

City of Las Vegas

S.✓

REAL ESTATE COMMITTEE MEETING
CITY HALL, 400 STEWART AVENUE
CITY MANAGER'S CONFERENCE ROOM, EIGHTH FLOOR
CITY OF LAS VEGAS INTERNET ADDRESS: <http://www.LasVegasNevada.gov>
MONDAY, OCTOBER 13, 2003
3:00 P.M.

REAL ESTATE COMMITTEE – COUNCILMAN WEEKLY AND COUNCILWOMAN MONCRIEF

NOTE: EITHER OF THE TWO ALTERNATE MEMBERS OF THE REAL ESTATE COMMITTEE MAY SUBSTITUTE FOR A MEMBER OF THE REAL ESTATE COMMITTEE AT ANY TIME.

CALL TO ORDER

ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

NEW BUSINESS:

1. Discussion and possible action regarding a Lease Agreement with Lukegroup, LLC dba Jiffy Smog for approximately two thousand square feet of free-standing building space and approximately six parking spaces located at 1501 North Decatur Boulevard (\$2,000 revenue/month - Miscellaneous Rentals) - Ward 1 (Moncrief)
2. Discussion and possible action regarding a Quitclaim Deed in favor of the United States of America from the City of Las Vegas pertaining to 10 acres of Bureau of Land Management land located in the vicinity of Rockmoss Street and Westcliff Drive, APN 138-28-801-002- Ward 2 (L.B. McDonald)
3. Discussion and possible action regarding a Purchase and Sale Agreement between the City of Las Vegas and On the Web Marketing, Inc., for the purchase of a 2.942-acre parcel located on Crimson Canyon Drive, South of Peak Drive, with Assessor's Parcel Number 138-15-310-013 (Gain \$1,089,131 - Industrial Revenue Fund) - Ward 4 (Brown)

CITIZENS PARTICIPATION: ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISIONS OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A MATTER NOT LISTED ON THE AGENDA, PLEASE CLEARLY STATE YOUR NAME AND ADDRESS. IN CONSIDERATION OF OTHERS, AVOID REPETITION, AND LIMIT YOUR COMMENTS TO NO MORE THAN THREE (3) MINUTES. TO ENSURE ALL PERSONS EQUAL OPPORTUNITY TO SPEAK, EACH SUBJECT MATTER WILL BE LIMITED TO TEN (10) MINUTES

Facilities are provided throughout City Hall for the convenience of disabled persons. Reasonable efforts will be made to assist and accommodate physically handicapped persons. If you need an accommodation to attend and participate in this meeting, please call the City Clerk's office at 229-6311 and advise of your need at least 48 hours in advance of the meeting.

ALL INTERESTED PERSONS ARE INVITED TO ATTEND: A tape recording of all the proceedings will be kept on file in the Office of the City Clerk until final disposition is made.

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

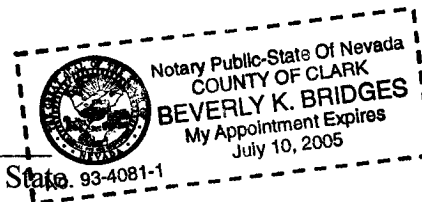
Las Vegas Library, 833 Las Vegas Boulevard North
Senior Citizens Center, 450 E. Bonanza
Clark County Government Center, 500 S. Grand Central Parkway
Court Clerk's Office Bulletin Board, City Hall Plaza
City Hall Plaza, Special Outside Posting Bulletin Board

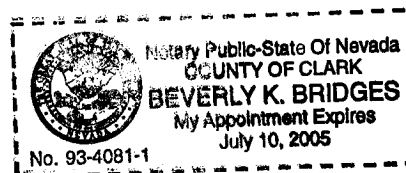
7/1✓

(Mailing required under the provisions of NRS Chapter 241)

Vicky Darling, an employee of the City of Las Vegas, Nevada being first duly sworn, deposes and says that on the **7th** day of **October, 2003**, a copy of a NOTICE, the attached of which is a true and correct copy of the Public Hearing - re: **Real Estate Committee Meeting**, to be held on the **13th** day of **October, 2003** was deposited in the United States Mail, Postage prepaid, First Class Certified Mail, to each person and/or organization whose name appears on the list maintained in the Office of the City Clerk.

NOTARY PUBLIC in and for said County and State. 93-4081-1





REAL ESTATE COMMITTEE AGENDA
REAL ESTATE COMMITTEE MEETING OF: OCTOBER 13, 2003

- CALL TO ORDER
- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

MINUTES:

PRESENT: COUNCILMAN WEEKLY and COUNCILWOMAN MONCRIEF

Also Present: DEPUTY CITY MANAGER STEVEN HOUCHENS, DEPUTY CITY ATTORNEY BOB SYLVAIN, REAL ESTATE AND ASSET MANAGEMENT DIVISION MANAGER DAVID ROARK, and DEPUTY CITY CLERK GABRIELA S. PORTILLO-BRENNER

ANNOUNCEMENT MADE – Meeting noticed and posted at the following locations:
Court Clerk's Bulletin Board, City Hall
City Hall Plaza, Posting Board
Las Vegas Library, 833 Las Vegas Boulevard North
Senior Citizens Center, 450 E. Bonanza Road
Clark County Government Center, 500 S. Grand Central Pkwy

NOTE: The meeting was delayed because of technical difficulties.

(3:23)

AGENDA SUMMARY PAGE

REAL ESTATE COMMITTEE MEETING OF: OCTOBER 13, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

☐

CONSENT

☒

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Weekly and Councilwoman Moncrief

Discussion and possible action regarding a Lease Agreement with Lukegroup, LLC dba Jiffy Smog for approximately two thousand square feet of free-standing building space and approximately six parking spaces located at 1501 North Decatur Boulevard (\$2,000 revenue/month - Miscellaneous Rentals) - Ward 1 (Moncrief)

Fiscal Impact

☐

No Impact

Amount: \$2,000 revenue/month

☐

Budget Funds Available

Dept./Division: Real Estate & Assets

☐

Augmentation Required

Funding Source: Miscellaneous Rentals

PURPOSE/BACKGROUND:

This Lease Agreement will allow the continued operation of the Jiffy Smog business on a month-to-month basis. The Premises shall be used for off-street motor vehicle parking for the Tenant and its customers to provide smog testing (auto emission testing) only and for no other purpose.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

Lease Agreement

COMMITTEE RECOMMENDATION:

COUNCILWOMAN MONCRIEF recommended Item 1 be STRICKEN. COUNCILMAN WEEKLY concurred.

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, indicated a correction to the contract. The monthly revenue should be \$1,800 a month, not \$2,000 as previously indicated. The City Clerk's office has already been notified of this change.

Lukegroup purchased Jiffy Lube Valley wide. Staff is now requesting to enter into a contract with Lukegroup for this Jiffy Smog, with which an official contract was never entered into and has been at this location since about the mid 90s, when the Wonder World property was purchased. The contract outlines the rental amount, includes insurance and indemnity clause, and a timeframe, which will be on a monthly basis. A 30-day notification is required in order to request vacancy, should the City need the property. Staff recommends approval.

REAL ESTATE COMMITTEE MEETING OF OCTOBER 13, 2003

Public Works

Item 1 – Discussion and possible action regarding a Lease Agreement with Lukegroup, LLC dba Jiffy Smog for approximately two thousand square feet of free-standing building space and approximately six parking spaces located at 1501 North Decatur Boulevard (\$2,000 revenue/month - Miscellaneous Rentals)

MINUTES – Continued:

COUNCILWOMAN MONCRIEF mentioned that the property will be needed once the City decides what to do with that property. MR. ROARK agreed, adding that the space Jiffy Smog utilizes is minimal.

AL GALLEG0, citizen of Las Vegas, questioned ownership of the property. Is it the City or the Redevelopment Agency? According to the City Council Agenda it is the City, but it should be the Agency. MR. ROARK indicated that the contract is with Redevelopment. MR. GALLEG0 then asked if the City is getting one month's rent in advance and confirmed with MR. ROARK that the City is receiving pay for the dirt. He opined that the City should demand all that is coming to it because it is already losing a lot of revenue.

DEPUTY CITY ATTORNEY SYLVAIN clarified that this lease agreement is with the City and should be made with the Redevelopment Agency. The agreement has to go before the Agency for consideration, so this matter should be stricken altogether.

No one appeared in opposition and there was no further discussion.

COUNCILMAN WEEKLY declared the Public Hearing closed.

(3:23 – 3:28)

LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter referred to as "Lease") is entered into this _____ day of _____, 2003, by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada (hereinafter referred to as "Landlord"), and LUKEGROUP, LLC, a Nevada limited liability company (hereinafter referred to as "Tenant").

