

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

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

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SCHEDULE B

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

- 1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- 2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by inspection of the Land or that may be asserted by persons in possession of the Land.
- 3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
- 4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof, (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.
- 6. Any lien or right to lien for services, labor or material not shown in the Public Records.
- 7. General and special State, County and/or City property taxes, including any personal property taxes and any assessments collected with taxes, payable in four (4) quarterly installments (due on or before 3rd Monday in August and 1st Monday in October, January and March, respectively) are as follows:

Assessor's Parcel No.: 5-062-12 Fiscal Year: 2017-2018 Total Taxes: \$4,872.83

 1st Installment:
 \$1,218.83
 PAID

 2nd Installment:
 \$1,218.00
 OPEN

 3rd Installment:
 \$1,218.00
 OPEN

 4th Installment:
 \$1,218.00
 OPEN

- 8. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Nevada Revised Statutes.
- 9. Any liens, charges or assessments levied by the Carson City water, sanitary sewer and storm water utility district by reason that the Land is located within said district. To verify payment, delinquencies or liens, contact Carson City Utilities at (775) 887-2355.
- 10. Any unpaid charges for Waste Management, plus any interest and/or penalties, which would create a lien and attach to said Land, pursuant to Nevada Revised Statutes.
- 11. Rights of the public to any portion of the Land lying within the area commonly known as Lockheed Way.

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12. Easement(s) and rights incidental thereto as delineated or as offered for dedication on the Official

Plat of Ormsby County Industrial Airpark Recording Date: August 20, 1968

Recording No: Book 2, of Maps, Page 318, as Document No. 41674, and

The Amended Official Plat of Carson City Industrial Airpark

Recording Date: December 14, 1971

Recording No: Book 2, of Maps, Page 363, as Document No. 98759.

13. A lease with certain terms, covenants, conditions and provisions set forth therein.

Dated: September 1, 1974 Lessor: Carson City, Nevada

Lessee: Douglas Scott Kreck, Steven Christopher Kreck, and Jeffrey Weston

Kreck

Recording Date: September 12, 1974

Recording No: Book 163, Page 283, as Document No. 41923, Official Records

Except as noted above, the present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

14. An unrecorded sublease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Disclosed By: Grant, Bargain, Sale Deed

Sub-Lessor: Douglas Scott Kreck, Steven Christopher Kreck, and Jeffrey Weston

Kreck

Sub-Lessee: K-T Properties, a joint venture

Recording Date: September 8, 1981

Recording No: Book 307, Page 427, as Document No. 6635, Official Records

Except as noted above, the present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

15. An unrecorded sublease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Disclosed By: Grant, Bargain, Sale Deed
Sub-Lessor: K-T Properties, a joint venture
Sub-Lessee: Southern Bolt & Screw Co.

Recording Date: September 8, 1981

Recording No: Book 307, Page 427, as Document No. 6635, Official Records

Except as noted above, the present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

16. Rights and claims of parties in possession by reason of unrecorded leases, if any, that would be disclosed by an inquiry of the parties or by an inspection of said Land.

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INFORMATIONAL NOTES

Note: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.

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

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

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

Type of Dwelling: Commercial Building

Address: 2450 Lockheed Way, Carson City, Nevada

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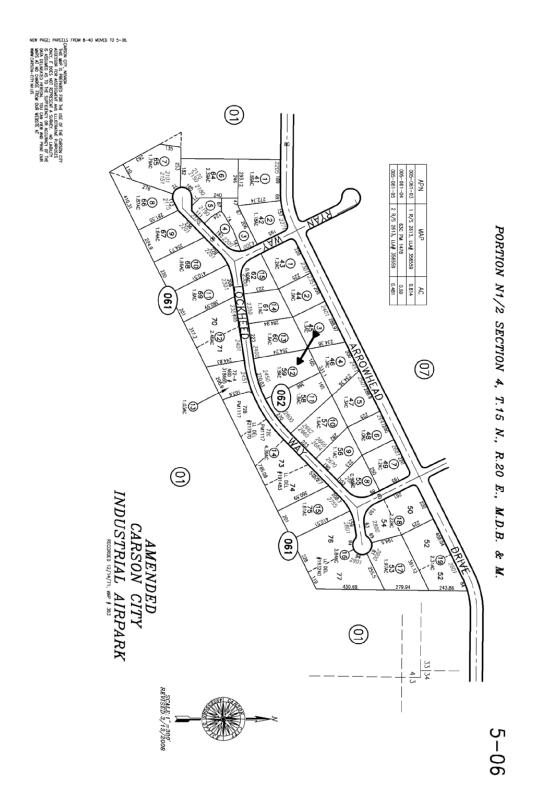
Order No.: 01704335-CD

