

DISPOSITION AND DEVELOPMENT AGREEMENT

By and Between

CITY OF LAS VEGAS

and

**NEVADA H.A.N.D., Inc.
an Nevada non-profit corporation**

DISPOSITION AND DEVELOPMENT AGREEMENT

THIS AGREEMENT is entered into as of the 17th day of September, 2008, by and between the City Of Las Vegas, a municipal corporation of the State of Nevada (the "City") and NEVADA H.A.N.D., Inc., a Nevada non-profit corporation (the "Developer").

I. [§ 100] SUBJECT OF THE AGREEMENT

A. [§ 101] Purpose of this Agreement

The purpose of this Agreement is to facilitate the construction and continued preservation of affordable housing within the City of Las Vegas and to accomplish the transfer of the Site as hereinafter described, which will lead to the construction and preservation of approximately 150 multi-family rental units for the prescribed period of affordability as described in Section 404.

The development of the Site pursuant to this Agreement are in the vital and best interests of the City and in accord with the public health, safety and welfare of its residents.

B. [§ 102] Intentionally left blank

C. [§ 103] The Site

The Site is comprised of approximately 4.86 contiguous acres of real property owned by the City, is bordered by Owens Avenue to the north, Washington Avenue to the south, and Main Street to the east in the City of Las Vegas, Clark County, Nevada which is generally located at 15 W. Owens Avenue, Las Vegas, Nevada. The Site is more fully depicted on the Site Map (Attachment "A"), and is more particularly described in the Legal Description of the Site (Attachment "B").

D. [§ 104] Parties to this Agreement

1. [§ 105] The City

The City is a municipal corporation duly formed and organized under the laws of the State of Nevada, acting by and through its Neighborhood Services Department, whose address is 400 Stewart Avenue, Las Vegas, Nevada 89101.

2. [§ 106] The Developer

The Developer is a Nevada corporation, whose address is 295 East Warm Springs Road, Suite 101, Las Vegas, Nevada 89119. Wherever "Developer" is used herein, the term shall include any nominee, assignee or successor in interest as permitted herein.

The qualifications and identity of the Developer, its general partner, its limited partners, its principals and its officers are of particular concern to the City, and it is because of such qualifications and identity that the City has entered into this Agreement with the Developer. No voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein. This Agreement may be terminated by the City pursuant to the terms of this Agreement if there is any significant change (voluntary or involuntary) in

the ownership of the Developer not approved by the City Council as provided herein. The term “significant change” as used herein shall mean a change of the management or a change in ownership of 25% or more of the limited liability company membership interests of the Developer.

Notwithstanding the foregoing or any other provision of this Agreement, the Developer may transfer the Site to a single entity limited partnership of which Developer is the sole general partner once at any time after the Closing, without the prior approval of the City for the purposes of constructing, maintaining and preserving the Development for the affordability period hereinafter described.

E. [§ 107] The Development

The Development will consist of the construction of an apartment complex containing approximately 150 apartment units, including 1, 2, and 3 bedroom configurations, and an amenity package. The Site is being conveyed to the Developer for the purpose of constructing thereon the Development. The Developer has engaged HAND Construction Co., a Board-controlled, nonprofit affiliate of the Developer, to act as the general contractor for the construction of the Development.

F. [§ 108] Good Faith Deposit

Concurrently with the execution of this Agreement by the Developer, the Developer shall deliver to the City a deposit in the form of either cash or a cashier's check in the amount of Ten Thousand Dollars (\$10,000) (the “Good Faith Deposit”). The Good Faith Deposit shall serve as security for the performance of the obligations of the Developer under this Agreement.

If the Developer fails to perform its obligations under this Agreement, the Good Faith Deposit shall be retained by the City. The Good Faith Deposit shall be returned to the Developer within thirty (30) days after issuance of a Certificate of Completion for the Development.

G. [§ 109] Developer Obligations

1. [§ 110] Financing for Development of the Site

Preliminary approval for financing (the “Preliminary Financing”) evidences a commercially reasonable probability that sufficient funds will be available from a lender of the Developer’s choice to construct the Development in accordance with the Basic Concept Drawings. No further approval of the Preliminary Financing by the City is required.

At such time as the Developer receives a final commitment (the “Final Commitment”) for a development loan to be secured by the Site and/or the Development (the “Development Loan”), the Developer shall provide the City with a copy of the Final Commitment and, if such information is not provided therein, the Developer will provide:

a. A complete description of all real and personal property securing the Development Loan, together with any required collateral assignments, guarantees and other forms of security.

b. The rate of interest or return payable with respect to the Development Loan, and any fees payable to the Lender during the Development Loan term.

- c. The repayment schedule including any extensions.
- d. The exact amount of funds to be made available to the Developer for the Development after deduction of the Lender's closing or other fees payable or deducted at closing, closing costs, commissions and the like.
- e. A description of the approved budget (the "Construction Budget") against which funds will be disbursed and the conditions and timing for disbursement.
- f. A description of all required property, liability and title insurance, and payment and performance bonds.
- g. Copies of proposed material loan documents.

The Director of Neighborhood Services shall review and approve the Final Commitment within forty-five (45) calendar days of its receipt by the City. Approval of the Final Commitment shall not be unreasonably withheld, conditioned or delayed by the City. Upon approval of the Final Commitment, the Developer may proceed to close the Development Loan evidenced by the Final Commitment without obtaining further approval or consent of the City.

The Developer acknowledges and understands that this Agreement does not entitle the Developer to receive any building permits for construction of the Project as depicted in the Basic Concept Drawings, Attachment "D" attached hereto and incorporated herein as a part of this Agreement. Based upon such understanding, the Developer acknowledges and accepts all possible risks and consequences associated with the closing of the Development Loan after approval of the Final Commitment, but prior to approval of the land use entitlements necessary for the Development.

The parties hereto agree that if the Developer is unable to obtain the Final Commitment from its lender of choice, construction of the Development as an affordable housing development will not be economically feasible, and the Developer shall be allowed to terminate this Agreement without any further liability to the City other than forfeiture of the Good Faith Deposit.

2. [§ 111] Conditions Precedent to Transfer of the Site

The Developer agrees and warrants that it will comply with the following conditions precedent before conveyance of the Site to the Developer:

- a. The Developer agrees to furnish to the City the Final Commitment, which has been approved by the Director of Neighborhood Services in accordance with Section 110 above.
- b. The Developer has obtained from the City the land use entitlements required by the Las Vegas Municipal Code ("LVMC") to construct the Development upon the Site. These land use entitlement applications include, but are not limited to the following: Amendment to the General Plan, Rezoning and Site Development Plan Review (the "Required Entitlement Applications").