Landlord and Tenant hereby agree to the following terms and conditions:

1. **LEASE OF PREMISES:** On the terms and conditions set forth below, Landlord hereby leases to Tenant, and Tenant leases from Landlord, approximately 2,000 square feet of free-standing building space and approximately six (6) parking spaces situated on the real property depicted on Exhibit "A" (Site Map), which is attached hereto and made a part of this Lease Agreement (hereinafter referred to as "Lease"). The leased building and parking spaces are hereinafter referred to as the "Premises".

2. **LEASE PROVISIONS:**

2.1 **TERM:** The term of this Lease shall be on a month-to-month basis commencing on the date first set forth above and continuing until either party provides thirty (30) calendar days written notification of termination in accordance with Section 5.3, unless Landlord exercises its right to terminate in the event of default as provided in Section 3.

2.2 **PERMITTED USE:** The Premises shall be used for off-street motor vehicle parking for the Tenant and its customers to provide smog testing (auto emission testing) only and for no other purpose without the written consent of Landlord.

2.3 **COMPENSATION:** Tenant agrees to pay Landlord the amount of Two Thousand Dollars and No/100ths (\$2,000.00) per month as rent for the Premises during the term of the Lease. Tenant agrees to pay Landlord the rent monthly in advance on the first (1st) day of each and every calendar month during the term of this Lease. If payment is not received by the fifteenth (15th) of each month, the rent is considered late and subject to a ten percent (10%) penalty payment.

2.4 **INSURANCE:** During the existence of this Lease, the Tenant shall procure and maintain general comprehensive liability insurance for bodily injury and property damage in the amount of One Million and No/100ths Dollars (\$1,000,000.00) combined single limit. The Tenant shall provide the Landlord with the proper certificates of insurance or endorsements evidencing the coverage required herein. The Landlord, the City of Las Vegas, its officers, employees, agents, consultants and volunteers must be expressly covered as additional insured parties under the insurance coverage required herein.

The Tenant shall 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.

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

In the event that the Tenant fails to obtain or maintain the insurance coverage required herein, the Landlord shall have the right to terminate this Lease.

2.5 MAINTENANCE AND UTILITIES: Tenant shall maintain the Premises in good order; shall make all necessary repairs on a timely basis and shall perform cleaning duties on a regular basis.

2.6 COMPLIANCE LAWS: During the term of this Lease, Tenant shall not use or knowingly permit any person to use all or any portion of the Premises, including any improvement in the Premises, in any manner which violates any laws, ordinances or regulations of the United States; the State of Nevada; Clark County, Nevada; or the City of Las Vegas, Nevada; or any other governmental authority having jurisdiction over the Premises.

2.7 HAZARDOUS WASTE: Tenant shall not cause or permit any hazardous waste or substances to be used, stored, generated or deposited on or in the Premises by Tenant, its agents, employees, contractors, invitees or customers without the Landlord's consent.

2.8 SURRENDER OF PREMISES: Upon the expiration or termination of this Lease, Tenant shall return the Premises to Landlord in a reasonably clean condition and in good order, except normal wear and tear. Any damage to the Premises resulting from Tenant's use or removal of Tenant's fixtures, furnishings and equipment shall be repaired by Tenant at Tenant's expense.

2.9 ACCESS TO PREMISES: Landlord shall deliver to Tenant the right to use, possession and occupancy of the Premises. Tenant acknowledges that Landlord will have unrestricted access to the Premises throughout the term of this Lease, unless Landlord deems it necessary under certain situations or conditions to not allow access to the Premises. Landlord agrees to provide reasonable timely notice to Tenant in the event access is not allowed to the Premises.

3. DEFAULT:

3.1 The following events of any one or more of them shall be events of default under this Lease:

- a. If Tenant abandons or vacates the Premises; or
- b. If Tenant fails to pay any compensation to be paid by Tenant under this Lease and such failure continues for thirty (30) days after written notification is issued that payment is delinquent.
- c. If Tenant fails to promptly and fully perform any other covenant, condition or agreement contained in this Lease for thirty (30) days after written notice from Landlord to Tenant.

3.2 If there is an event of default under this Lease, Landlord may terminate this Lease by a notice in writing to Tenant on a date (Termination Date) specified in the notice (which may be the date the notice is given), without any right by the Tenant to reinstate its rights by paying any compensation or other sum which is due or otherwise curing the situation which constituted an event of default. On the Termination Date, the term of this Lease shall terminate as fully and with the same effect as if that were the date of termination specified in Section 2.1.

4. INDEMNIFICATION: Tenant shall defend, indemnify and hold Landlord harmless against and from loss, liability and claims of any kind for loss or damage to property, or for any injury to or death of any person arising out of Tenant's use and occupancy of the Premises, or any work or activity allowed or suffered by Tenant on or about the Premise.

5. MISCELLANEOUS:

5.1 ASSIGNMENT AND SUBLETTING: Tenant shall not transfer, assign, delegate, mortgage or hypothecate this Lease, in whole or in part, or permit the use of the Premises by any person or persons other than Tenant, or sublet the Premises, or any part thereof, without the prior written consent of Landlord in each instance. Any assignment, encumbrance or sublease contrary to the provisions of this Section 5.1 shall be null and void and constitute a breach of this Lease.

Except as provided above, Tenant shall not assign, sublease or encumber its interest in this Lease or in the Premises.

5.2 PRIOR AGREEMENTS AND AMENDMENTS: This Lease contains all of the agreements and understanding of the parties with respect to any matter covered or mentioned in this Lease, and no other agreements or understandings shall be effective for any

purpose. No provision of this Lease may be amended or added except by a written amendment signed by both Landlord and Tenant.

5.3 **NOTICES:** Any notice or other communication required or permitted to be given under this Lease (herein the "Notices") shall be in writing and shall be (i) personally delivered, or (ii) delivered by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid. The Notices shall be deemed received upon actual receipt. The Notices shall be directed to the parties at their respective addresses shown below, or such other address as either party may, from time to time, specify in writing to the other party in the manner described above:

TO LANDLORD:

City of Las Vegas
Attn: Real Estate Manager
400 Stewart Avenue, 4th Floor
Las Vegas, Nevada 89101

TO TENANT:

Lukegroup, LLC.
Attn: Lawrence Lucas, General Manager
9101 W. Sahara Avenue, Suite 105-E1
Las Vegas, NV 89117

5.4 **TIME OF THE ESSENCE:** Time is of the essence of this Lease and each and every term, condition and provision hereof.

5.5 **NO WAIVER:** No waiver of any of the provisions of this Lease shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

5.6 **COUNTERPARTS:** This Lease may be executed in three (3) counterparts, each of which shall be deemed to be an original.

5.7 **ENTIRE AGREEMENT:** This Lease constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all prior understandings or agreements between the parties.

5.8 **HEADINGS AND INTERPRETATION:** Headings used in this Lease are for convenience or reference only and are not intended to govern, limit or aid in the construction of any term or provision hereof. Any reference to a Section in this Lease shall include all sections and subsections related thereto.

5.9 **CHOICE OF LAW:** This Lease and each and every related document are to be governed by, and construed in accordance with, the laws of the State of Nevada.

5.10 SEVERABILITY: If any term, covenant, condition or provision of this Lease, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction, or rendered by the adoption of a statute invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Lease, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

5.11 RELATIONSHIP OF THE PARTIES: The parties agree that their relationship is that of Tenant and Landlord, and that nothing contained herein shall constitute either party as being the agent or legal representative of the other for any purpose whatsoever, nor shall this Lease be deemed to create any form or business organization between the parties hereto, nor is either party granted the right or authority to assume or create any obligation or responsibility on behalf of the other party, nor shall either party be in any way liable for any debt of the other.

5.12 FORCE MAJEURE: Lessor and Lessee shall each be excused for the period of any delay in the performance of any obligation hereunder when prevented from doing so by cause or causes beyond that party's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or services, or acts of God.

5.13 ATTORNEYS' FEES: In the event that any party hereto institutes an action or proceeding relating to or arising out of this Lease, or the transactions contemplated hereby, or in the event any party is in default of its obligations pursuant thereto, whether or not suit is filed or prosecuted to final judgment, the prevailing party shall be entitled to its reasonable attorneys' fees and to all court costs incurred, in addition to any other damages or relief awarded.

5.14 DISCLOSURE OF PRINCIPALS: Pursuant to Resolution R-105-99 adopted by the City of Las Vegas City Council effective October 1, 1999, Tenant warrants that it has disclosed on the form attached as Exhibit "B", all principals and partners of LUCASGROUP, LLC, as well as all persons and entities holding more than a one percent (1%) interest in LUCASGROUP, LLC, or any principal of LUCASGROUP, LLC. Throughout the term hereof, LUCASGROUP, LLC, shall notify Landlord in writing of any material change in the above disclosure within 15 days of any such change.