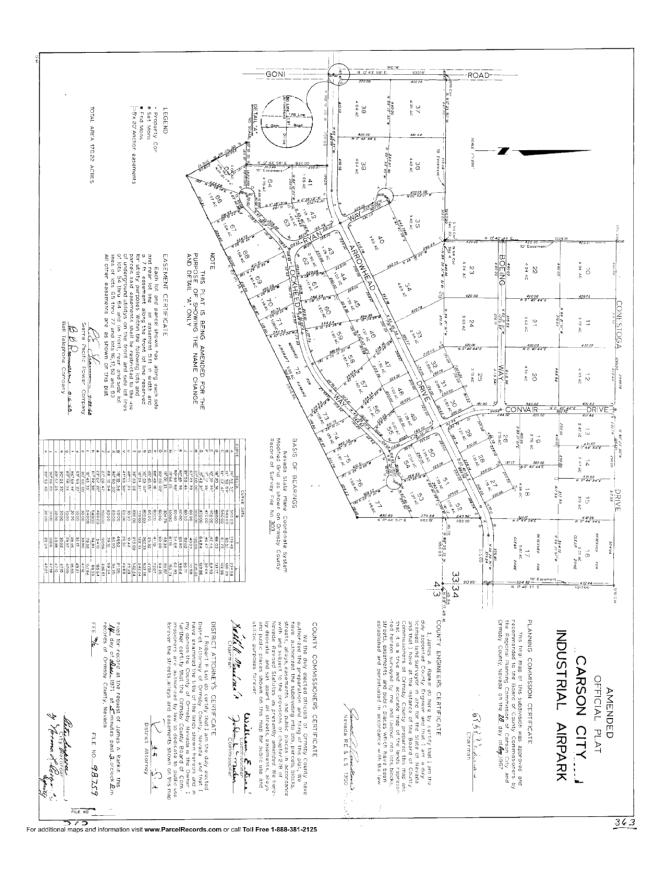
EXHIBIT A

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

Lot 59 of CARSON CITY INDUSTRIAL AIRPARK, according to the map thereof, filed in the office of the County Recorder of Carson City (formerly Ormsby County), State of Nevada, on August 20, 1968, in Book 2 of Maps, Page 318, as File No. 41674, Official Records and Amended December 14, 1971, in Book 2 of Maps, Page 363, as File No. 98759, Official Records and that certain Certificate of Amendment to remove the phrase "Reserved for Clear Zone", recorded on March 26, 1981, in Book 297, Page 28, as Document No. 3046, Official Records.

APN: 5-062-12





This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

ATTACHMENT ONE (Revised 05-06-16)

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990

EXCLUSIONS FROM COVERAGE

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

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

EXCEPTIONS FROM COVERAGE - SCHEDULE B. PART I

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

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

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

EXCLUSIONS

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

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

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

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

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

- 7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
- 8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
- 9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

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

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

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

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

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

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

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

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

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

EXCEPTIONS FROM COVERAGE

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

{PART I

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

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

PART II

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

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

EXCLUSIONS FROM COVERAGE

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

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

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

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

EXCEPTIONS FROM COVERAGE

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

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

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

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

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

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

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

Note: Notice of Available Title Insurance and Escrow Discounts

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

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

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

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

SHORT TERM RATE

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

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

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

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS

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

EMPLOYEE RATE

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

INVESTOR RATE

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

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

SENIOR CITIZEN RATE

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

MILITARY DISCOUNT

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

FIRST TIME HOMEBUYER RATE (APPLICABLE TO ZONE 2 ONLY)

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

EMPLOYEE RATES

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

INVESTOR RATE

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

FIDELITY NATIONAL FINANCIAL

PRIVACY NOTICE

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

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

FIDELITY NATIONAL FINANCIAL, INC. PRIVACY NOTICE

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

Types of Information Collected

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

<u>Personal Information</u>. FNF may collect the following categories of Personal Information:

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

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

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

How Information is Collected

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

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

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

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

Use of Collected Information

Information collected by FNF is used for three main purposes:

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

When Information Is Disclosed

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

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

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

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

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

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

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

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

Choices With Your Information

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

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

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

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

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

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

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

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

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

Information From Children

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

Privacy Outside the Website

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

International Users

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

The California Online Privacy Protection Act

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

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

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

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

Your Consent To This Privacy Notice

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

Accessing and Correcting Information; Contact Us

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

Fidelity National Financial, Inc. 601 Riverside Avenue Jacksonville, Florida 32204 Attn: Chief Privacy Officer (888) 934-3354 RESOLUTION NO.

1974-11-8

PROPERTY BELONGING TO CARSON CITY FOR INDUSTRIAL PURPOSES

The Board of Supervisors of Carson City, Nevada, does hereby resolve and does hereby declare its intention to lease the property belonging to Carson City as hereinafter described, for industrial purposes, upon the following terms:

- A. The property is described as Lot 59. Carson City Industrial Airpark.
- B. The minimum rental shall be \$100.00 per acre per year for the first 20 years; \$150.00 per acre per year for the second 20 years and \$200.00 per acre per year for the remaining 20 years; the total term of the lease to be 60 years.
- C. Lessee shall be required to construct a building of at least 15,000 square feet to be used for manufacturing purposes and have same completed within one (1) year of the date of the lease.
- D. All improvements upon the premises shall be constructed in accordance with all Ordinances, Rules, Regulations and Zoning. Notwithstanding the terms of any lease, all improvements placed upon the premises and the use made thereof shall be subject to the specific conditions provided by the Carson City ordinances and building codes, including the zoning ordinances and the rules and regulations pertaining thereto.

Tuesday, the 18th day of June, 1974 at 7:00 P.M. at the Ormsby Public Library in Carson City, Nevada, is the time and place fixed for a public meeting of the Board of Supervisors at which meeting objections to the lease may be made by the electors of the City and at which meeting



BE IT FURTHER RESOLVED: That notice of the adoption
of this Resolution be given in accordance with NRS 244.283.
DATED this 21st day of May , 19
PROPOSED on the 21st day of May , 197
PROPOSED by Supervisor Gottschalk
PASSED on the 21st day of May , 197
VOTE: AYES: I. M. Scrivner, Mayor
George Griteser
George Gottschalk
M. E. "John" llayes
Richard Poterson
NAYES: Nonc
ABSENT: None
ATTEST:
VAUGINAL, SMITH, CIEFK
N. A. A. C. C. C. M. M. C.
왕이고 그 맛있다면 뭐하는 그는 그는 그 맛이 그렇게 하셨다.
경기 : (1995년 - 1995년 - - 1995년 - 199 - 1995년 - 199
- The Contract of the Contract

LEASE

THIS LEASE, made and entered into as of the <u>first</u> day of <u>September</u>, 1974, by and between CARSON CITY, Nevada, hereinafter referred to as LESSOR, and DOUGLAS SCOTT KRECK, STEVEN CHRISTOPHER KRECK, and JEFFREY WESTON KRECK, hereinafter referred to as the LESSEE, (collectively),

WITNESSETH:

WHEREAS, the LESSOR is the owner of that certain property designated as the Carson City Industrial Airpark, formerly known as Ormsby County Industrial Airpark and more particularly described in that certain plat filed with the Office of the Carson City Recorder on the 14th day of December, 1971, in Plat Book #23, Map #363; and

WHEREAS, the LESSEE desires to lease Lot 59 of said Carson City Industrial Airpark; and

WHEREAS, pursuant to NRS 244.283, on 5th day of June, 1974, in a regular open meeting by a majority vote of its members, the City adopted a Resolution declaring its intention to lease said Lot 59 and gave notice of the adoption of said Resolution as prescribed by said statute; and on the 18th day of June, 1974, accepted a written bid from the LESSEE to lease said Lot 59; and

WHEREAS, the LESSEE deems it advantageous to itself to construct a building to be used for manufacturing purposes;

NOW, THEREFORE, for and in consideration of the mutual promises to each other, the parties hereto have agreed and by these presents agree as follows, to-wit:

1. PREMISES: The LESSOR hereby leases to the LESSEE, on the terms and conditions herein set forth, that certain piece or parcel of property situated in Carson City, Nevada, more particularly described as follows:

Lot 59 of the Carson City Industrial Airpark, according to the official plat thereof, filed in the office of the Carson City Recorder on the 14th day of December, 1971, in Plat Book #2, File #98759, Map #363.