The Developer shall submit the Required Entitlement Applications based substantially on the Basic Concept Drawings, Attachment "D" attached hereto, which conceptually depicts the

Development to be developed pursuant to this Agreement, including the general building layouts, site coverage, parking, landscaping and architectural renderings for the Development. Prior to the submission of the Required Entitlement Applications, the Developer shall have the right to change certain items in the Basic Concept Drawings, such as traffic access, parking areas and landscaping, subject to the written consent of the Director of Neighborhood Services, which consent shall not be unreasonably withheld, conditioned or delayed. The Developer shall advise City in writing of proposed changes to the Basic Concept Drawings, and the Director of Neighborhood Services shall consider such proposed changes and notify the Developer of his decision within fourteen (14) calendar days of the Developer's submission of such changes to the City.

c. The Developer agrees to submit to the Department of Building and Safety all of the building permit applications required by the LVMC in order to complete construction of the Development. The Developer further agrees to pay the required fees for such applications, and post the required bonds in order to commence construction pursuant to the LVMC.

d. The Developer has deposited a survey of the Site with the Escrow Agent prior to conveyance of the Site.

e. The Developer has deposited with the Escrow Agent ten dollars (\$10) for the purchase of the Site from the City (the "Purchase Price").

f. The Developer has executed and delivered the Quitclaim Deed to the City as provided in Section 515.

3. [§ 112] Conditions Subsequent

The following are conditions subsequent to the conveyance of the Site, and are not merely covenants. Subject to all terms and conditions of this Agreement, and conditioned and contingent upon satisfaction of all conditions and contingencies set forth in this Agreement, the Developer shall perform the following:

a. The Developer must construct the Development in accordance with the approved Required Entitlement Applications.

b. The Developer must construct the on-site and off-site improvements required by the LVMC, any conditions of the approved Required Entitlement Applications, and any conditions imposed by the Planning Department, Public Works Department, or Department of Building and Safety of the City.

c. The Developer will cause a temporary sign to be installed on the Site indicating that it is being developed in conjunction with (i) the City (listing the names of the members of the Las Vegas City Council and the City Manager of the City), and (ii) HUD.

d. The Developer and any assigns permitted pursuant to the terms of this Agreement shall maintain the Development as affordable housing as required under this Agreement.

H. [§ 113] City Obligations

1. [§ 114] Transfer of the Site

Subject to satisfaction of the conditions precedent described in Section 111, the City shall transfer title of the Site to the Developer at Closing. The Purchase Price for the Site is Ten Dollars (\$10). The Purchase Price shall be delivered to the Escrow Agent prior to Closing and will be paid to the City by the Escrow Agent at Closing.

2. [§ 115] Approvals

Subsequent additional escrow instructions are permitted provided the City and Developer consent in writing to such additional instructions. Consent to such additional instructions may be given by the City Manager, or his designee, on behalf of the City, subject to the condition that there is no material modification to the terms of this Agreement, nor additional monetary adjustment which obligates the City to the Developer in an amount in excess of Twenty-Four Thousand Nine Hundred Ninety-Nine Dollars (\$24,999).

3. [§ 116] Intentionally left blank

I. [§ 117] Site Conveyance

In accordance with, and subject to, the terms, covenants and conditions of this Agreement, the City agrees to convey the Site for the Purchase Price and the fulfillment of all conditions precedent described in Section 111.

1. [§ 118] Opening of Escrow; Closing

For purposes of this Agreement, the opening of escrow (the "Opening of Escrow") for the Site shall be deemed to be the date on which three (3) copies of this Agreement, executed by the Developer and the City, are delivered to Stewart Title Company, at 8363 W. Sunset Rd., Suite 101, Las Vegas, NV 89113, Attn: Mary Hunt, or such other title company as the parties may agree upon (the "Escrow Agent"). The consummation of the transaction as to the Site (the "Closing") shall occur within thirty (30) calendar days of the satisfaction of all of the conditions precedent set forth in Section 111. Closing shall be deemed to have occurred when (i) all closing documents contemplated by this Agreement have been delivered to, received by and executed by the appropriate parties, (ii) all of the conditions precedent to such Closing contemplated by this Agreement have been satisfied, and (iii) the deed required pursuant to Section 121 has been recorded in the Official Records of Clark County, Nevada.

2. [§ 119] Condition of Title

The City shall convey fee simple title to the Developer subject to the encumbrances of title disclosed by preliminary title report, and approved by the Developer (including, without limitation, a lien not yet delinquent for ad valorem taxes for real property), and any general or special assessments against the Site.

3. **[§ 120] Termination of Agreement and Escrow—Non Default**

Notwithstanding any provision that permits the City to retain the Good Faith Deposit, if this Agreement is terminated as permitted by any provision of this Agreement which does not constitute a default on the part of the Developer, the City shall return to the Developer the Good Faith Deposit, together with any interest earned thereon. The Escrow Agent shall return each document to the party which supplied the document. The Developer shall return to the City each report, study, plan, survey, drawing, plat and specification delivered to the Developer by the City, and the Developer and the City shall have no further obligation to each other pertaining to the purchase or sale of the Site, except as to any surviving indemnifications set forth in this Agreement.

4. **[§ 121] Conveyance at Closing; Simultaneous Closing**

Prior to Closing, the City shall deliver a Grant Deed substantially in the form of Attachment "E" attached hereto and incorporated herein as a part of this Agreement, to the Escrow Agent conveying fee simple title to the Site to the Developer together with any affidavit or other documents required by law for recording of the Deed. Upon the Closing, the Escrow Agent shall deliver the Grant Deed for recordation among the land records in the Office of the County Recorder of Clark County, Nevada, which Grant Deed shall be recorded simultaneously with the deeds of trust or other security instruments securing acquisition, development, construction or other real estate secured financing for the Development.

5. **[§ 122] Title Insurance Policies**

Concurrently with recordation of the Deed conveying the Site and as a condition of Closing, the Escrow Agent and any required co-insurer shall provide and deliver to the Developer a title insurance policy issued by the Escrow Agent insuring that title is vested in the Developer, and the title insurance policy shall be of the type and in the amount requested by the Developer receiving title to the Site, and with such endorsements and affirmative coverages as may be required by the Developer. The Developer shall pay the cost for the policies of title insurance (including the cost of an ALTA survey policy), and for any special endorsements and coverages requested by the Developer for the Site acquired pursuant to this Agreement.

If the Developer desires to obtain extended coverage for its title policy, the City shall provide the Escrow Agent at Closing with such evidence and customary documents as are reasonably required to issue such coverage.

6. **[§ 123] Apportionment and Incidental Costs**

The ad valorem real property shall be assessed as of the date of the Closing, and shall be assumed and paid thereafter by the Developer for the Site.

7. **[§ 124] Brokerage**

The Developer and the City each represent to the other that it has not dealt with any real estate broker or any other party entitled to a commission, broker's fee or other compensation in connection with the sale of the Site by the City to the Developer. The Developer and the City each agree to indemnify, protect, defend and hold the other harmless for, from and against any expense,

including, without limitation, attorneys' and accountants' fees, claims, actions, suits or demands for payment of any commission, finder's fee or other sum initiated by any broker, commission agent or other person which such party or its representatives has engaged or retained or with which it has had discussions concerning the transaction contemplated by this Agreement. This indemnification shall survive any termination of this Agreement.

8. [§ 125] Changes in the Site

If all or any part of the Site be taken from the City by eminent domain proceedings prior to the Closing, or, if prior to such Closing, any governmental authority should issue notice of any taking or proposed taking, the Developer may terminate this Agreement as to any portion of the Site not yet acquired by the Developer by sending written notice thereof to the City and the Escrow Agent on or before the Closing. If the Developer does not elect to terminate, then this Agreement shall remain in full force and effect. In the event the Developer terminates this Agreement pursuant to this Section, the Developer shall be entitled to an immediate refund of the Good Faith Deposit together with any interest earned thereon.