5.15 MODIFICATIONS OR AMENDMENTS: Upon approval of this initial agreement by the City Council and after it has been fully executed by signature of all parties, staff of the Real Estate & Asset Management Division of the City's Department of Public Works shall have the authority to complete and execute any additional documents necessary for the completion of the intent of this contractual obligation during the original term of this agreement. As an example, this may include amendments, changes of address, adjustments to monetary revenue or expenditure not to exceed ten thousand (\$10,000.00) dollars, filing and

recording of appropriate documents with the County Recorders Office or the County Tax Assessors Office, and recordings and filing with the City Clerk's Office. No amendment, change or modification of this Agreement shall be valid unless in writing and signed by all parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their duly authorized representatives the day and year first written above.

"Landlord"
CITY OF LAS VEGAS

By _____
OSCAR B. GOODMAN, Mayor

ATTEST:

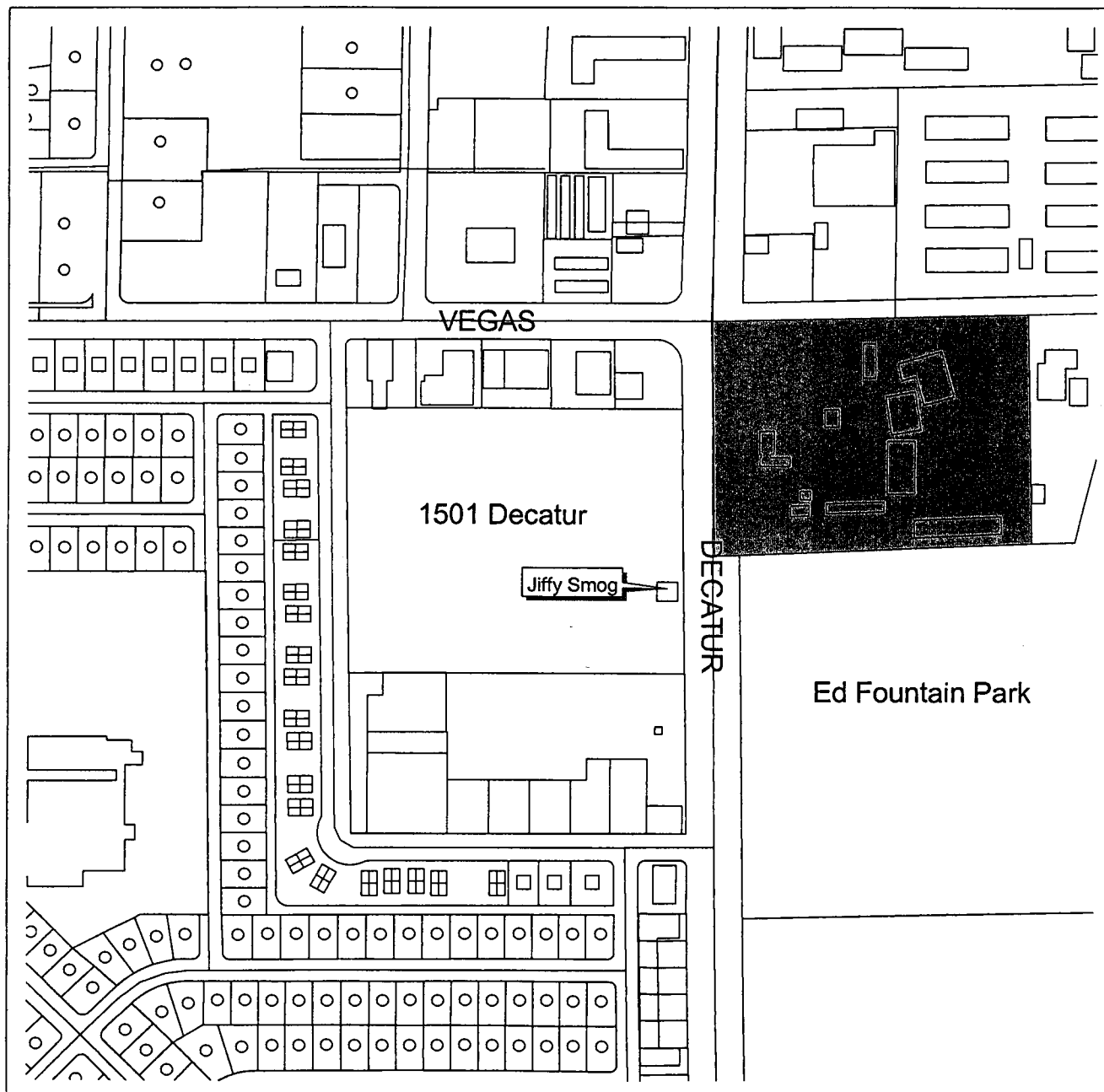
BARBARA JO RONEMUS, City Clerk

"Tenant"
LUCASGROUP, LLC.

APPROVED AS TO FORM:

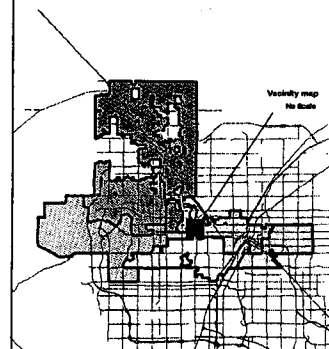
By: _____
Lawrence R. Lucas, General Manager

Thomas R. Green 9/19/03
City Attorney Date



Site Map

-  Street Centerline
-  Building Footprints
-  City of Las Vegas
-  USA
-  Parcels



Real Estate & Asset Management



Date of Data: 2003/09/18

EXHIBIT "B"
CERTIFICATE - DISCLOSURE OF OWNERSHIP/PRINCIPALS
(CONTINUED)

Block 1 Contracting Entity (Name) Name <u>LUKEGROUP, LLC</u> Address <u>9101 West Sahara Ave, #105-E1</u> <u>Las Vegas, NV 89117</u> EIN or Social Security # <u> - - - </u>	Block 2 Description Subject Matter of Contract/Agreement <u>LEASE AGREEMENT FOR TENANCY AT 1501. NORTH DECATUR LAS VEGAS</u>
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Block 3 Type of Business			
☐ Individual	☐ Partnership	☒ Limited Liability Company	☐ Corporation

Block 4 Disclosure of Ownership and Principals			
In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.			
	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	LAWRENCE R. LUCAS	9101 West Sahara Ave, #105-E1	702 326 2445
2.	GENERAL MANAGER	Las Vegas, NV 89117	
3.	JEANNE B. LUCAS	same as above	same as above
4.	MANAGER		
5.			
6.			
7.			
8.			
9.			
10.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals - Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: _____

EXHIBIT "B"

Block 5 Disclosure of Ownership and Principals - Alternate

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: _____

Number of Pages: _____

I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

Laurence H. Lucas

Name

9/15/03

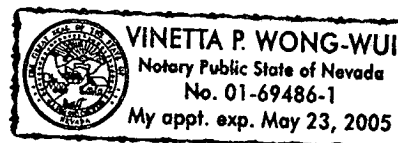
Date

Subscribed and sworn to before me this 15th day of

September

, 2003.

Vinetta P. Wong-Wui
Notary Public



AGENDA SUMMARY PAGE

REAL ESTATE COMMITTEE MEETING OF: OCTOBER 13, 2003

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD D. GOECKE

☐

CONSENT

☒

DISCUSSION

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Weekly and Councilwoman Moncrief

Discussion and possible action regarding a Quitclaim Deed in favor of the United States of America from the City of Las Vegas pertaining to 10 acres of Bureau of Land Management land located in the vicinity of Rockmoss Street and Westcliff Drive, APN 138-28-801-002- Ward 2 (L.B. McDonald)

Fiscal Impact

☒

No Impact

Amount:

☐

Budget Funds Available

Dept./Division:

☐

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

On April 1, 2003, the United States of America patented 10 acres of Bureau of Land Management Land to the City of Las Vegas to be used for Assisted Affordable Housing. During the patent process it was discovered that Bureau of Land Management had incorrectly allocated 10 acres located east of the desired site. New legislation will allow Bureau of Land Management to patent the correct parcel to the City. At the time the new patent is issued, the City will quitclaim the incorrect parcel back to the United States of America.

RECOMMENDATION:

Staff recommends approval

BACKUP DOCUMENTATION:

1. Quitclaim Deed
2. Site Map

COMMITTEE RECOMMENDATION:

COUNCILWOMAN MONCRIEF recommended Item 2 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WEEKLY concurred.

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, advised that the Bureau of Land Management (BLM) erroneously allocated this property to the City. Through new legislation in Washington D.C., BLM will patent the correct parcel to the City, and then the City will quitclaim the property that was mistakenly allocated to BLM. Staff recommends approval.

REAL ESTATE COMMITTEE MEETING OF OCTOBER 13, 2003

Public Works

Item 2 - Discussion and possible action regarding a Quitclaim Deed in favor of the United States of America from the City of Las Vegas pertaining to 10 acres of Bureau of Land Management land located in the vicinity of Rockmoss Street and Westcliff Drive, APN 138-28-801-002

MINUTES – Continued:

No one appeared in opposition and there was no further discussion.

COUNCILMAN WEEKLY declared the Public Hearing closed.