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2. TERM: The term of this lease shall be for Sixty (60) years, commencing September 1, 1974, and ending August 31
2034, both dates inclusive, unless sooner terminated for violation of this lease or any provision thereof as hereinafter provided.

- 4. IMPROVEMENTS: The LESSEE shall construct within One (1) year after the commencement date for the term of this lease, a building of not less than FIFTEEN THOUSAND (15,000) square feet to house an industry for manufacturing purposes as hereinafter described. All construction done upon the premises shall be with prior written approval of LESSOR and subject to the appropriate Carson City Codes and Ordinances. Title to all improvements, including, but not limited to, the abovementioned building or buildings made on the premises shall revert to the LESSOR upon the termination of this lease except as hereinafter provided.
- 5. PERSONAL PROPERTY AND FIXTURES: It is understood and agreed that any and all trade fixtures and accessories and appurtenances thereto now upon the premises or which may hereafter be installed by the LESSEE, whether or not the same may be attached to the premises, shall be and remain the property of the LESSEE, who shall have the right to remove the same at the termination of their occupancy provided that any damage to the premises caused by such removal shall be repaired at the expense of the LESSEE. All other fixtures, including, but not limited to, light fixtures and floor coverings that may be attached to the walls ceilings or floors of said premises will remain in the premises as the property of the LESSOR, all other personal property and fixtures shall be removed upon the termination of this lease. In the event that said

personal property and fixtures or any of them are not removed within Thirty (30) days after the said termination, then and in such event, all personal property and fixtures not removed by the LESSEE shall be and become the property of the LESSOR.

- 6. UTILITIES AND OTHER CHARGES: The LESSEE shall pay promptly when due all bills for water, electricity, heat and other services furnished to or used by the LESSEE in or about the premises in addition to the rents herein reserved.
- 7. TAXES: LESSEE agrees to pay all taxes legally imposed or assessed pursuant to the Nevada Revised Statutes upon all property, real or personal, which is the subject of the lease.
- 8. MAINTENANCE: The LESSEE agrees to keep any and all improvements on the premises in good repair, to exercise care to see that the premises in general are devoid of junk or trash and to maintain the premises in good appearance, consistent with their particular operations and the operation and appearance of the premises in general.
- 9. <u>USE</u>: It is understood and agreed that the premises to be occupied by said LESSEE are to be used for the manufacturing, storage, and distribution of commercial fastners, and subject to approval of the Board of Supervisors, in writing, other light manufacturing which complies with the basic conditions established for the airpark.
- agreed that the LESSEE shall and will at all times conduct and operate their said business in full conformity with all laws, ordinances, rules and regulations, of the United States, the State of Nevada, and Carson City, particularly the provisions of the Carson City Municipal Code, which set forth the specific conditions governing the use of the leased premises, and on failure to do so, this agreement shall be subject to forfeiture and termination as herein set forth. Should LESSEE be or become in violation of any of the aforesaid laws or ordinances, LESSEE shall, provided a good faith effort is made to comply with said laws or ordinances, have a resonable time within which to comply.

assign this lease on the same terms and conditions provided that the assignment of this leasehold shall be to a responsible individual or entity who, upon notice in advance to the LESSOR, shall assume and agree in writing with the LESSOR to all the terms and obligations to be performed on the part of the LESSEE herein. No assignment shall be effective unless the written approval of the Carson City Board of Supervisors shall be first approved in writing. LESSOR shall not unreasonably refuse to consent to such an assignment.

An assignment for the purpose of securing a loan for the advancement of monies for the construction of improvements shall be made in accordance with Paragraph 22 herein.

- 12. <u>INSPECTION</u>: The LESSOR, its agents and attorneys, shall have the right at all times to enter into and upon the premises for the purposes of inspecting the same and to see that the covenants and agreements contained in this lease are being kept and performed by the LESSEE.
- 13. INDEMNITY: The LESSOR shall not be liable to the LESSEE or to any other person whatsoever for any injury (including death) or damage that may result to any person or property by or from any cause whatsoever, in or on the premises, and the LESSEE agrees to indemnify and hold the LESSOR harmless from and defend the LESSOR against any and all such claims or liabilities for any such injury or damage to any person or property whatsoever occurring in or on the premises or occurring as a result of the use of any of the facilities or appliances on the premises.
- any mechanic's or materialmen's lien or any other liens of any kind or nature to be attached to or become laid against the above-described premises, appurtenances, or any part thereof arising out of actions by the LESSEE. The LESSEE further agrees that it will indemnify and hold harmless the LESSOR from and against all claims, demands, actions, damages, costs or expenses, including attorneys' fees that might arise or grow out of any lien that might by imposed against the premises as a result of the act or the failure to act by LESSEE.

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The provisions of this paragraph shall not apply to the lien of any creditor or lender of any monies for the purpose of constructing improvements upon the leased premises as set forth in Paragraph 22, herein which has been approved and authorized by the Carson City Board of Supervisors.

15. COSTS OF ACTIONS: In the event of litigation arising from default in performance of any of the terms and provisions of this lease by either the LESSOR or the LESSEE, the prevailing party in such litigation shall be entitled to receive from the other party reasonable attorneys' fees and costs of action incurred in connection with said litigation.