9. [§ 126] Possession

Possession of the Site shall be delivered to the Developer upon Closing.

10. [§ 127] "As Is" Sale

THE DEVELOPER ACKNOWLEDGES AND AGREES THAT THE SITE IS CONVEYED TO AND ACCEPTED BY THE DEVELOPER IN AN "AS IS" CONDITION SUBJECT TO, IF ANY, ALL FAULTS AND DEFECTS. The City makes no representations or warranties of any kind whatsoever, either express or implied, with respect to the Site or any of such related matters; in particular, but without limitation, the City makes no representations or warranties with respect to the use, condition, title occupation or management of the Site, compliance with applicable statutes, laws, codes, ordinances, regulations or requirements relating to leasing, zoning, subdividing, planning, building, fire, safety, health or environmental matters, compliance with covenants, conditions and restrictions (whether or not of record), other local, municipal, regional, state or federal requirements, or other statutes, laws, codes, ordinances, regulations or requirements affecting or relating to the Site. The Developer acknowledges that notwithstanding any prior or contemporaneous oral or written representations, statements, documents or understandings, this Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and the purchase and sale of the Site and supersedes any such prior or contemporaneous oral or written representations, statements, documents or understandings.

II. [§ 200] DEVELOPMENT OF THE SITE

A. [§ 201] Performance Milestones/Construction Schedule

The parties agree that the primary purpose of this Agreement is to provide affordable housing for persons below the Income Qualification Percentage (as defined herein) to be constructed within a reasonable period of time. As such, the parties agree to the following performance milestones:

1. Neighborhood Meetings for Required Entitlement Applications: Within thirty (30) calendar days from the Effective Date of this Agreement;
2. Filing of Required Entitlement Applications: Thirty (30) calendar days from the Effective Date of this Agreement;
3. Final City Approval of the Required Entitlement Applications: Ninety (90) calendar days from the Effective Date of this Agreement;
4. Filing of Civil Drawings: One hundred twenty (120) calendar days from the Effective Date of this Agreement;
5. Filing of Building Permit applications: One hundred twenty (120) calendar days from the Effective Date of this Agreement;
6. Issuance of Building Permits: One hundred eighty (180) calendar days from the Effective Date of this Agreement;
7. Commencement of Construction: One hundred eighty (180) calendar days from the Effective Date of this Agreement; and
8. Completion of Construction Activities: One thousand fifty (1050) calendar days from the Effective Date of this Agreement.

Notwithstanding any other default and cure language provided herein, any failure to achieve the above performance milestones shall cause this Agreement to automatically and immediately terminate, and the City shall be entitled to the remedies deemed appropriate described in Sections 504 through 516. The parties agree that the Developer may request from the City Manager a one time grace period not to exceed thirty (30) calendar days for each of the above milestones, the approval of which is at the sole discretion of the City Manager. The request for a grace period must be submitted to the City Manager before the expiration of the performance period for the milestone.

Further, the Developer may request an amendment of this Section 201 from the City Council prior to the expiration of a milestone period, pursuant to the provisions of Section 701 herein, if the Developer reasonably believes that it will not be able to comply with one or more of the performance milestones. Any termination of the Agreement pursuant to this Section shall be tolled for that period of time between the Developer's request for the amendment and the City Council hearing on such amendment. If the City Council fails to approve the requested amendment to this Agreement by the Developer, the Agreement shall automatically and immediately terminate and the City shall be entitled to the remedies deemed appropriate described at Section 504 through 516.

For the purposes of this subsection, "commencement of construction" is defined in Section 511 of this Agreement. The Developer shall deliver simultaneously a copy of such written notice to the Director of Neighborhood Services.

B. [§ 202] Cost of Construction

The cost of developing the Site and constructing all improvements thereon shall be the responsibility of the Developer.

C. [§ 203] Insurance and Indemnification

1. The Developer shall require the General contractor selected to obtain and maintain during the existence of this Agreement, General Comprehensive Liability Insurance for bodily injury and property damage in the minimum amount of Two Million Dollars (\$2,000,000) combined single limit and in the aggregate. If such policy is on a "claims made" basis, then such coverage shall be maintained in effect for one (1) year after the issuance of the final Certificate of Completion.

2. Prior to the commencement of any construction on the Site, the Developer shall furnish or cause to be furnished to the City certificates of insurance or endorsements evidencing the coverage required herein.

3. The Developer will provide renewal certificates for insurance coverage required herein that expires during the existence of this Agreement within thirty (30) calendar days prior to the expiration date of said insurance.

4. The City, its officers, employees, agents, consultants and volunteers must be expressly covered as insured parties under the insurance coverage required herein.

5. The insurance coverage required herein must provide for a 30-day written notice to the City before any amendments, modifications, suspension, cancellations, reductions or non-renewal of coverage. This notice requirement does not waive the insurance requirements contained herein.

6. In addition to the insurance requirements of this Section, the Developer shall protect, indemnify, defend and hold the City, and its officers, members, consultants, agents and employees, harmless from and against any and all actions, claims, demands, liabilities, losses or costs, including reasonable attorneys' fees and court costs, for injuries to or the death of any person or persons or damages to property, including property of the City, which may arise out of, be caused by or result from the performance of the Developer's obligations under this Agreement excluding any claims, demands, liabilities, losses or costs resulting from the acts or omissions of the City and any of their respective officers, members, consultants, agents and employees.

7. The Developer shall also furnish or cause to be furnished evidence satisfactory to the City that any contractor with whom it has contracted for construction of the Development on the Site carries worker's compensation insurance required by law.

8. The Developer shall also furnish, or cause to be furnished, evidence satisfactory to the City that the general contractor with whom it has contracted for construction of the Development on the Site calling a performance bond and payment bonds in an amount satisfactory to the City.

D. [§ 204] Governmental Permits

Before commencement of construction of the Development on the Site, the Developer shall, at its own expense, secure or cause to be secured any and all permits or other entitlements which may be required by the City or any other governmental agency affected by construction of the Development.

E. [§ 205] Rights of Access

After the Closing, for the purposes of assuring compliance with this Agreement, representatives of the City shall have the right of reasonable access to the Site, without any charge or fee, during normal construction hours for the purposes of this Agreement, including, but not limited to, access for the purpose of observing the construction occurring thereon.

If the Developer desires access to the Site before the Closing, the Developer must coordinate such access with the City. The City acknowledges that Developer and its engineers and agents may desire access to the Site after the Opening of Escrow for the purpose of conducting geological, soil, drainage, engineering, building inspection, environmental tests and other studies and surveys which the Developer, in its reasonable discretion, deems necessary to determine whether the Site is suitable for Developer's contemplated use.

If the Developer conducts any testing of the Site, the Developer shall thereafter restore the Site as required by the City, and at a minimum, restore the Site to at least the condition which existed prior to performing such tests including the application of a dust palliative on any soil disturbed by Developer as a result of such tests, and shall indemnify and hold City harmless from and against costs, expenses or liability incurred as a result of Developer's activities on the Site exercised pursuant to this Section. Such indemnification shall survive any termination of this Agreement.

F. [§ 206] Compliance With Local, State, and Federal Laws

The Developer shall carry out the construction of the improvements in conformity with all applicable laws, including local, state and federal laws, rules and regulations.