(3:28 – 3:30)

1-168

A.P.N. 138-28-801-002

QUITCLAIM DEED

THIS INDENTURE WITNESSETH: That the City of Las Vegas, a municipal corporation of the State of Nevada, in consideration of \$1.00, the receipt of which is hereby acknowledged, do hereby remise, release and forever quitclaim to the United States of America, all that real property situated in Clark County, State of Nevada, bounded and described as follows:

**Mount Diablo Meridian, Nevada, T.20 S., R. 60 E., sec. 28, NE1/4SW1/4SE1/4 (Tract D).
Containing 10 acres, more or less**

Executed this ____ day of _____,

STATE OF NEVADA)
)s.s.
2003
COUNTY OF CLARK)

By: _____
Oscar B. Goodman, Mayor

On the _____ day of _____ before me, the undersigned, a Notary Public in and for the said County and State, personally appeared known to me to be the person whose name(s) subscribed to the within instrument, and acknowledged to that he executed the same.

WITNESS my hand and Official Seal,

TITLE ORDER NO.: N/A

NOTARY PUBLIC Commissioned
for said County and State

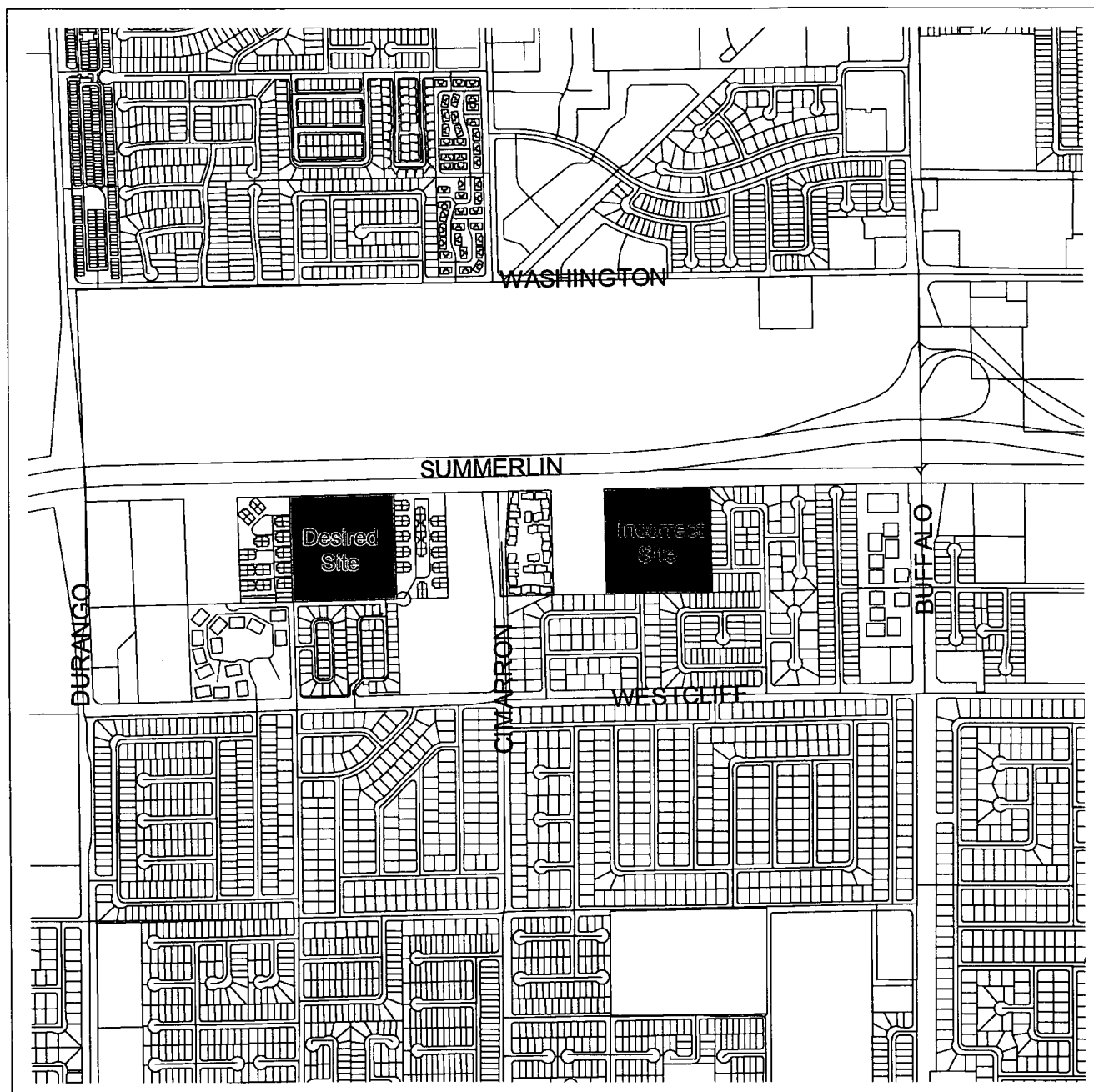
ESCROW NO.: NA

RECORDING REQUESTED BY:
AFTER RECORDING MAIL TO:

**Public Works/Real Estate
City of Las Vegas
Public Works/Real Estate
400 Stewart Avenue, 4th Floor
Las Vegas, NV 89101**

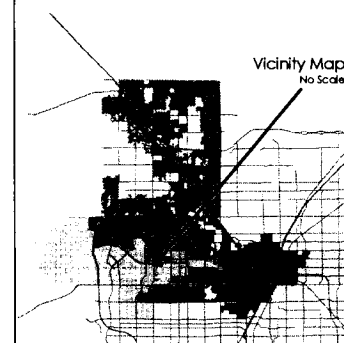
APPROVED AS TO FORM:

APPROVED AS TO FORM:
Thomas R. Green
DEP. CITY ATTY Date 9/29/03



Site Map

-  Site to be Patented
-  Patented Site
-  Street Centerline
-  Parcels



Real Estate & Asset Management



Date of Data: 2003/09/29

AGENDA SUMMARY PAGE**REAL ESTATE COMMITTEE MEETING OF: OCTOBER 13, 2003****DEPARTMENT: BUSINESS DEVELOPMENT****DIRECTOR: IAIN VASEY (ACTING)**☐**CONSENT**☒**DISCUSSION****SUBJECT:****REPORT FROM REAL ESTATE COMMITTEE - Councilman Weekly and Councilwoman Moncrief**

Discussion and possible action regarding a Purchase and Sale Agreement between the City of Las Vegas and On the Web Marketing, Inc., for the purchase of a 2.942-acre parcel located on Crimson Canyon Drive, South of Peak Drive, with Assessor's Parcel Number 138-15-310-013 (Gain \$1,089,131 - Industrial Revenue Fund) - Ward 4 (Brown)

Fiscal Impact☐**No Impact****Amount:** Gain of \$1,089,131☒**Budget Funds Available****Dept./Division:** Business Dev./Economic Dev.☐**Augmentation Required****Funding Source:** Industrial Revenue Fund**PURPOSE/BACKGROUND:**

On the Web Marketing Group, Inc., a furniture and home furnishings retailer selling on-line, desires to purchase the 2.942-acre parcel on Crimson Canyon ("Site") for the purpose of a 40,000 square foot customer service center, at \$8.50 per square foot, with a planned expansion of an additional 20,000 square feet. When completed, the facility will provide a minimum of 50 jobs at competitive wages (\$12.00 per hour average).

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

1. Agenda Memo
2. Purchase and Sale Agreement with On the Web Marketing Group, Inc.
3. Disclosure of Principals
4. Site Locator Map

COMMITTEE RECOMMENDATION:

COUNCILWOMAN MONCRIEF recommended Item 3 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WEEKLY concurred.

MINUTES:

COUNCILMAN WEEKLY declared the Public Hearing open.

IAIN VASEY, Acting Director, Office of Business Development, reported that On the Web Marketing is an online furniture retailer who wishes to purchase property in the Technology

REAL ESTATE COMMITTEE MEETING OF OCTOBER 13, 2003

Office of Business Development

Item 3 – Discussion and possible action regarding a Purchase and Sale Agreement between the City of Las Vegas and On the Web Marketing, Inc., for the purchase of a 2.942-acre parcel located on Crimson Canyon Drive, South of Peak Drive, with Assessor's Parcel Number 138-15-310-013 (Gain \$1,089,131 - Industrial Revenue Fund)

MINUTES – Continued:

Center to erect a 40,000 square foot customer service center, with a future 20,000-foot expansion. Initially, about 50 people will be employed. On an enlarged site map that was presented, MR. VASEY pointed to the location of the property, which is located on Crimson Canyon. The property is being purchased at the appraised amount of \$8.50 a square foot. The developer is required to commence construction by May of 2005 and complete construction by November of 2006. The project must be submitted for architectural review, and then be presented to the City Council for final approval of the design.