In the event the LESSEE shall fail to 16. REMEDIES: pay any installment of rent in whole or in part when the same becomes due, and LESSEE shall fail or neglect to correct such breach or default by payment in full of such installment within Five (5) days after written notice of such breach or default given by LESSOR, then and in such event the LESSOR may, at its option, terminate this lease forthwith and retain all monies theretofore paid to the LESSOR as rent or otherwise as liquidated damages. In the event the LESSEE shall fail to perform any other act or thing which they have obligated themselves to perform, or in any other manner shall breach the terms or conditions herein contained, and shall fail or neglect to correct any such breach or default within Fifteen (15) days after written notice of such breach or default given by the LESSOR, the LESSOR may, at its option, terminate this lease and retain all monies theretofore paid to the LESSOR as rent or otherwise as liquidated damages. In the event said premises or any part thereof shall become vacant or abandoned, or if LESSEE shall at any time make a general assignment, for the benefit of creditors, or any insolvent assignment, or if a receiver of the property of the LESSEE shall be appointed in any Court of the United States or the State of Nevada, or if the LESSEE shall file a voluntary petition for bankruptcy, or if a petition in bankruptcy shall be filed against LESSEE, then and in such event the LESSOR may, at its option and without notice, terminate this lease forthwith and retain all monies theretofore

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paid to the LESSOR as rent or otherwise as liquidated damages. Upon the termination of this lease for any reason whatsoever the LESSOR may immediately or at any time thereafter, re-enter the leased premises and remove all persons and property therefrom by legal proceedings, or by force or otherwise, without being liable to indictment, prosecution and/or damage therefor. The provisions for termination herein contained shall be in addition to and not exclusive of any other remedies afforded by law or otherwise to the LESSOR.

- 17. SURRENDER: Upon the termination of this lease for any cause, or upon the expiration of the term of this lease, the LESSEE agrees to deliver possession to the LESSOR and the LESSOR may retake possession with or without force and the LESSEE agrees to leave the premises in a clean and orderly condition.
- 18. PEACEFUL POSSESSION: The LESSOR covenants and agrees that the LESSEE paying the rents and observing the terms and conditions of this lease shall quietly and peacefully enjoy the premises herein demised for the whole of the term thereof.
- 19. NON-WAIVER: The LESSOR'S failure to take advantage of any default or breach of covenant on the part of the LESSEE shall not be, or be construed as a waiver thereof, nor shall any custom or practice which may grow up between the parties in the course of administering this instrument be construed to waive or to lessen the right of the LESSOR to insist upon the performance by the LESSEE of any term, covenant or condition hereof or to exercise any rights given the LESSOR on account of any such default.
- 20. INSURANCE: LESSEE hereby specifically agrees, immediately upon execution of this lease, to purchase and thereafter to maintain in full force and effect during the term of this lease public liability insurance for the demised premises naming the LESSOR as an additional insured, in the minimum amount of \$100,000.00/\$300,000.00. LESSEE shall deliver to LESSOR a copy of said insurance policy or a certificate thereof showing the same is in full force and effect. LESSEE shall be

solely responsible for purchasing adequate insurance upon all property, goods, wares or merchandise owned by LESSEE and moved into or located upon the demised premises, and LESSEE specifically warrants and covenants to hold LESSOR harmless from any and all liability for damage to or claim arising from said property, goods, wares or merchandise, save that due to LESSOR'S failure to perform LESSOR'S duties and obligations under this lease.

LESSEE shall be solely responsible for procuring full and adequate fire insurance and extended coverage insurance for the demised premises in the amount of the insurable value thereof, naming LESSOR as an additional insured.

Nothing shall be done by LESSEE which in any way or manner shall be or may be in violation of any rule, regulations or requirements of the Board of Fire Underwriters of the Pacific, and which may or might invalidate the fire insurance policies covering such premises, and in the event that any action of the LESSEE shall cause the rate of premium for any such fire insurance policies to be increased, it shall be deemed a violation of the terms hereof and may work a forfeiture of this lease, at the option of LESSOR.

21. NOTICES: For all purposes of notice provided herein, the following shall be used as the addresses of the respective parties:

LESSOR:

Carson City Courthouse

Carson City, Nevada 89701

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Carson City Industrial Airpark LESSEE:

Carson City, Nevada 89701

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22. RIGHT TO ASSIGN TO CREDITOR OR LENDER FOR ADVANCEMENT OF CONSTRUCTION FUNDS: If an assignment is permitted

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as provided in Paragraph 11 herein, provisions of this Lease pertaining to assignment, default termination, or any other provisions affecting the right,

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title, or interests hereby conveyed to the original LESSEE or any assignee

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thereof shall not apply to any creditor or lender of the original LESSEE or

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his assignee who has advanced money for the construction of any buildings

or improvements placed upon the premises hereby leased. Such creditor or

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lender, shall have all rights under this lease granted to the original LESSOR or its assignee, if the assignment has been authorized, and such creditor or lender has been authorized, in writing, by the Carson City Board of Supervisors to enter into an agreement for a loan for the advancement of monies for the construction of any buildings or improvements placed upon the premises hereby leased, and a copy of the security agreement, contract, or other instrument evidencing this agreement is filed with the Clerk of the Board of Supervisors.

The provisions set forth in this Paragraph 22 providing for the assignment of this lease to any creditor or lender of construction money for buildings or other improvements upon the premises hereby leased, shall not apply to any other assignee of the LESSEE, in the event assignment is authorized as provided herein.

23. SUCCESSION: Each and all of the covenants, terms, agreements and conditions herein contained are intended to and do bind the successors and assigns of the respective parties hereto.

24. TIME: Time is of the essence of this lease and agreement and every term and condition.

IN WITNESS WHEREOF, the said parties have executed this instrument the day and year first above written.

CARSON CITY, a consolidated LESSOR: municipality Filed for Record at Request of CARSON CITY Min. Past 3. Car Par LESSEE

RC Defilly

Füe No. 41923 ATTEST - H/L

Carson City Clerk

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Board of Supervisors March 19, 1981

Surplus >

7. C. SALE OF AIRPORT INDUSTRIAL PARK - Leased Property - Report

(1-0172)

Mr. Hataway reported that the Property Management Committee has been meeting and negotiating with the committee of lessees at the Industrial Airpark. He provided to the Board this morning a summary showing the lessees as well as a map showing the lots in question. He stated that Mike Zook was present to report on what his committee has come up with. Mr. Hataway provided additional background on this issue.