G. [§ 207] Antidiscrimination During Construction

The Developer, for itself and its successors and assigns, agrees that in constructing the Development provided for in this Agreement, the Developer will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, age, ancestry or national origin.

H. [§ 208] Taxes, Assessments, Encumbrances and Liens

Prior to the issuance of the Certificate of Completion, the Developer shall not place or allow to be placed on the Site any mortgage, trust deed, encumbrance or lien unauthorized by this Agreement, it being expressly understood that encumbrances allowed pursuant to the terms of the Final Commitment are authorized prior to the issuance of a Certificate of Completion. The Developer shall remove or have removed any levy or attachment caused by the Developer or Developer's agents, contractors or subcontractors, to be made on the Site (or any portion thereof), or shall assure the satisfaction thereof, within a reasonable time.

Nothing herein contained shall be deemed to prohibit the Developer from contesting the validity or amounts of any tax, assessment, encumbrance or lien, or to limit the remedies available to the Developer in respect thereto, as long as such contest does not impair the title to the Site.

I. [§ 209] Prohibition Against Transfer of Site

The Developer hereby represents and warrants that the Site is being acquired for the purpose of completing the Development as defined in Section 107, and not for speculative purposes. The Developer shall not, except as expressly permitted by this Agreement, sell, transfer, convey, or assign the whole or any part of the Site, or the improvements thereon, without the prior written approval of the City. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Site or the granting of leases of personal property (such as furniture, washers, dryers, and the like) to tenants and occupants of the improvements constructed thereon after issuance of a Certificate of Completion by the City.

In the absence of specific written agreement by the City, no such transfer, assignment or approval by the City shall be deemed to relieve the Developer or any other party from any obligations under this Agreement until completion of the Development as evidenced by issuance of a Certificate of Completion by the City.

J. [§ 210] No Encumbrances Except for Financing for the Development

Notwithstanding the provisions of Sections 208 and 209 of this Agreement, a mortgage, deed of trust, sale and lease-back or any other reasonable method of financing is permitted before issuance of a Certificate of Completion but only for the purpose of securing the loan of funds used for construction of improvements on the Site or the payment of expenditures necessary and appropriate to develop the Site under this Agreement (such as the financing contemplated by the Final Commitment). The Developer shall notify the City in advance of any mortgage, deed of trust, sale and lease-back or other form of conveyance for financing if the Developer proposes to enter into the same before issuance of the Certificate of Completion, other than the advance of any mortgage, deed of trust, sale and lease-back or other form of conveyance for financing contemplated pursuant to the Final Commitment, for which the Developer shall not be required to provide additional notification. The Developer shall not enter into any such conveyance for financing without the prior written approval of the City (other than any conveyance for financing contemplated by the Final Commitment for which additional prior approval shall not be necessary), which approval the City agrees to give if any such conveyance is given to a responsible financial or lending institution or other reasonable acceptable person or entity. In any event, the Developer shall promptly notify the City of any mortgage, deed of trust, sale and lease-back or other financing conveyance, encumbrance or lien that has been created or attached thereto prior to completion of the construction of the improvements on the Site whether by voluntary act of the Developer or otherwise, unless such financing conveyance, encumbrance or lien was contemplated by the Final Commitment.

K. [§ 211] Certificate of Completion

A Certificate of Completion shall be issued promptly after receipt of a request therefore after the completion of the construction of improvements on the Site and the submission of evidence that the Developer has retained a property manager to operate the Development. The Certificate of Completion for the Development shall be in the form attached hereto as Attachment "C" which shall

be recorded in the Office of the County Recorder of Clark County. A Certificate of Completion for less than all of the improvements comprising the Development shall not be recorded.

The Certificate of Completion for the Development shall be, and shall so state therein that it is, a conclusive determination of the satisfactory completion of the construction of the Development required by this Agreement upon the Site or such portion thereof.

If the City refuses or fails to furnish the Certificate of Completion for the Development after written request from the Developer, the City shall, within ten (10) calendar days of such written request, provide the Developer with a written statement of the reasons the City refused or failed to furnish the Certificate of Completion. The statement shall also contain the City's opinion of the action the Developer must take to obtain the Certificate of Completion.

The Certificate of Completion for the Development shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage or any insurer of a mortgage securing money loaned to finance the improvements or any part thereof.

III. [§ 300] USE OF THE SITE

A. [§ 301] Uses

Consistent with Section 200, the Developer covenants and agrees for itself, its successors, assigns, and every successor in interest that during construction and thereafter for the period required by Sections 404, 405 and 406, the Site shall be devoted only for the purpose of providing affordable housing for persons below the Income Qualification Percentage as defined in Section 405.

B. [§ 302] Maintenance

The Developer hereby covenants and agrees for itself, its successors, assigns and every successor in interest to maintain the improvements on the Site and keep the Site free from any accumulation of debris or waste materials and to maintain the landscaping required to be planted in accordance with the Code and any relevant Required Entitlement Application approval in a healthy condition. If at any time the Developer, or its successors in interest, fails to keep the Site free of debris or waste materials or to maintain the landscaping in a healthy condition, and the failure is not corrected within ten (10) calendar days after written notice from the City (or within such longer period of time as is reasonably necessary therefore), the City may perform the necessary cleanup or landscape maintenance, and the Developer, or its successors in interest, shall pay the costs reasonably incurred for the cleanup or landscape maintenance. The foregoing shall be a covenant that runs with the land.

C. [§ 303] Obligation to Refrain From Discrimination

The Developer covenants by and for itself, its successors, assigns and every successor in interest to the Site or any party thereof, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, ancestry, sexual orientation or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, nor shall the Developer itself or any person claiming under or through it establish or permit any such practice or practices or discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees of the Site. The

foregoing covenant that runs with the land.

D. [§ 304] Effect and Duration of Covenants

Except as otherwise provided, the covenants contained in this Agreement shall remain in effect three (3) years following the date on which the Certificate of Completion is issued. The covenants against discrimination shall remain in effect in perpetuity. The covenants established in this Agreement shall, without regard to technical classification and designation, be binding for the benefit and in favor of the City, its successors and assigns, the City and any successor in interest to the Site or any part thereof.

The City is deemed the beneficiary of the terms and provisions of this Agreement and of the covenants running with the land for and in its own right and for the purposes of protecting the interest of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. This Agreement and the covenants shall run in favor of the City without regard to whether the City has been, remains or is an owner of any land or interest in the Site. The City shall have the right, if this Agreement or the covenants are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and the covenants may be entitled.

IV. [§ 400] PER NRS REQUIREMENTS CONCERNING CONVEYANCE OF SITE

A. [§ 401] Affordable Housing Exemption, Generally

The sale of the Site to the Developer as contemplated by this Agreement is exempt from the specific notice and auction requirements of NRS 268.059 through 268.063 (the "Statute") pursuant to the affordable housing exemption set forth in NRS §§268.058.

B. [§ 402] Application for Conveyance of Site

The correspondence attached hereto as Attachment "H" is deemed to be Developer's application requesting conveyance of the Site for the purpose of constructing the Development as required by this Agreement.