COUNCILMAN WEEKLY asked where the business is currently operating. ALEX SALMONS, President, On the Web Marketing, Inc., replied that On the Web Marketing currently leases space in Brookhollow in the Technology Center. They sell furniture on-line.

COUNCILWOMAN MONCRIEF asked MR. SALMONS when he thinks the project will be completed and in operation. MR. SALMONS optimistically answered that by early 2005, when the current lease expires.

No one appeared in opposition and there was no further discussion.

COUNCILMAN WEEKLY declared the Public Hearing closed.

(3:30 – 3:33)

1-210

AGENDA MEMO

REAL ESTATE COMMITTEE MEETING DATE: OCTOBER 13, 2003

DEPARTMENT: Business Development

ITEM DESCRIPTION: Discussion and possible action regarding a Purchase and Sale Agreement between the city of Las Vegas and On the Web Marketing, Inc., for the purchase of a 2.942-acre parcel located on Crimson Canyon Drive, South of Peak Drive, with Assessor's Parcel Number 138-15-310-013 - Ward 4 (Brown)

1. On the Web Marketing, Inc. ("OTW"), an on-line furniture and home furnishings retailer, has outgrown its existing, 10,000 square foot space at the Brookhollow campus in the Las Vegas Technology Center, and is seeking additional space. Based on its continued growth since 1997, the business needs between 40,000 square feet and 60,000 square feet within the next 24 months.
2. OTW will pay \$8.50 per square foot for the site located on Crimson Canyon, South of Peak Drive, APN 138-15-310-013 ("Site"). The Site is 2.942-acres, but contains a sewer easement on the Northeastern portion of the Site, leaving 128,133 square feet of net useable space for buildings, parking, and landscaping. Applying the \$8.50 per foot to the net useable space yields the final purchase price of \$1,089,131.
3. The negotiated sale price of \$8.50 per square foot is fair market value, with recent comparative sales in the Las Vegas Technology Center ranging from \$6.19 per foot to \$10.00 per foot.
4. The Purchase and Sale Agreement requires OTW to deliver to the City an earnest deposit of \$10,000, to be applied towards the purchase price at the close of escrow.
5. The Agreement requires OTW to open escrow within one month of contract execution (November 15, 2003), and to close escrow within six months thereafter (May 15, 2004). The final purchase price, less the earnest deposit, is due payable in full at the close of escrow.
6. OTW intends to pursue financing through the Section 504 Loan Guaranty Program offered by the Small Business Administration.
7. OTW must commence construction within 12 months after the close of escrow (May 15, 2005), and complete construction within 18 months thereafter (November 15, 2006).
8. Concurrent with the close of escrow, the Escrow Agent will hold in escrow a Quitclaim Deed, executed by the Developer, allowing the city to re-enter and repurchase the Site if the Developer does not proceed with the construction of the project.

REAL PROPERTY PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, entered into this _____ day of _____, 2003, by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada (hereinafter the "City") and On the Web Marketing Group, Inc., a Nevada Corporation or its nominee (hereinafter the "Developer").

WITNESSETH:

WHEREAS, the City owns certain real property that is located within what is known as the Las Vegas Technology Center (hereinafter the "Technology Center"); and

WHEREAS, the Technology Center is comprised of approximately two hundred fifty (250) acres that is bounded by the Oran K. Gragson Highway on the east, Cheyenne Avenue on the north, the Gowan detention basin for the Clark County Regional Flood Control district on the west, and Smoke Ranch Road on the south; and

WHEREAS, the City desires to sell to the Developer or its nominee, and the Developer desires that it or its nominee purchase from the City, a portion of said City-owned property, that portion being referred to hereinafter as the "Site;" and

WHEREAS, the Site is subject to that certain document entitled "Las Vegas Technology Center Amended Declaration of Covenants, Conditions and Restrictions – February, 1992" (hereinafter the "CC&R's"), which is recorded in the records of the Clark County Recorder at Book 920210, Instrument 01115' and

WHEREAS, the parties desire to set forth in this Agreement the terms and conditions of the purchase and sale of the Site.

NOW, THEREFORE, in consideration of the foregoing and of the covenants and conditions contained herein, the parties agree as follows:

1. PURPOSE OF AGREEMENT

The purpose of this Agreement is to accomplish the sale to and purchase by the Developer of the Site as hereinafter described. As used hereinafter, the "Developer" refers to the Developer, or its nominee or assignee, subject to the provisions of Section 22.

2. THE SITE

The Site consists of two and nine hundred, forty-two thousandths (2.942) acres, is depicted generally in Exhibit "A", and is described more particularly in Exhibit "B" and Exhibit "C". Exhibits A, B, and C are attached hereto and incorporated herein by this reference. The Site consists of unimproved land to which the utilities and infrastructure and all off-site improvements (excluding sidewalks and driveways) are available. It is the sole responsibility of the Developer to obtain and connect the necessary services from the local utility companies.

3. GENERAL SCOPE OF ACQUISITION

By executing this Agreement, the City agrees to sell to the Developer, and the Developer agrees to purchase, the Site as described above.

4. ACQUISITION OF SITE

The Purchase Price for the Site is One Million, Eighty-Nine Thousand, One Hundred and Thirty-One and Zero Hundredths Dollars (\$1,089,131.00), hereinafter referred to as the "Purchase Price". The Purchase Price is based on Eight Dollars and Fifty Cents (\$8.50) per square foot for the Site. The Site contains two and nine hundred, forty-two thousandths (2.942) acres, or approximately 129,934 square feet, less a sewer easement of approximately forty-one

hundredths (0.041) acres, or one thousand, eight hundred one (1,801) square feet, more or less, yielding a net square footage of one hundred twenty-eight thousand, one hundred thirty-three (128,133) square feet ("Net Square Footage"). The entire Purchase Price for the Site is due and payable at or before the close of escrow as described in Section 14. For purposes of determining the Purchase Price, the area of the Site is based on the Net Square Footage, which does not include dedicated rights-of-way or any public or utility easement that is not available for use for buildings, parking or landscaping. Should the Net Square Footage of the Site be fewer or more than 128,133 square feet, the Purchase Price shall be adjusted accordingly at \$8.50 per square foot.

5. SITE DEVELOPMENT

The Developer agrees that:

- a. Any and all development on the Site will conform to the procedures and limitations contained in the CC&R's, zoning regulations and all applicable building and other codes as adopted by the City of Las Vegas. The Developer will utilize the Site for the purpose of constructing a flex warehouse office building to be used for operations of the Developer, and which will contain no less than 40,000 gross square feet.
- b. The Developer agrees to develop all setbacks, landscaping, sidewalks, parking lots, driveways, sewer lines, future building pad(s) development, on-site utilities, and other on-site improvements and construct the buildings for professional use within the time schedule as set forth in Section 5 herein.
- c. Within twelve (12) months after the "closing", as defined hereunder, the Developer will begin construction and will complete such construction

within eighteen (18) months after commencement thereof, or within such additional time as corresponds to the extent of any delay that is caused by material shortages, labor disputes, fire, civil riots, unforeseen acts of government, acts of God or other events reasonably beyond the Developer's control. The construction of improvements upon the Site will be considered completed for purposes of this Agreement at the time that the City issues a Certificate of Occupancy.

- d. The Developer will be responsible for the installation, at its expense, of all sidewalks and driveways and on-site utilities, sewer lines, and other on-site improvements.

Failure on the part of the Developer, after acquisition of the Site, to comply with the provisions of this Section 5 shall entitle the City, in its sole discretion, to exercise its rights under Section 25.

6. GENERAL REPRESENTATIONS

The City and the Developer each represent and warrant that:

- a. This Agreement and all agreements, instruments and documents herein provided to be executed are duly executed and binding on the parties;
- b. The execution, consent or acknowledgment of no other party is necessary to affect the obligations of the City or the Developer as provided in this Agreement;
- c. This Agreement does not now or shall not hereafter breach, invalidate, cancel, make inoperative or interfere with any contract,

agreement, instrument, mortgage, deed of trust, promissory note,
lease, bank loan or credit agreement.

7. EARNEST MONEY DEPOSIT

Concurrently with its execution of this Agreement, the Developer has delivered to the City a deposit (the "Earnest Money Deposit") in the form of either cash or a cashier's check in the amount of Ten Thousand Dollars (\$10,000). Prior to the City's execution of this Agreement, any attempt on the part of the Developer to revoke its offer to enter into this Agreement or to materially modify the terms hereof without the City's consent shall entitle the City to retain the Earnest Money Deposit, provided, however, that Earnest Money Deposit shall be fully refundable, as further set forth herein, if (1) Developer determines during the Inspection Period that title, soils or environmental is unacceptable, or if (2) Developer has not received approval of the rezoning or site plan development prior to the one hundred eightieth (180th) day the Effective Date.

Upon fulfillment of all conditions necessary to enable escrow to close with respect to the Site, the Earnest Money Deposit shall be applied toward the purchase of the Site.