(1-0226) Mike Zook stated he represented 23 of the 26 leaseholders at the Industrial Airpark. At the request of the City, a committee was formed to discuss the possible purchase of this land from the City at a price agreeable to both. They met with the Property Management Committee and agreed on the minimum purchase price of \$5,000 per acre. Although this may seem like a very low per acre price, the land is encumbered by leases which are very favorable to the lessees. These leases were entered into at a time when manufacturers were being encouraged to come to Carson City. The leaseholders favor the sale of this land in a block for the 23 parcels involved. The \$5,000 is higher than the appraised value of the property because of the encumbrances. The leaseholders feel the \$5,000 per acre is a fair price and a good proposition for the City.

Discussion followed, with the Board members' questions answered and explanations made where needed, by Mr. Hataway and Mr. Zook. Mr. Hataway stated that a subcommittee of the Property Management Committee met to discuss this issue. That sub-committee was comprised of Supervisor Hayes, Supervisor Burnaugh, Jim Bawden of the Assessor's Office and Mr. Hataway. No terms would be permitted. 10% down with sealed bid would be required, with balance in cash due in 60 days. Mr. Hayes stated that after the bids were opened, he would like to see the opportunity for auction bids. In that event, the auction bids would start at 10% above the highest bid received in the sealed bids. Mr. Zook stated that because he represents 23 leaseholders, he did not think it was possible for him to participate in that auction proposal immediately after bids were opened. He felt that if the auction were delayed by a day or so, that would permit him to obtain authorization to bid at auction. Mr. Zook did not feel starting bids 10% higher was needed.

Mr. Hataway stated the the procedure steps for this process are described by the Nevada Revised Statutes. He explained the procedure to be followed. He did not feel the flexibility to allow the extra time after bids were opened would be available before the suggested auction procedure began. He stated that as much flexibility as NRS permitted would be made available. Mr. Hataway recommended that the Board accept the concept in principle and request a formal resolution be prepared for the 23 properties as one lump sale with the other three to be individual sales. The Mayor stated there was agreement with the recommendations.

Mayor Jacobsen requested the resolution be prepared for Board consideration and include the 10% increment for auction after bids were opened.

Supervisor Burnaugh so moved. Supervisor Hayes seconded the motion. Roll call vote: Ayes: Supervisors Reinken, Hayes, Burnaugh and Mayor Jacobsen. Carried 4-0 and so ordered.

SALE OF LEASED PARCELS AT CARSON CITY INDUSTRIAL AIR PARK

Board of Sup 8.

May 7, 198)

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sa Mr. Hataway stated Lut NRS provides several ways for the City to dispose of property. One of the methods not yet used was to go through a licensed broker, which has specific regulations, and which method is being recommended for the sale of the leased parcels. An auction will be held on June 9th for the unleased properties in the airpark. The Property Management Committee recommends that any properties unsold at that time and the 4 lots still leased which are not a part of the package before the Board, be lumped together at that time and a determination made as to how they will be sold.

> The Resolution before the Board includes all of the leased parcels at the Airpark with the exception of the four: Carson New Gas, Glass Mountain Block, the State Library Cooperative Services Building and Pat Harris, Inc. A total value of \$493,300 has been placed on the properties included in the Resolution by the Property Management Committee. The particular Realty Company recommended for handling this sale would provide no cost services to the City, through the efforts of the lessees of the involved leased parcels. The City would pay no commissions on the sale of these properties.

The Resolution AUTHORIZING THE SALE OF CERTAIN PROPERTY BELONGING TO CARSON The following Lots CITY was assigned No. 1981-R-13 and read by Mr. Hataway. are included: Northwest quarter of Lot 37; Lots 35 and 40; Lots 68 and 69; Lot 53; Lots 76 and 77; Lot 62; Lots 41 and 42; Lot 39; Lots 10, 11 and 22; Lot 67; Lots 57 and 58; Lots 50 and 54; Lots 23, 34, 46, 47 and 48; Lots 45, 60 and 61; Lots 70 and 71; Lot 38; Lots 63 and 64; Lots 73, 74 and 75, Lot 59; Lot 21; Lots 66 and portion of 65; portion of Lot 65. Interested persons may contact Jim Wilson Realty Company, 2110 N. Carson Street, Carson City, NV 89701, telephone (702) 882-2134, with listing period from June 1 through June 30, 1981. Discussion was held. These properties are encumbered by leases, some of which are for 90 years. Purchaser will have to honor those leases which would be very difficult to break. If the lessees purchase this land, there would be no lessee The District Attorney stated the tax rate for the real property itself would reflect the leasehold encumbrance. The annual income for the entire property is about \$18,500 to the City. Supervisor Hayes pointed out that using round figures, the \$500,000 which would be derived from this sale, if invested in treasury bills, would net about \$79,000 per year instead of the \$18,000. Additionally, revenue from the tax payments would come to the City. Mr. Hataway stated that variation in income to the City has been discussed and considered as well. Mr. Warnecke wished to have this information brought out for the information of the public to preclude anyone stating that the City offered someone a "sweetheart" the sale of that property.

(2-2973) Attorney Gary Sheerin, present in the audience, stated that the lessees, at their own expense, retained Lon Adams, an appraiser, to appraise the City's remainder interest in all these properties. As part of the record, the Surplus Review Committee has a copy of those appraisals performed by Mr. Adams. That totals \$240,000, approximately. Through negotiations with the Committee, the selling price is about doubled. Any future inquiries could be referred to those appraisals. This sale will be advertised for three weeks with sufficient opportunity for bids by parties other than the leaseholders.

Supervisor Hayes referred to condition five on page 1, line 22. Mr. Hayes wished to change that wording somewhat as follows: All offers to purchase said property shall be accompanied by a minimum 10% deposit, nonrefundable to successful bidder, with the balance due at the close of escrow which will be on or before August 30, 1981.

Supervisor Hayes moved to adopt Resolution 1981-R-13 A RESOLUTION AUTHORIZING THE SALE OF CERTAIN PROPERTY BELONGING TO CARSON CITY. Supervisor Warnecke seconded the motion. It was clarified that condition 5, as amended, will be so written into the Resolution by the District Attorney's Office and that the motion includes approval of that amendment. Roll call vote: Ayes: Supervisors Burnaugh, Reinken, Hayes, Warnecke and Mayor Jacobsen. Carried 5-0 and so ordered.