C. [§ 403] Public Hearing

Prior to the City Council's approval of this Agreement, the City Council duly considered the Applicant's request for conveyance of the Site for the development of affordable housing, and approved such conveyance in accordance with the terms of this Agreement. Specifically, the City Council found as follows:

1. That the Developer is a 501(c)(3) non-profit corporation in good standing;
2. That the Developer (or an assignee explicitly permitted pursuant to the terms of this Agreement) will use the Site to provide affordable housing for persons and families not exceeding a certain Income Qualification Percentage as provided by and pursuant to the terms of this Agreement;

3. That the Developer acknowledges that it (or an assignee permitted pursuant to the terms of this Agreement) must utilize the Site to provide affordable housing for the period of time required by the terms of this Agreement; and

4. That the Developer acknowledges that if it does not utilize the Site to provide affordable housing for the period of time required by the terms of this Agreement, the City may take reasonable actions to secure the return the Site to the City for use as affordable housing, including, but not limited to, repossession of the Site. In the event of such repossession, the City shall have the right to transfer the Site to another entity or governmental agency for the purpose of providing affordable housing for the period of time required under this Agreement.

D. [§ 404] Period of Affordability Period

Pursuant to the provisions of NRS §268.058, the Developer (or an assignee explicitly permitted pursuant to the terms of this Agreement) shall provide affordable housing upon the Site consistent with the terms of this Agreement for time period of not less than fifty (50) years from the date that the Developer receives the Certificate of Completion (the “Period of Affordability”)

E. [§ 405] Income Qualification Percentage

The Development shall provide rental housing only for persons or families whose income at the time of application for such housing is less than eighty percent (80%) of the median gross income, as that percentage is defined by the United States Department of Housing and Urban Development for Clark County, Nevada (the “Income Qualification Percentage”).

F. [§ 406] Recordation of the Agreement

Pursuant to NRS 268.058(6), upon the conveyance of the Site at Closing pursuant to the terms of this Agreement, the Developer shall record this Agreement with the Clark County Recorder to specify the mandated Period of Affordability, as well as the potential consequences to any owner of the Site if any development upon the Site is not utilized for affordable housing during the Period of Affordability set forth in Section 404 of this Agreement.

V. [§ 500] DEFAULTS, REMEDIES AND TERMINATION

A. [§ 501] Events of Default by the Developer

Unless otherwise specifically provided herein, if, during the existence of this Agreement, the Developer:

1. Transfers or assigns, or attempts to transfer or assign, the rights, benefits or duties under this Agreement contrary to the provisions of Sections 106 and 209;

2. Fails to deposit or maintain the amount of the Good Faith Deposit as required pursuant to the provisions of Section 108;

3. Fails to submit evidence of firm and binding financing, as required pursuant to the provisions of Section 110;

4. Fails to complete and/or provide evidence of completion of the conditions precedent as required pursuant to the provisions of Section 111;

5. Fails to satisfy all of the conditions subsequent as required pursuant to the provisions of Section 112;

6. Fails to commence construction of the Project within the 5 years after conveyance of the Site to the Developer (which is the date of the recordation of the conveyance deed);

7. Fails to complete the Project after the commencement of construction within the time required under this Agreement;

8. Fails to provide affordable housing for the Period of Affordability (50 years) after completion of the Project; or

9. Fails to comply with any other material term or provision under this Agreement;

then, the occurrence of any of the foregoing events (“Developer Event of Default”) shall constitute a breach in the performance of the obligations imposed upon the Developer. If, after receiving thirty (30) calendar days written notice thereof from the City, the Developer has failed to cure the Developer Event of Default to the satisfaction of the City, then the City may terminate the Agreement pursuant to Section 505 or exercise such other rights the City may have pursuant to Sections 506 through 516 of this Agreement. Notwithstanding the foregoing, in the event that the Developer Event of Default cannot reasonably be cured within the thirty (30) day period, but is curable and the Developer in good faith begins efforts to cure it within such thirty (30) day period and continues diligently to do so, the Developer shall have a reasonable extension of time thereafter to effect the cure of the Developer Event of Default, however the additional time shall not extend beyond ninety (90) days from the expiration of the thirty (30) day cure period.

B. [§ 502] Events of Default by the City

If, during the existence of this Agreement, the City fails to perform any material obligation imposed under the provisions of this Agreement, then such occurrence (“City Event of Default”) shall constitute a breach in the performance of the obligations imposed upon the City. If, after receiving thirty (30) calendar days written notice from the Developer, the City has failed to cure the City Event of Default, or to commence a cure and diligently pursue it to the completion, the Developer shall be entitled to the remedy set forth in Section 503 of this Agreement.

C. [§ 503] Remedy of the Developer—Termination

In the event of a City Event of Default, the Developer shall have the right, prior to the conveyance of title to the Site, to terminate this Agreement ten (10) calendar days after written notice of termination is received by the City. Upon such termination, the parties hereto shall have no further recourse against, or liability to, each other; provided, however, the City shall return the Good Faith Deposit and any earnings thereon shall be returned to the Developer.

D. [§ 504] Remedies of the City

1. [§ 505] Termination

For each of the Events of Default defined in Section 501, the City shall have the right to terminate this Agreement and such termination shall be effective ten (10) calendar days after the post mark date that written notice of termination is mailed by the City to the Developer as provided in Section 601.

2. [§ 506] Retention of Good Faith Deposit

In the event of termination as provided under Section 201 or 505 of this Agreement, the Good Faith Deposit may be retained by the City as its property without any deduction, offset or recoupment whatsoever.

3. [§ 507] Repossession of Site

a. [§ 508] In General

If, after closing, this Agreement is terminated by the City pursuant to Section 505, the City shall have the right to recover possession of the Site, if the Developer fails to provide possession thereof within ten (10) calendar days after termination of the Agreement. Prior to the Closing, the Developer shall execute a quitclaim deed substantially in the form of Attachment "F" attached hereto and incorporated herein as a part of this Agreement. The quitclaim deed shall be held for the purpose of implementing the right to repossess the Site granted to the City under this Agreement.

(1) [§ 509] Quitclaim Deed Recordation. In order to effectuate re-conveyance of title and ownership of the Site, the City shall have the right to record in the official records of the Clark County Recorder's Office the quitclaim deed in its possession pursuant to Section 511. The quitclaim deed shall contain appropriate references to the City's right to terminate this Agreement and the re-conveyance of the Site to the City pursuant to this Agreement.

(2) [§ 510] Subordination. The return of the Site pursuant to Section 508 shall be subordinate and subject to and be limited by and shall not defeat, render invalid or limit:

- i. Any deed of trust, mortgage or other security instrument permitted by this Agreement; or
- ii. Any rights or interest provided in this Agreement for the protection of the holder of such deeds of trust, mortgages or other security instruments.

b. [§ 511] Failure to Commence Construction of Project (NRS 268.068.7)

If, after closing, the Developer fails to commence construction of the Development or fails to have entered into contracts as are necessary to commence the construction of the Development within five (5) years of the Closing Date, ownership of the City shall automatically revert to the City by operation of law. For purposes of this Section, "commence construction" means the date that is ten (10) days after the date written notice to proceed with construction is delivered by the Developer to the

general contractor responsible for construction of the Development pursuant to a binding contract between the parties.

(1) **[§ 512] Quitclaim Deed Recordation.** In order to effectuate re-conveyance of title and ownership of the Site, the City shall have the right to record in the official records of the Clark County Recorder's Office the quitclaim deed in its possession pursuant to Section 508. The quitclaim deed shall contain appropriate references to the City's right to terminate this Agreement and the re-conveyance of the Site to the City pursuant to this Agreement. Recordation of the quitclaim deed does not required City Council consideration.