8. ACQUISITION AND CONVEYANCE

In accordance with and subject to all the terms, covenants and conditions of this Agreement, the City agrees to convey to the Developer the Site in accordance with this Agreement.

9. ESCROW

The Developer agrees to open an escrow with a mutually agreed upon local title company, or some other title insurance company satisfactory to the City and the Developer

having equal or greater financial responsibility (the "Title Company"), as escrow agent (the "Escrow Agent"), in Clark County, Nevada, within thirty (30) days after the Effective Date. This Agreement constitutes the joint escrow instructions of the City and the Developer, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of escrow. The City and the Developer shall provide such additional escrow instructions as shall be necessary and consistent with this Agreement. Unless otherwise specified in any supplemental escrow instructions, the terms of this Agreement shall prevail in the case of any conflict between this Agreement and such instructions. The Escrow Agent hereby is empowered to act under this Agreement, and, upon indicating its acceptance of the provisions of this Section 9 in writing, delivered to the City and to the Developer within five (5) days after the opening of the escrow, shall carry out its duties as Escrow Agent hereunder.

The City shall timely and properly execute, acknowledge and deliver to the Escrow Agent a Deed, as more specifically described in Section 11 of this Agreement, conveying to the Developer title to the Site in accordance with this Agreement.

Upon delivery of the Deed to the Escrow Agent by the City and upon tender by the Developer of the Purchase Price (less the Earnest Money Deposit and subject to any credits, prorations or adjustments) pursuant to this Agreement, the Escrow Agent shall record such Deed when title can be vested in the Developer and title insurance as required by Section 15 hereof can be provided in accordance with the terms and provisions of this Agreement. The Escrow Agent shall buy, affix and cancel any transfer stamps required by law and pay any transfer tax required by law.

The Escrow Agent is authorized and instructed to:

- a. Expeditiously obtain a preliminary title report ("PTR") for the Site and deliver a copy to each party. Thereafter, the Developer shall have ten (10)

working days after receipt of both the PTR and the ALTA Survey in which to accept, reject or request modification of the PTR; Developer shall order and pay for the ALTA Survey at its own expense. The Developer's failure to object to the PTR within said period shall be deemed to represent the Developer's approval of the PTR. City shall have ten (10) working days after receipt of Developer's objections to agree to remove or cure said objections. Should City fail to agree to remove or cure Developer's objections, Developer shall have the right to terminate this Agreement and City shall promptly return Developer's Earnest Money Deposit.

- b. Charge the parties obligated hereunder, and to pay to the persons entitled thereto, any fees, charges and costs payable under this Section 9 and related solely to the acquisition and transfer to the Developer of the Site. Before such payments are made, the Escrow Agent shall notify the City and the Developer of the fees, charges and costs necessary to clear title and close the escrow.
- c. Disburse funds and deliver the Deed and other documents to the parties entitled thereto when the conditions of this escrow have been fulfilled by the City and the Developer.
- d. Obtain and charge each of the parties one-half of the cost of escrow.
- e. Charge Developer the cost of recordation of the Deed.
- f. Issue an ALTA owner's extended title insurance policy insuring title to the Site in conformance with the requirements of Section 15 of this Agreement, charging City the premium attributable to the CLTA portion

of the title policy and charging Developer the premium attributable to the ALTA portion of the title portion and any endorsements requested by Developer

- g. Charge City any real property transfer tax due.
- h. Record any instruments delivered through this escrow, if necessary or proper, to vest title in the Developer in accordance with the terms and provisions of this Agreement.

All funds received in this escrow shall be deposited by the Escrow Agent with other escrow funds of the Escrow Agent in a general interest bearing escrow account or accounts with any state or national bank doing business in the State of Nevada. Such funds may be transferred to any other such general interest bearing escrow account or accounts. All disbursements shall be made by check of the Escrow Agent. All adjustments shall be made on the basis of a thirty (30) day month. Any interest that is earned on funds deposited under this paragraph shall be for the benefit of the party responsible for depositing those funds with the Escrow Agent.

If this escrow is not in condition to close before the time for the conveyance of the Site as established in this Agreement, either Party who then shall have fully performed the acts to be performed before the conveyance of title may, in writing, terminate this Agreement and demand the return of its money, papers or documents. Thereupon all obligations and liabilities of the Parties shall cease and terminate, except that the Party who has not fully performed shall be solely responsible for any escrow cancellation charges. If neither the City nor the Developer shall have fully performed the acts to be performed by it on or before the time for the conveyance of the Site as established in this Agreement, no termination or demand for return shall be recognized until ten (10) days after the Escrow Agent shall have mailed copies of such

demand to the other party or parties at the address of its or their principal place or places of business. If any objections are raised within the ten (10) day period, the Escrow Agent is authorized to hold all money, papers and documents with respect to the Site until instructed in writing by both the City and the Developer or, upon failure thereof, by a court of competent jurisdiction. If no such demands are made, the escrow shall be closed as soon as possible. Nothing in this Section 9 shall be construed to impair or affect the rights or obligations of the City or the Developer to specific performance.

The Escrow Agent shall not be obligated to return any such money, papers or documents except upon the written instructions of both the City and the Developer or until the party entitled thereto has been determined by a final decision of a court of competent jurisdiction.

Any amendment of these escrow instructions shall be in writing and signed by both the City and the Developer. At the time of any amendment, the Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment.

All communications from the Escrow Agent to the City or the Developer shall be directed to the addresses and in the manner established in Section 29 of this Agreement for notices, demands and communications between the City and the Developer.

The liability of the Escrow Agent under this Agreement is limited to performance of the obligations imposed upon it under Sections 9 to 15, inclusive, of this Agreement.

10. CONVEYANCE OF TITLE AND DELIVERY OF POSSESSION

Provided that the Developer is not in material default under this Agreement and all conditions precedent to such conveyance have occurred, and subject to any mutually agreed upon extensions of time, conveyance to the Developer of title to the Site shall be completed on or prior to one hundred eighty (180) days from the Effective Date. The City and the Developer

agree to perform all acts necessary to conveyance of title in sufficient time for title to be conveyed in accordance with the foregoing provision.

Notwithstanding any other provision of this Agreement, the Developer shall have no obligation to proceed with the acquisition of the Site if, by the one hundred eightieth (180th) day following the Effective Date of this Agreement:

1. The Developer's development plans for the Site have not been approved pursuant to (Las Vegas Municipal Code) LVMC and the CC&R's; or
2. The Developer has not approved the preliminary title report in accordance with Section 9 of this Agreement.

In either such case, the Developer, upon request, shall be entitled to the return of its Earnest Money Deposit.

Possession shall be delivered to the Developer concurrently with the conveyance of title, except that limited access shall be permitted before conveyance of title as permitted in Section 20 of this Agreement. The Developer shall accept title and possession on or before the dates described in this Section 10.

11. FORM OF DEED

The City shall convey to the Developer or to its nominee fee simple title to the Site in the condition provided in Section 12 of this Agreement by a grant, bargain and sale deed in a form that is consistent with Exhibit "D" to this Agreement ("Deed").

12. CONDITION OF TITLE

The City shall convey title to the Site free and clear of all recorded liens, encumbrances, assessments, taxes, and other defects except those acceptable to the Developer.

13. CONDITIONS PRECEDENT TO CLOSING

In order for escrow to close with respect to the Site, the City must have deposited with the Escrow Agent the appropriate Deed and the Developer must have deposited with the Escrow Agent the Purchase Price.

14. CLOSE OF ESCROW

Upon the fulfillment of the conditions described in Section 13, the Escrow Agent shall file the Deed for recordation among the land records in the Office of the County Recorder of Clark County and shall deliver to the Developer a title insurance policy insuring title in conformity with Section 15 of the Agreement. The recordation of the Deed shall constitute the close of escrow.

15. TITLE INSURANCE

Concurrently with recordation of any Deed, the Title Company shall provide and deliver to the Developer an ALTA extended owner's title insurance policy issued by the Title Company insuring that the title to the property is vested in the Developer in the condition required by Section 12 of this Agreement. The Title Company shall provide the City with a copy of the title insurance policy and the title insurance policy shall be in the amount of the acquisition cost of the property.

16. TAXES, ASSESSMENTS, ENCUMBRANCES AND LIENS

The Developer shall be responsible for the payment of all real estate taxes and assessments assessed and levied on the Site for any period subsequent to conveyance of title thereto. Prior to conveyance of title, the Developer shall not place or allow to be placed on the Site (or portion thereof) any encumbrance or lien.

Prior to, and as a condition of, the close of escrow, Developer agrees to deposit into escrow the amount due to the Las Vegas Technology Center Owners Association for the assessment on the Site for the period from the close of escrow to the end of the year. As of close of escrow, Title Company shall issue a check in the name of the Las Vegas Technology Center Owners Association for the amount indicated by the Las Vegas Technology Center Owners Association for the aforementioned period. The check shall be mailed to: Las Vegas Technology Center Owners Association, c/o City of Las Vegas Office of Business Development, 400 Stewart Avenue, Las Vegas, Nevada, 89101.