The District Attorney clarified that the 10% deposit would be applied against the purchase price of the properties, to successful bidder. All other deposits would be refundable.

Nevada Appeal

May 13, 1981

NOTICE OF SALE OF REAL PROPERTY BELONGING TO CARSON CITY

TO: The General Public

FROM: The City of Carson

NOTICE IS HEREBY GIVEN that Carson City will sell certain properties belonging to Carson City, comprised of twenty-three (23) individual lots that are situated in the Carson City Industrial Airpark. Said sale will be by public auction conducted by Carson City Treasurer, Ted P. Thornton, and will take place on the premises of the Carson City Courthouse, 198 N. Carson, Carson City, Nevada, commencing at 2:30 p.m. on Tuesday, June 9, 1981. The following described lots within the Carson City Industrial Air-park will be sold individually, with a minimum bid requirement as indicat-

Lot Number Minimum Bid Lot # 2 (.91 acres) = \$52,500.00 Lot # 4 (.91 acres) = 52,500.00 Lot #27 (1.15 acres) = 57,750.00 Lot #28 (1.31 acres) = 61,950.00 Lot #29 (1.29 acres) = 60,900.00 Lot #30 (.93 acres) = 52,500.00 Lot #31 (.98 acres) = 54,600.00 Lot #36 (4.42 acres) = 136,500.00 Lot #36 (4.42 acres) = 60,375.00 Lot #49 (1.28 acres)= 60,375.00 Lot #51 (1.29 acres)= 60,375.00 Lot #52 (1.02 acres)= 56,700.00 Lot #55 (.90 acres) = 52,500.00 Lot #56 (1.11 acres) = 56.650.00 Lot #13 (2.47 acres) = 82,950.00 Lot #14 (2.47 acres) = 82,950.00 Lot #26 (2.19 acres) = 73,500.00 Portion of Lot # 15 = 102,375.00 (3.07 acres) Lot #19 (2.76 acres)= 92,400.00

Lot #25 (3.15 acres)= 102,375.00 Portion of Lot # 16 = 114,000.00 (3.61 acres)

Lot #17 (5.87 acres)= 178,500.00 Lot #18 (4.36 acres)= 136,500.00 A complete legal description of the individual properties to be sold can be obtained at the Carson City's Assessor's Office, 2621 Northgate Lane, Carson City, Nevada. The above properties are subject to all easements and conditions as noted on the legal descriptions.

All sales are subject to the confirmation or rejection of the Carson City Board of Supervisors, at their June 11, 1981 regularly scheduled meeting.

All high bidders will be required to deposit 10% of their bid price in cash, certified check or approved personal

Terms and conditions of the sale will be available on request at the Carson

City Assessor's Office.
(s) Ted P. Thornton
Carson City Clerk-Treasurer
Pub: May 13 20,27,1981

RESOLUTION NO. 1981-R-13

A RESOLUTION AUTHORIZING THE SALE OF CERTAIN PROPERTY BE-LONGING TO CARSON CITY.

The Board of Supervisors of Carson City, Nevada does hereby resolve and does hereby authorize the sale of certain property belonging to Carson

Dity in the Carson City Air Industrial Park, Carson City, Nevada.

The Board of Supervisors does further resolve that the sale of this property will be through a licensed real estate borker, Jim Wilson, and that the following terms and conditions shall apply:

1. No exclusive listing shall be given, but interested persons may contact Jim Wilson Realty Company, 2110 N. Carson St, Carson City, Nv 89701, 701-882-2134.

The listing period will be June 1 through June 30, 1981.
 The minimum net purchase price

to be paid to Carson City is FOUR HUNDRED NINETY THREE THOU-SAND THREE HUNDRED DOLLARS (\$493,000.00).

4. Any real estate commission shall be negotiated between the prospective puchaser and Jim Wilson.

5. All offers to purchase said property shall be accompanied by a minimum of ten percent (10%) deposit which shall not be refundable to the successful bidder, with the balance due at the close of escrow which will be on or before August 30, 1981.

6. All closing costs, including policies of title insurance, shall be the responsibility of purchaser.

7. All taxes due and payable on the property shall be the responsibility of the purchaser

The property involved in said listing is leased property within the Air Industrial Park and is offered for sale subject to the remaining terms of said leases. The property is more particularly described as follows:

Northwest quarter of lot 37, lots 35 and 40, lots 68 and 69, lots 53, lots 76 and 77, lot 62, lots 41 and 42, lot 39, lots 10, 11 and 22, lot 67, lots 57 and 58, lots 50 and 54, lots 23, 34, 46, 47 and 48, lots 45,60 and 61, lots 70 and 71, lot 38, lots 63 and 64, lots 73, 74 and 75, lot 59, lot 21, lots 66 and portion of 65, portion of lot 65.

Further information on these lots or leases may be obtained from the City Manager, 813 N. Carson St, Carson City, Nv 89701, 702-887-2100. BE IT FURTHER RESOLVED that

the sale of the above-described property is for purposes other than to realign, change, vacate or otherwise adjust any street, alley, avenue or other thoroughfare, and that said sale will be in the best interests of Carson

City.
ADOPTED this 7th day of May,

AYES: Supervisors: Bill Burnaugh, William A. Reinken, M.E. John' Hayes, Jack G. Warnecke, Mayor Harold J. Jacobsen.

NAYES: Supervisors: None. ABSENT: Supervisors: None.
(s)Harold J. Jacobsen

ATTEST: TED P. THORNTON Carson City Clerk Pub: May 13 1981.

Legal Notices

NOTICE OF SALE OF CARSON CITY PROPERTY

THE BOARD OF SUPERVISORS of Carson City, Nevada, will sell certain property located in the Carson City, Nevada Air Industrial Park, through a icensed real estate broker, Jim Wilson Realty Company, 2110 N. Carson Street, Carson City, Nevada 89701, 702-882-2134

All interested persons are invited to onegotiate through Jim Wilson. The minimum net purchase price to be paid to Carson City is FOUR HUNDRED NINETY-THREE THOU-SAND THREE HUNDRED DOLLARS (\$493,300.00). All closing costs, politicis of title insurance and all targets. cies of title insurance, and all taxes due and payable on the property will be the responsibility of purchaser. The listing period will be June 1 through June 30, 1981.