(2) **[§ 513] Subordination.** As the reversion occurs by operation of law, the parties acknowledge that no subordination of the City's interests shall occur under this particular type of breach. This subsection is provided herein as the City Council doe not believe that the subordination of the City's interests under this circumstance is necessary to promote investment in the construction of affordable housing as a failure to commence construction or enter into the contracts necessary to commence construction within five years is a complete failure of the City's objective in conveying the Site to the Developer in order to obtain affordable housing for City residents.

c. **[§ 514] Failure to Comply with Period of Affordability (NRS 268.068.5)**

If, after the completion of construction of the Project, the Developer fails to provide affordable housing as required pursuant to this Agreement, the City shall have the right to repossess the Site in its entirety, including any and all improvements constructed thereon, and any other appurtenances thereto.

(1) **[§ 515] Quitclaim Deed Recordation.** In order to effectuate re-conveyance of title and ownership of the Site, the City shall have the right to record in the official records of the Clark County Recorder's Office the quitclaim deed in its possession pursuant to Section 508. The quitclaim deed shall contain appropriate references to the City's right to terminate this Agreement and the re-conveyance of the Site to the City pursuant to this Agreement. The recordation shall occur only after a finding by the City Council at a public hearing that the Site is not being utilized for affordable housing as required by the terms of this Agreement. The City shall give the Developer ten (10) days prior written notice of the hearing.

(2) **[§ 516] Subordination.** The return of the Site pursuant to Section 515 shall be subordinate and subject to and be limited by and shall not defeat, render invalid or limit:

i. Any deed of trust, mortgage or other security instrument permitted by this Agreement; or

ii. Any rights or interest provided in this Agreement for the protection of the holder of such deeds of trust, mortgages or other security instruments.

E. **[§ 517] Institution of Legal Action**

Any legal action to enforce the rights and remedies provided herein must be instituted in the District Court of the County of Clark, State of Nevada, or, alternatively, in the Federal District Court in the State of Nevada, if jurisdiction therein is appropriate. Except for the permitted retention of the Good Faith Deposit by the City as provided herein, the parties agree that they would not have entered

into this Agreement if either were to be liable for monetary damages based upon a breach of this Agreement or any other allegation or cause of action based upon or with respect to this Agreement. Accordingly, City and Developer may pursue any course of action or equity available for breach, except that neither Party shall be liable to the other or to any other person for any monetary damages based upon a breach of this Agreement or any other allegation or cause of action based upon or with respect to this Agreement.

F. [§ 518] Applicable Law

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

G. [§ 519] Service of Process

In the event that any legal action is commenced by the Developer against the City, service of process on the City shall be made by personal service upon the City Clerk of the City or in such other manner as may be provided by law.

In the event that any legal action is commenced by the City against the Developer, service of process on the Developer may be made by personal service upon the resident agent of the Developer or in such other manner as may be provided by law and shall be valid whether made within or outside of the State of Nevada.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the City are cumulative, and the exercise by the City of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the Developer.

VI. [§ 600] GENERAL PROVISIONS

A. [§ 601] Notices, Demands and Communications Between the Parties

Formal notices, demands and communications between the City and the Developer shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of the City and the Developer as set forth herein. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time-to-time designate by mail.

B. [§ 602] Conflicts of Interest

Except as disclosed by the City, no member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested.

The Developer warrants that it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement, except for the real estate broker identified as Section 124.

C. [§ 603] Nonliability of City Officials and Employees

No member, official or employee of the City shall be personally liable to the Developer in the event of any default or breach by the City under the terms of this Agreement.

D. [§ 604] Enforced Delay: Extension of Times of Performance

In addition to the specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrections; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; litigation between the parties hereto, but excluding any eminent domain litigation instituted by City to acquire title to the Site unless a delay in such litigation is beyond the reasonable control of the City; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts or the failure to act of any public or governmental agency or entity other than the City (except that acts or the failure to act of the City and the City shall not excuse performance by the City) or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause. If, however, notice by the party claiming such extension is sent to the other party more than thirty (30) calendar days after the commencement of the cause, the period shall commence to run only thirty (30) calendar days prior to the giving of such notice. Except as specifically provided at Section 201, times of performance under this Agreement may be extended only in writing by the City and the Developer pursuant to the amendment provisions at Section 701.

E. [§ 605] Inspection of Books and Records

The City has the right, upon not less than seventy-two (72) hours notice, at all reasonable times, to inspect the documents, books and records of the Developer pertaining to the Site and the Development constructed thereon as pertinent to the purposes of this Agreement. The Developer acknowledges and agrees that it shall provide any and all documents, books and records as requested by the City within forty-eight (48) hours of such request, including, but not limited to the following: resident rental/lease agreements and W-2 stubs and/or any other proof of income provided by residents of the Development to qualify for residence at the Development.

The Developer agrees that during the Period of Affordability, it will keep and safeguard all records relating to proof of income to qualifying each and every lessor for residence at the Development. Failure to keep and safeguard such records for the Period of Affordability is a breach of this Agreement as provided by Section 501.

The Developer has the right, to inspect the books and records of the City pertaining to the Site as pertinent to the purposes of this Agreement pursuant to provisions of the Nevada Public Records Act.

F. [§ 606] Plans and Data

If the Developer does not proceed with the Development of the Site, and this Agreement is

terminated pursuant to Section 509, the Developer shall deliver to the City any and all plans and data owned by the Developer concerning the Development on the Site, and the City or any other person or entity designated by the City shall be free to use such plans and data, including plans and data previously delivered to the City, for any reason whatsoever without cost or liability therefor to the Developer or any other person. The Developer agrees to defend, indemnify and hold the City harmless from any and all claims, causes of action or other actions commenced by any engineers, architects or other professional consultants based upon the City's use of such plans and data. This indemnification shall survive any termination of this Agreement.

G. [§ 607] Developer's Representations and Warranties

In addition to the representations and warranties otherwise provided for in this Agreement, the Developer represents and warrants to the City as of the date of this Agreement as follows:

(i) The Developer is a non-profit corporation duly formed and validly existing under the laws of the State of Nevada and has the full corporate power and authority to execute this Agreement on behalf of Developer.

(ii) The person signing this Agreement and any documents and instruments in connection herewith on behalf of the Developer has full power and authority to do so. All necessary action has been taken to duly authorize the execution and delivery of this Agreement and the documents and instruments contemplated by this Agreement and the performance by Developer of the covenants and obligations to be performed and carried out by it hereunder.

(iii) The Developer, to the best of the Developer's knowledge, is not prohibited from consummating the transaction contemplated by this Agreement by any law, rule, regulation, instrument, agreement, order or judgment. _____

(iv) There are no attachments, levies, executions, assignments for the benefit of creditors, receiverships, conservatorships or voluntary or involuntary proceedings in bankruptcy or pursuant to any other debtor relief laws contemplated by the Developer or filed by the Developer, or to the best of Developer's knowledge, pending in any current judicial or administrative proceeding against Developer.

(v) The Developer is authorized to own and develop real property in the State of Nevada.