17. CONVEYANCE FREE OF POSSESSION

The Site shall be conveyed free of any possession or right of possession by any person except that of the Developer.

18. ZONING OF THE SITE

The City represents that the City of Las Vegas General Plan and zoning ordinances permit the development and construction on the Site of facilities for medical and professional offices.

19. "AS IS" SALE

Prior to the close of escrow, the Developer and its representatives will have been afforded the opportunity to make such inspections of the Site and matters related thereto as the Developer and its representatives may desire. The Developer acknowledges and agrees that the Site is to be sold and conveyed to and accepted by the Developer in an "as is" condition with, if any, all faults and defects. Except as otherwise specifically stated in this Agreement, the City makes no representations or warranties of any kind whatsoever, either expressed 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 (except as represented by the City in Section 18), condition, title (except as provided by the Deed to be delivered by the City to the Developer as set forth in Section 11), 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 understanding of the parties with respect to the subject matter hereof and the purchase and sale of the Site, this Agreement supersedes any such prior or contemporaneous oral or written representations, statements, documents or understandings.

20. INSPECTION BY THE DEVELOPER

Commencing with the Effective Date and extending for a period of sixty (60) days thereafter, or ten (10) days prior to the close of escrow, whichever occurs sooner, (the "Inspection Period"), the Developer and its representatives shall have the right to enter upon and inspect the Site at all reasonable times for the purpose of conducting such boundary and topographical surveys, surface and subsurface soil and engineering tests and environmental assessments as the Developer may reasonably require, but such surveys, tests and assessments shall not damage the Site. The Developer shall indemnify, defend and hold the City harmless for any personal injury, death or property damage, including costs and attorney's fees, arising out of any activity by the Developer or its agents, employees or contractors pursuant to this Section. The Developer shall have access to all data and information on the Site available to the City, but

without warranty or representation by the City as to the completeness, correctness or validity of such data and information.

Any entry upon and inspection of the Site by the Developer prior to conveyance of title thereto shall be done only after written consent of the City Manager (which consent shall not be unreasonably withheld) and at the sole expense of the Developer. The Developer shall save and protect the City against any claims resulting from each and every entry upon and inspection of the Site and execute such documents as are customarily required for entry onto public property. The City Manager is authorized to execute such documents for the Developer's entry onto public property without further action by the City. Copies of data, surveys and tests obtained or made by the Developer on the Site shall be filed with the City. Any preliminary work by the Developer shall be undertaken only after securing any necessary permits from the appropriate governmental agencies.

Notwithstanding any other provision of this Agreement, the Developer shall have the right to terminate this Agreement prior to expiration of the Inspection Period if inspection of the Site reveals soil or similar conditions that, in the Developer's reasonable judgment, make development impossible or impractical or if its ALTA Survey or title review is unacceptable, in its reasonable judgment. Upon its exercise of said right to terminate, the Developer shall be entitled to the return of the Earnest Money Deposit.

21. GOVERNMENTAL PERMITS

Nothing in this Agreement shall affect the responsibility of the Developer to seek, obtain and comply with the conditions of any and all permits and governmental authorizations necessary to develop the Site or any portion thereof. The Developer shall be responsible for the payment of permit fees, which shall be limited to those fees that are authorized by ordinance.

22. ASSIGNMENT

The Developer hereby represents and warrants that the Site is being acquired for the purpose of development in accordance with the provisions of Section 5, and is not for speculative purposes. However, during the escrow period, Developer may form a new entity, which is under common management control with Developer and has prior approval from the City in writing, and which will acquire title at Closing. The Developer, or its Nominee approved by the City, shall not assign any interest in, or delegate any obligation under this Agreement, or sell or transfer any portion thereof for a period of five (5) years from the date that title passes to the Site, without the written consent of the City. The Developer has the absolute right to lease any portion of the development within the property and/or the property itself without written consent of the City.

23. TIME OF ESSENCE

Time is of the essence of this Agreement and every obligation hereunder.

24. DEFAULT AND REMEDIES

If the Developer fails to fulfill its obligations with respect to the purchase of the Site, where such failure is not based upon defective title, soil or environmental condition, or is not otherwise excused specifically under this Agreement, the City shall be entitled to terminate this Agreement and retain the Earnest Money Deposit.

Additionally, either party may avail itself of any legal or equitable remedy for breach. No such remedy shall be available unless and until:

- a. Written notice of default is provided to the party in default; and
- b. Within twenty (20) days after receipt of such notice, such default has not been cured to the reasonable satisfaction of the party giving notice.

25. RIGHT TO REPURCHASE, REENTER AND REPOSSESS

In addition to and independent of any other remedy available to it, the City shall have the additional right at its option to repurchase, reenter and take possession of the Site with all improvements thereon if, after conveyance of title thereto and prior to the issuance of all certificates of occupancy therefore, the Developer does any of the following:

- a. Fails to complete construction of the improvements as required by this Agreement under Section 5.c. as evidenced by issuance of a Certificate of Occupancy by the City. This is a condition subsequent and not merely a covenant.
- b. Transfers the Site or any part thereof in violation of this Agreement. This is a condition subsequent and not merely a covenant.
- c. Fails or refuses to comply with or to cure the default of any provision of Section 5 for a period of twenty (20) days after written notice thereof from the City. If the Developer has taken reasonable steps to cure, but cannot reasonably cure such default within the twenty (20) day period, it shall have a reasonable time thereafter to effectuate such cure.

The right to repurchase, reenter and repossess to the extent provided in this Agreement, shall be subordinate, subject to, be limited by and shall not defeat, render invalid or limit any mortgage, deed of trust, sale and leaseback or other security instrument or conveyance for financing permitted by this Agreement.

To exercise its right to repurchase, reenter and take possession of the Site, the City, or its nominee, shall pay to the Developer the Purchase Price set forth in Section 4 minus the amount needed to repay any liens, encumbrances or other security instruments held against the Site for the purpose of financing the construction improvements thereon so as to enable the

City to receive title to the Site free and clear of any such liens, encumbrances, outstanding claims, bills to subcontractors, labor/material suppliers, or other security instruments.

For the purpose of implementing the provision of this Section, at the time of conveyance of the Site, the Developer will deliver to the Escrow Agent an executed and acknowledged Quitclaim Deed in the form of Exhibit "E" hereto. The deposit of this Quitclaim Deed will be accompanied by irrevocable escrow instructions in the form of Exhibit "F" hereto directed to the Escrow Agent and signed by the Developer and the City. If any of the events authorizing the City to repurchase, reenter and take possession of the Site as provided in this Section occur, the City may, without limiting its remedies under this Agreement, direct the Escrow Agent, upon at least twenty (20) days' prior notice to the Developer, to record the Quitclaim Deed to the Site. If the Developer completes construction on or before the time set forth in Section 5.c, the City agrees to join with the Developer in instructing the Escrow Agent to return the Quitclaim Deed to the Developer.

26. SURVIVAL

The representations and warranties contained in this Agreement, and the covenants that extend beyond the conveyance of title, shall survive the recordation of any deed and shall not be deemed merged into such deed.

27. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and bind the successors and assigns of the respective parties hereto, subject to the provisions of this Agreement regarding assignment.

28. NONLIABILITY OF CITY OFFICIALS AND EMPLOYEES

No official or employee of the City shall be personally liable to the Developer for any default or breach by the City, for any amount which may become due to the Developer or for any obligation of the City under the terms of this Agreement.

29. NOTICES, DEMANDS AND COMMUNICATIONS

Formal notices, demands and communications between the City and the Developer shall be sufficiently given if made in writing and dispatched by registered or certified mail, postage prepaid, return receipt requested or by personal delivery, to the principal offices of the City and the Developer as set forth in this Section 29. 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 in writing.

If to the City:	City Manager's Office City of Las Vegas 400 Stewart Avenue Las Vegas, Nevada 89101
With a copy to:	City of Las Vegas Office of Business Development 400 Stewart Avenue Las Vegas, Nevada 89101
If to the Developer:	On the Web Marketing Group, Inc. Real Wood Furniture Imports 7340 Smoke Ranch Road, Suite A Las Vegas, Nevada 89128
With a copy to:	Marquis & Aurbach Attn: Mary J. Drury, Esq. 10001 Park Run Drive Las Vegas, NV 89145

30. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

This Agreement is executed in two duplicate originals, each of which is deemed to be an original. This Agreement comprises pages 1 through 21, inclusive, and Exhibits A, B, C, D, E, F and G attached hereto and incorporated herein by reference, all of which constitute the entire understanding and agreement of the parties.

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.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City and the Developer and no waiver of one provision shall be construed as a waiver of that provision in the future or as a waiver of any other provision.

All amendments hereto must be in writing and signed by the appropriate authorities of the City and the Developer.

31. SEVERABILITY

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision shall be invalidated, it shall be deemed to be severed from this Agreement and the remaining provisions shall remain in full force and effect.