The property involved in said listing is leased property within the Air Industrial Park and is offered for sale subject to the remaining terms of said leases. The property is more particularly described as follows:

Northwest quarter of lot 37, lots 35 and 40, lots 68 and 69, lot 53, lots 76 and 77, lot 62, lots 41 and 42, lot 39, lots 10,11 and 22, lot 67, lots 57 and 58, lots 50 and 54, lots 23, 34, 46, 47, and 48, lots 45, 60 and 61, lots 70 and 71, lot 38, lots 63 and 64, lots 73, 74, 75, lot 59, lot 21, lots 66 and portion of 65, portion of lot 65

Further information on these lots or leases may be obtained from the City Manager, 813 N Carson St, Carson City, Nevada 89701, 702-887-2100.

(s) Ted P. Thornton Carson City Clerk-Treasurer Pub: May 13,20,27,1981

Board of Supervisors July 9, 1981

Surgery Stroperty

A. WILSON - SALE OF LEASED PROPERTY AT INDUSTRIAL AIRPARK (1-0050)

City Manager, Don Hataway, referred to communication from James Wilson, the representative for the City on handling the sale of leased property at the Industrial Airpark and to the OFFER TO PURCHASE REAL ESTATE from the Airpark Manufacturers, a general partnership comprised of 22 industrial manufacturers in the Industrial Airpark which currently lease property from the City. At the direction of the Board this property was advertised for sale through the real estate process vs. the auction process used on other sales. The minimum asking price was \$493,300.00. On June 30th, which was the deadline for purchase, offer was received with a 10% cash deposit paid in the amount of \$49,330.00. Terms of sale were 10% cash deposit with balance due and payable at the close of escrow. The legal description referred to the lots advertised for sale. Standard title insurance shall be paid by the buyers as well as the escrow fee. Escrow must close within 60 days of acceptance of offer and buyer shall furnish escrow with information as to how title is to be taken to each lot. Upon acceptance by the Board of Supervisors, this deposit check will be deposited with Sierra Land Title and the escrow will be finalized and closed in 60 days for the cash sale.

Mr. Hataway reported that quite a number of inquiries were received about this property but only the one bid was received from the existing lessees. For the record, Mr. Hataway reported there were no deviations from the proposal advertised. He suggested that due to the fact that the offer to purchase does meet all of the conditions, that the Board authorize the Mayor and the City Clerk to sign on behalf of the City to accept the proposal and direct staff to take it into escrow and make final arrangements for closing.

Mayor Jacobsen left the meeting room. Mayor Pro Tem Jack Warnecke assumed the conduct of the meeting. Discussion was held.

Supervisor Burnaugh moved to accept the offer to purchase real estate dated June 30, 1981, signed by Mike Zook and Robert Anderson and to authorize the Mayor and City Clerk to sign on behalf of the City. Supervisor Reinken seconded the motion.

Roll call vote on the motion: Ayes: Supervisors Reinken, Burnaugh and Warnecke. Carried unanimously 3-0 and so ordered. (Mayor Jacobsen was out of the meeting room.)

Board of Superiusors August 6, 1981

11. B. SALE OF INDUSTRIAL AIRPARK PROPERTY - Future (4-0861)
Directions - Discussion.

Don Hataway stated the City's Property Management Committee met recently concerning the direction which should be taken as to the remaining Airpark parcels. These number 13. The Committee recommended two steps to follow in the future to get the City out of the landlord/property ownership business. 1) For approximately the next 6 months, the current property appraisals would remain valid and all of the remaining properties, leased and non-leased, should go out on multiple listing priced 6% higher than the selling price to cover the real estate commission. A decision in this regard would require a resolution be adopted by the Board, after preparation by the District Attorney's Office. 2) At the end of that 6-month period, any properties not sold would be withdrawn from the market, appraisal updated and the previously used auction process followed. Both methods have their advantages and disadvantages. On the previous property sales, the non-leased properties were sold by auction and the leased properties were sold through Jim Wilson's realty office. The State law requires sales of properties cannot be assigned to one exclusive realtor and they cannot be sold under the value appraised

Discussion was held. The District Attorney's Office will prepare a resolution for Board consideration on the proposed sale of these City properties and method.

RESOLUTION NO. 1981-R-13

A RESOLUTION AUTHORIZING THE SALE OF CERTAIN PROPERTY BELONGING TO CARSON CITY.

The Board of Supervisors of Carson City, Nevada does hereby resolve and does hereby authorize the sale of certain property belonging to Carson City in the Carson City Air Industrial Park, Carson City, Nevada.

The Board of Supervisors does further resolve that the sale of this property will be through a licensed real estate broker, Jim Wilson, and that the following terms and conditions shall apply:

- 1. No exclusive listing shall be given, but interested persons may contact Jim Wilson Realty Company, 2110 N. Carson Street, Carson City, Nevada 89701, phone number (702) 882-2134.
 - The listing period will be June 1 through June 30, 1981.
- The minimum net purchase price to be paid to Carson City is FOUR HUNDRED NINETY-THREE THOUSAND THREE HUNDRED DOLLARS (\$493,300.00).
- 4. Any real estate commission shall be negotiated between the prospective purchaser and Jim Wilson.
- 5. All offers to purchase said property shall be accompanied by a minimum of ten percent (10%) deposit which shall not be refundable to the successful bidder, with the balance due at the close of escrow which will be on or before August 30, 1981.
- 6. All closing costs, including policies of title insurance, shall be the responsibility of purchaser.
- 7. All taxes due and payable on the property shall be the responsibility of the purchaser.

The property involved in said listing is leased property within the air Industrial Park and is offered for sale subject to the remaining terms of said leases. The property is more particu-

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larly described as follows:

Northwest quarter of lot 37, lots 35 and 40, lots 68 and 69, lot 53, lots 76 and 77, lot 62, lots 41 and 42, lot 39, lots 10, ll and 22, lot 67, lots 57 and 58, lots 50 and 54, lots 23, 34,46,47 and 48, lots 45,60 and 61, lots 70 and 71, lot 38, lots 63 and 64, lots 73,74 and 75, lot 59, lot 21, lots 66 and portion of 65, portion of lot 65.