H. [§ 608] City's Representations and Warranties

In addition to the representations and warranties otherwise provided for in this Agreement, the City represents, and warrants to the Developer as of the date of this Agreement as follows:

(i) All persons signing this Agreement and/or any documents and instruments in connection herewith on behalf of the City have full corporate and municipal power and authority to do so.

(ii) All necessary action has been taken to duly authorize the execution and delivery by City of this Agreement and all documents and instruments contemplated by this Agreement, and the

performance by City of the covenants and obligations to be performed and carried out by it hereunder.

(iii) The execution, delivery and performance by City of this Agreement and such other instruments and documents to be executed and delivered in connection herewith by City does not, and will not, result in any violation of, or conflict with or constitute a default under any provision of any agreement of City or any mortgage, deed of trust, bond, indenture, lease, security agreement, or other instrument or agreement to which City is a party, or any judgment, writ, decree, order, injunction, rule or governmental regulation to which it is subject.

(iv) There are no other agreements with any other developers with respect to the Site.

I. [§ 609] Representations and Warranties at Closing

All of Developer's representations and warranties contained in this Agreement shall be true and correct at Closing as though made at and as of such Closing. All of City's representations and warranties contained in this Agreement shall be true and correct at Closing as though made at and as of such Closing.

J. [§ 610] Attorneys' Fees

Each party shall bear its own costs and fees related to causes of actions, claims or demands regarding this Agreement or any performance, obligation or right of the parties hereunder.

K. [§ 611] Time of Essence

Time is of the essence with respect to the performance of all terms, covenants, conditions and provisions of this Agreement. No provision of the Escrow Instructions shall extend the date of Closing or provide either party hereto with any grace period not provided in this Agreement.

L. [§ 612] Further Assurances

The parties hereto shall execute, acknowledge and deliver such other instruments and documents as may be necessary or appropriate to carry out the full intent and purpose of this Agreement.

M. [§ 613] Section Headings

The section headings in this Agreement are inserted only for convenience and reference and the parties intend that they shall be disregarded in interpreting the terms, covenants, conditions and provisions of this Agreement.

N. [§ 614] Severability

Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under applicable law, but if any provision shall be invalid or prohibited hereunder, such provision shall be ineffective to the extent of such prohibition or invalidation but shall not invalidate the remainder of such provision or the remaining provisions.

O. [§ 615] Construction

As used in this Agreement, the masculine, feminine or neuter gender and the singular or plural numbers shall each be deemed to include the other whenever the context so requires. This Agreement shall be construed as a whole and in accordance with its fair meaning and without regard to any presumption or other rule requiring construction against the party causing this Agreement or any part of this Agreement to be drafted. The parties acknowledge that each party has reviewed this Agreement and has had the opportunity to have it reviewed by legal counsel. If any words or phrases in this Agreement are stricken or otherwise eliminated, whether or not other words or phrases have been added, this Agreement shall be construed as if the words or phrases stricken or otherwise eliminated were never included in this Agreement, and no implication or inference will be drawn from the fact that the words or phrases were stricken or otherwise eliminated.

P. [§ 616] No Partnership, Third Person

It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between the City and the Developer, except as otherwise provided herein. No term or provision of this Agreement is intended to benefit any person, partnership, corporation or other entity not a party hereto (including, without limitation, any broker), and no such other person, partnership, corporation or entity shall have any right or cause of action hereunder.

Q. [§ 617] Time of Performance

If the date for performance of any obligation hereunder or the last day of any time period provided for herein shall fall on a Saturday, Sunday or legal holiday, then the date for performance or time period shall expire on the first day thereafter which is not a Saturday, Sunday or legal holiday. Except as may otherwise be set forth herein, any performance provided for herein shall be timely made and completed if made and completed no later than 5:00 P.M. (Las Vegas time) on the day for performance.

R. [§ 618] Survival--Closing

Except as otherwise provided herein, all covenants, agreements, representations and warranties set forth in this Agreement or in any certificate or instrument executed or delivered pursuant to this Agreement shall survive the Closing and shall not merge into any deed, assignment or other instrument executed or delivered pursuant hereto.

S. [§ 619] Counterparts

This Agreement may be signed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same Agreement.

T. [§ 620] Waiver

Either of the parties shall have the right to excuse or waive performance by the other party of any obligation under this Agreement by a writing signed by the party so excusing or waiving. No

delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by City or developer of the breach of any covenant of this agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

VII. [§ 700] SPECIAL PROVISIONS

A. [§ 701] Amendments to this Agreement

The Developer and the City agree to mutually consider reasonable requests for amendments to this Agreement, which may be made by either of the parties hereto, provided such requests are consistent with this Agreement. Any amendments hereto material to the overall development must be approved by the City Council at a public hearing on the matter.

B. [§ 702] Disclosure of Principals

Pursuant to Resolution R-105-99 adopted by the governing board of the City effective October 1, 1999, Developer warrants that it has disclosed, on the form attached hereto as Attachment "G", all principals and partners of the Developer as well as all persons and entities holding more than one percent (1%) interest in the Developer. Throughout the term hereof, the Developer shall notify the City in writing of any significant change (as defined in Section 106) in the above disclosure within fifteen (15) days of any such change.

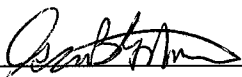
C. [§ 703] Entire Agreement

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement comprises pages 1 through 27, inclusive, and Attachments "A" through "H", attached hereto and incorporated herein by reference, all of which constitute the entire understanding and agreement of the parties.

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This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

CITY OF LAS VEGAS

By: 
OSCAR B. GOODMAN, Mayor

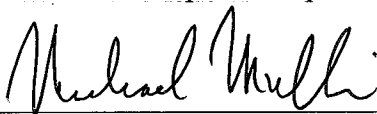
ATTEST:


BEVERLY K. BRIDGES, CMC, City Clerk

APPROVED AS TO FORM:

Robert J. Zylva 8-29-08
Date

NEVADA H.A.N.D., INC.,
A Nevada non-profit corporation


By: Michael Mullin
Its: President

ATTACHMENT "A"
SITE MAP

APN 139-27-502-003

ATTACHMENT "B"
LEGAL DESCRIPTION

ATTACHMENT "C"
CERTIFICATE OF COMPLETION

APN: 139-27-502-003

Recording Requested by:

City of Las Vegas
Neighborhood Services Department

After recording, mail to:

City of Las Vegas
Neighborhood Services Department
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101

CERTIFICATE OF COMPLETION OF CONSTRUCTION AND DEVELOPMENT

WHEREAS, by Disposition and Development Agreement dated _____, (the "DDA") the City of Las Vegas, a municipal corporation of the State of Nevada, hereinafter referred to as the "City," conveyed to _____, hereinafter referred to as "Developer", the site situated in the City of Las Vegas, Nevada, described on Exhibit "A", attached hereto and by this reference made a part hereof; and

WHEREAS, as set forth in the DDA, the City shall furnish the Developer with a Certificate of Completion upon completion of all construction and development upon the Site, which certificate shall be in such form as to permit it to be recorded in the Recorder's Office of Clark County; and

WHEREAS, such certificate shall be conclusive determination of the completion of the construction and development on the Site required by the DDA; and

WHEREAS, the City has determined conclusively that the construction and development on the Site has been satisfactorily completed;

NOW THEREFORE, the City agrees:

The City does hereby certify that the construction and development of the Site have been fully and satisfactorily performed and completed.