Further information on these lots or leases may be obtained from the City Manager, 813 N. Carson Street, Carson City, Nevada 89701, phone (702) 887-2100.

BE IT FURTHER RESOLVED that the sale of the above-described property is for purposes other than to realign, change, vacate or otherwise adjust any street, alley, avenue or other thoroughfare, and that said sale will be in the best interests of Carson City.

ADOPTED this 7th day	of <u>May</u> , 1961
AYES: Supervisors_	Bill Burnaugh
	William A. Reinken
	M. E. "John" Hayes
	Jack G. Warnecke
	Mayor Harold J. Jacobsen
	•
NAYES: Supervisors _	None
ARSENT. Supervisors	None

BSENT: Supervisors Non

Clerk

HAROLD J. JACOBSEN, Mayor

ATTEST:

TED P. THORNTON,

GRANT, BARGAIN, SALE DEED

THIS INDENTURE WITNESSETH: ThatCARSON_CITY, NEVAL	A, a consolidated municipality,
in consideration of \$ 10.00 plus , the receipt of whic	h is hereby acknowledged, do hereby Grant, Bargain, Sell and
Convey to DOUGLAS SCOTT KRECK, an unmarried man, as CHRISTOPHER KRECK, a married man, as to an undividence and PEGGY RAE KRECK, husband and wife, as to their undivided one-third interest; each undivided one-third interests.	to an undivided one-third interest: STEVEN ided one-third interest; and JEFFREY WESTON ideal temants with right of survivorship, as
and to the heirs and assigns of such Grantee forever, all that real property	situated in the
County of	a, bounded and described as follows:
Lot 59 of the Amended Carson City Indu- to the Official Plat thereof filed intl City, Nevada Recorder on December 14, File No. 98759, Official Records.	ne office of the carson
Subject to a leasehold estate created September official Records of Carson City, Nevada, as Docume 1974 and ends August 31, 2035 with DOUGLAS SCOTT NESTON KRECK as Lessees.	KRECK, STEVEN CHRISTOPHER KRECK and JEFFERY
Subject also to a sublease agreement between DOUG and JEFFREY WESTON KRECK as sublessors and K-T PR sublessee.	LAS SCOTT KRECK, STEVEN CHRISTOPHER KRECK OPERTIES, a joint venture, as Lessee
	(CONTINUED ON BACK)
Together with all and singular the tenements, hereditaments and appur any reversions, remainders, rents, issues or profits thereof.	
Witness our hands this 8+h	day of <u>September</u> , 19 81.
STATE OF NEVADA	CARSON CITY, NEVADA, a consolidated municipality
COUNTY OF_ Douglas	0/ 1000
On September 8, 1981	By and Jacobour
personally appeared before me, a Notary Public, Harold J. Jacobsen, Ted J.	Shill Souter
Thornton and Lorita Marie Kreck	Bouth If alie Theck
who acknowledged that the Y executed	LORITA MARIE KRECK
the above instrument.	
Notary Public	
DANA VON STETINA Notary Public - State of Nevada	ORDER NO. 16175-CC
Douglas County My Appointment Expires Mar. 3, 1984	WHEN RECORDED MAIL TO:
14m	
The grantor(s) declare(s): Documentary transfer tax is \$	
() computed on full value of property conveyed, or () computed on full value less value of liens and	FOR RECORDER'S USE
encumbrances remaining at time of safe.	
MARL TAX STATEMENTS TO: Douglas Kreck, et al	
Carson City, Nevada 89701	
Sheerin, O'Reilly & Walsh	
Attorneys at Law	
P. O. Box 606 Carson City, Nevada 89701	
P. O. Box 1327 Gardnerville, Nevada 89410	800K 307 PAGE 427

CONTINUED FROM FROMT

Subject also to a sublease agreement with K-T PROPERTIES, a joint venture, as sublessor and SOUTHERN BOLT & SCREW CO., as sublessee.

LORITA MARIE KRECK joins in this deed to acknowledge that she has no interest in this real estate by reason of her marriage to STEVEN CHRISTOPHER KRECK.

FILED FOR RECORD AT THE REQUEST OF

SIERRA LAND TITLÉ CORP.

1981 SEP -8 PM 3:07

PETE SUPERA PETE SUPERA SIFON CITY DECORDER A CHOOLE DEPUTY

428 307 mg

WHEN RECORDED MAIL TO:

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

NOTICE OF TERMINATION OF LEASE

THIS NOTICE OF TERMINATION (by the undersigned, Carson City, Nevada, Christopher Kreck, Trustee, as Successor in Steven Christopher Kreck and Jeffrey Weston	a consolidated municipality, (Lessor) and Steven 1 Interest to Douglas Scott Kreck, Deceased, and
WHEREAS, Lessor and Lessee are parties to a Carson City, Nevada was Lessor, and Dou	a certain Lease dated September 1, 1974, wherein aglas Scott Kreck, Steven Christopher Kreck and 1 September 12, 1974, in Book 163, Page 283, as
WHEREAS, Lessor and Lessee desired	e to terminate the lease.
NOW THEREFORE, the parties herel	by terminate the Lease in its entirety.
IN WITNESS WHEREOF, this Notic first written above. LESSOR:	e of Termination of Lease is executed as of the date LESSEE:
Carson City, Nevada, a consolidated municipality	
By: Name:	Steven C. Kreck, Trustee As Successor in Interest to Douglas Scott Kreck, Deceased
	Steven Christopher Kreck
	Jeffrey Weston Kreck

STATE OF	} ss:	
STATE OF		
This instrument was acknowledged before me on		
NOTARY PUBLIC		
STATE OFCOUNTY OF	} ss:	
COUNTY OF		
This instrument was acknowledged before me on		
NOTARY PUBLIC		
STATE OF	} ss:	
COUNTY OF		
This instrument was acknowledged before me on		, by
NOTARY PUBLIC		
NOTARY PUBLIC		
STATE OF	} ss:	
COUNTY OF		
This instrument was acknowledged before me on		, by