IN WITNESS THEREOF, the City has executed this Certificate.

CITY OF LAS VEGAS

By: _____
OSCAR B. GOODMAN, Mayor

Date: _____

ATTEST:

Beverly K. Bridges, CMC, City Clerk

Date: _____

ATTACHMENT "D"
BASIC CONCEPT DRAWINGS

ATTACHMENT "F"
REPOSSESSION DEED (QUITCLAIM DEED)

Clark county Assessor's
Parcel Number: 139-27-502-003

When Recorded, Mail to:

City of Las Vegas
c/o Director of Neighborhood Services Department
400 Stewart, 2nd Floor
Las Vegas, NV 89101

QUIT CLAIM DEED

THIS INDENTURE WITNESSETH: That Nevada H.A.N.D., Inc. ("Grantor"), in consideration of ten dollars (\$10.00), the receipt of which is hereby acknowledged, does hereby quitclaim to City of Las Vegas, a political subdivision of the State of Nevada ("Grantee"), whose address is 400 Stewart Avenue, Las Vegas, Nevada 89101, all that real property situated in the County of Clark, State of Nevada, more fully bounded and described in the attached legal description ("Exhibit A") which is incorporated herein by this reference.

TOGETHER with all and singular the tenements, hereditaments and appurtenance thereunto belonging or in anywise appertaining.

This conveyance is being made by Grantor and accepted by Grantee subject to all taxes for the fiscal year, covenants, restrictions, reservations, rights-of-way, and easements of record.

By: Michael Mullin, President

STATE OF _____)
COUNTY _____)

This instrument was acknowledged before me on the _____ day of _____, 2008, by _____, as _____.

Notary Public

My commission expires: _____

ATTACHMENT "E"
GRANT DEED

APN: 139-27-502-003

Recording Requested by:

City of Las Vegas
Neighborhood Services Department

After recording, Mail to:

City of Las Vegas
Neighborhood Services Department
400 Stewart Avenue, 2nd Floor
Las Vegas, NV 89101

For valuable consideration, the receipt of which is hereby acknowledged,

THE CITY OF LAS VEGAS, a municipal corporation of the State of Nevada (herein called "Grantor"), hereby grants, bargains and sells to _____ (herein called "Grantee"), the real property (the "Property") legally described in the document attached hereto, labeled Exhibit "A" and incorporated herein by this reference.

1. The Property is conveyed subject to a Disposition and Development Agreement entered into between Grantor and Grantee. The Property is also conveyed subject to all easements, reservations, restrictions, conditions, rights-of-way, and other encumbrances of record. All terms capitalized herein which are not otherwise defined herein shall have the meaning given to them in the Disposition and Development Agreement.
2. The Grantee hereby covenants and agrees for itself, its successors, its assigns and every successor in interest, that during construction and thereafter for the periods of time specified in the Disposition and Development Agreement, the Grantee, its successors and assignees, shall not use the Property for other than the uses specified in the Disposition and Development Agreement.
3. The Grantee hereby covenants and agrees for itself, its successors, its assigns and every successor in interest, that it will maintain the improvements on the Property and keep the Property free from any accumulation of debris or waste materials and will conform the development requirements specified in the Disposition and Development Agreement. If at any time the Grantee, its successors or assignees or every successor in interest thereafter, shall fail to maintain the Property free of debris or waste materials, then the City may perform the necessary cleanup or maintenance, and the Grantee, or its successors or assignees or every successor hereafter, shall pay costs as a reasonably incurred for such cleanup or maintenance.

4. Except as provided in the Disposition and Development Agreement, the Grantee shall not transfer, convey, assign or lease the whole or any part of the Property or the buildings or improvements thereon without the prior written consent and approval of Grantor. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property or to prohibit or restrict the leasing of any part or parts of a building or structure in accordance with the Disposition and Development Agreement.

5. Subsequent to the execution of this Deed and prior to the issuance of the Certificate of Completion, and subject to the provision of Section 414 of the Disposition and Development Agreement, the Grantor shall have the right at its option to reenter and repossess the Property hereby conveyed, or any portion thereof, together with all improvements thereon, upon the occurrence of a Developer Event of Default.

Such right to repurchase, reenter and repossess, to the extent provided in this Deed, shall not defeat, render invalid or limit:

a. Any mortgage, deed of trust, or security instrument specifically permitted by the Disposition and Development Agreement; or

b. Any rights or interest provided in the Disposition and Development Agreement for the protection of the holder of such mortgage, deed of trust or other security instruments.

6. The Grantee covenants by and for itself, its successor, its assigns and every successor in interest thereafter that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property.

7. No violation or breach of the covenants, conditions, restrictions, provisions, or limitations contained in this Deed shall defeat or render invalid or in any way impair the mortgage, deed of trust or other security instrument permitted by the Disposition and Development Agreement; provided, however, that any successor of Grantee to the Property shall be bound by such remaining covenants conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

8. The covenants contained in paragraph 6 and paragraph 7 of this Deed shall remain in perpetuity. The covenants contained in paragraph 4 shall remain in effect for One Hundred Eighty (180) months after the date of conveyance of the Site to Grantee. The covenants contained in paragraph 5 shall remain in the effect until issuance of a Certificate of Completion pursuant to Section 222 of the Disposition and Development Agreement. The covenants contained in paragraph 2 and paragraph 3 shall remain in effect for the time periods set forth in the Disposition and Development Agreement.

9. The covenants contained in paragraphs 2, 3, 4, 5, 6, and 7 of this Deed shall be binding for the benefit of Grantor, its successors and assigns, and any successor in

interest thereafter to the Property or any part thereof, and such covenants shall run in favor of the Grantor and such aforementioned parties for the entire period during which such covenants shall be in force and effect, without regard to whether the Grantor is, or remains an owner of any land or interest therein to which such covenants relate. The Grantor and such aforementioned parties, in the event of any breach of any covenants, shall have the right to exercise all of the rights and remedies, and to maintain any actions at law or suit in equity or other proper proceedings to enforce the curing of such breach. The covenants contained in this Deed shall be for the benefit of and shall be enforceable only by the Grantor and such aforementioned parties.

10. In the event of any express conflict between this Deed or the Disposition and Development Agreement, the provisions of this Deed shall control.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized,

this _____ day of _____, 2008.

“GRANTOR”

CITY OF LAS VEGAS

By: _____
OSCAR B. GOODMAN, Mayor

ATTEST:

Beverly K. Bridges, CMC, City Clerk

“GRANTEE”

NEVADA H.A.N.D., INC.

By: Michael Mullin
Its: President

ATTACHMENT "G"
DISCLOSURE OF PRINCIPALS

The following is a list of the principals of Nevada H.A.N.D., Inc., a Nevada non-profit corporation (the "Assignee"), including all persons and entities holding more than a one percent (1%) interest in the Assignee.

<u>NAME</u>	<u>BUSINESS ADDRESS</u>	<u>BUSINESS PHONE</u>	<u>RELATIONSHIP</u>
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The undersigned hereby certifies, under penalty of perjury, that the foregoing list is full and complete.

NEVADA, H.A.N.D., INC.
a Nevada non-profit corporation

By: Michael Mullin
Name:

Subscribed and sworn to before me
this _____ day of _____,
2008.

Notary Public

ATTACHMENT "H"
(Required Correspondence)