32. GOVERNING LAW

The interpretation and enforcement of this Agreement shall be governed in all respects by the laws of the State of Nevada.

33. CAPTIONS

The captions contained in this Agreement are for the convenience of the parties and shall not be construed so as to alter the meaning of the provisions of the Agreement.

34. DISCLOSURE OF PRINCIPALS

Pursuant to Resolution R-105-99 adopted by the City Council effective October 1, 1999, Council warrants that it has disclosed, on the form attached hereto as Exhibit "G", all principals, including partners of On the Web Marketing Group, Inc., as well as all persons and entities holding more than one percent (1%) interest in On the Web Marketing Group, Inc. Throughout the term hereof, Developer shall notify City in writing of any material change in the above disclosure within fifteen (15) days of any such changes.

35. TIME FOR ACCEPTANCE OF AGREEMENT BY CITY

This Agreement, when executed by the Developer and delivered to the City, must be approved by the City Council, executed and delivered by the City within sixty (60) days or this Agreement shall be void, except to the extent that the Developer shall consent in writing to further extensions of time for the authorization, execution and delivery of this Agreement. By executing this Agreement and submitting it to the City, the Developer is making an irrevocable offer to enter into this Agreement, which offer shall continue for the period of time specified above. Any attempted revocation of such offer or material modification of the terms hereof without the consent of the City shall entitle the City to retain the Developer's Good Faith Deposit. The Effective Date of this Agreement shall be the date when this Agreement has been signed by the City ("Effective Date").

36. ATTORNEYS' FEES

In the event any dispute between City and Developer relating to this Agreement should result in litigation, the prevailing party shall be entitled to all court costs and reasonable attorney fees.

This Agreement may be recorded in the Office of the County Recorder, Clark County, Nevada.

CITY OF LAS VEGAS ("City")

By: _____
Oscar B. Goodman, Mayor

ATTEST:

BARBARA JO RONEMUS, Secretary

APPROVED AS TO FORM:

J Penhallow 9/30/03
Date

ON THE WEB MARKETING GROUP, INC.
("Developer")

By: _____
Alex Salmons, President

ACKNOWLEDGMENTS

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this _____ day of _____, 2003, personally appeared before me, the undersigned, a Notary Public in and for the County of Clark, State of Nevada, OSCAR B. GOODMAN, who acknowledged that he executed the above instrument.

NOTARY PUBLIC, in and for said
County and State

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this _____ day of _____, 2003, personally appeared before me, the undersigned, a Notary Public in and for the County of Clark, State of Nevada, ALEX SALMONS, who acknowledged that he executed the above instrument.

NOTARY PUBLIC, in and for said
County and State



SITE MAP

EXHIBIT "A"

PEAK DR

PEAK DR

Subject Property

CRIMSON CANYON DR

PRAIRIE FALCON RD

TENAYA WAY

EXHIBIT "B"
A.P.N. 138-15-310-013 (290-603-002)
1.50 ACRE PARCEL, LOT 1 BLOCK 3
RESUBDIVISION LAS VEGAS TECHNOLOGY CENTER

That portion of the Southwest Quarter (SW 1/4) of Section 15, Township 20 South, Range 60 East, M.D.M., in the City of Las Vegas, County of Clark, State of Nevada, being that portion of LOT 1 in Block 3 of the RESUBDIVISION OF A PORTION OF THE LAS VEGAS TECHNOLOGY CENTER, a Commercial Subdivision, as filed September 4, 1990 in Book 47 of Plats, Page 35 and as remapped as PARCEL 7A as shown on that RECORD OF SURVEY, as filed February 26, 1998 in File 94 of Surveys, Page 17, both of Clark County, Nevada Records, said PARCEL 7A being described as follows:

COMMENCING at the Northwest corner of LOT 1 in Block 3 of said RESUBDIVISION OF A PORTION OF THE LAS VEGAS TECHNOLOGY CENTER, said Northwest corner bears North 22°56'10" West a distance of 2560.80 feet from the Southeast corner of the Southwest Quarter (SW 1/4) of said Section 15; thence along the North line of LOT 1 in said Block 3, South 89°49'44" East a distance of 320.26 feet to the beginning of a tangent curve, concave Southwesterly and having a radius of 20.00 feet; thence Southeasterly along said tangent curve through a central angle of 97°49'46" and an arc distance of 34.15 feet to the Westerly Right-of-Way line of CRIMSON CANYON DRIVE (60.00 feet wide, formerly CALICO BASIN WAY) as shown on the plat of said RESUBDIVISION OF A PORTION OF THE LAS VEGAS TECHNOLOGY CENTER; thence tangent to said curve, along said Westerly Right-of-Way line of CRIMSON CANYON DRIVE, South 08°00'03" West a distance of 445.08 feet to the TRUE POINT OF BEGINNING at the Northeast corner of PARCEL 7A as shown on said File 94 of Surveys, Page 17; thence along the easterly line of said PARCEL 7A and continuing along the Westerly Right-of-Way line of said CRIMSON CANYON DRIVE, South 08°00'03" West a distance of 192.18 feet; thence parallel with the North line of said PARCEL 7A, North 83°23'06" West a distance of 340.10 feet to the Southwest corner of said PARCEL 7A in the West line of LOT 1 in said Block 3; thence along the West line of said PARCEL 7A and along the West line of LOT 1 in said Block 3, North 08°00'03" East a distance of 192.18 feet to the Northwest corner of said PARCEL 7A; thence along

MAYOR'S INITIALS _____

EXHIBIT "B"

(CONCLUDED)

A.P.N. 138-15-310-013 (290-603-002)

1.50 ACRE PARCEL, LOT 1 BLOCK 3

RESUBDIVISION LAS VEGAS TECHNOLOGY CENTER

the North line of said PARCEL 7A, South 83°23'06" East a distance of 340.10 feet to the TRUE POINT OF BEGINNING.

The above-described parcel of land contains an area of 65,340 square feet or 1.500 acres, more or less.

RESERVING an easement for public sewer purposes and public utility purposes over, across and under, that portion of the above-described parcel of land, described as follows:

BEGINNING at the Northeast corner of PARCEL 7A, as shown on said File 94 of Surveys, Page 17; thence along the Easterly line of said PARCEL 7A and along the Westerly Right-of-Way line of said CRIMSON CANYON DRIVE, South 08°00'03" West a distance of 30.01 feet; thence parallel with the north line of said PARCEL 7A, North 83°23'06" West a distance of 60.02 feet; thence parallel with the east line of said PARCEL 7A, North 08°00'03" East a distance of 30.01 feet to the North line of said PARCEL 7A; thence along the North line of said PARCEL 7A, South 83°23'06" East a distance of 60.02 feet to the TRUE POINT OF BEGINNING.

The above-described easement parcel of land contains an area of 1,801 square feet or 0.041 acres, more or less.

MAYOR'S INITIALS _____

Scripsit:

Michael Barrett, SEA, TTG
City of Las Vegas
731 South Fourth Street
Las Vegas, Nevada

EXHIBIT "C"
A.P.N. 138-15-310-013 (290-603-002)
1.442 ACRE PARCEL, LOT 1 BLOCK 3
RESUBDIVISION LAS VEGAS TECHNOLOGY CENTER

That portion of the Southwest Quarter (SW 1/4) of Section 15, Township 20 South, Range 60 East, M.D.M., in the City of Las Vegas, County of Clark, State of Nevada, being that portion of LOT 1 in Block 3 of the RESUBDIVISION OF A PORTION OF THE LAS VEGAS TECHNOLOGY CENTER, a Commercial Subdivision, as filed September 4, 1990 in Book 47 of Plats, Page 35 and as remapped as PARCEL 7B as shown on the RECORD OF SURVEY, as filed February 26, 1998 in File 94 of Surveys, Page 17, both of Clark County, Nevada Records, said PARCEL 7B being described as follows:

COMMENCING at the Northwest corner of LOT 1 in Block 3 of said RESUBDIVISION OF A PORTION OF THE LAS VEGAS TECHNOLOGY CENTER, said Northwest corner bears North 22°56'10" West a distance of 2560.80 feet from the Southeast corner of the Southwest Quarter (SW 1/4) of said Section 15; thence along the North line of LOT 1 in said Block 3, South 89°49'44" East a distance of 320.26 feet to the beginning of a tangent curve, concave Southwesterly and having a radius of 20.00 feet; thence Southeasterly along said tangent curve, through a central angle of 97°49'46" and an arc distance of 34.15 feet to the Westerly Right-of-Way line of CRIMSON CANYON DRIVE (60.00 feet wide, formerly CALICO BASIN WAY) as shown on the plat of said RESUBDIVISION OF A PORTION OF THE LAS VEGAS TECHNOLOGY CENTER; thence tangent to said curve, along said Westerly Right-of-Way line of CRIMSON CANYON DRIVE, South 08°00'03" West a distance of 637.26 feet to the TRUE POINT OF BEGINNING at the Northeast corner of PARCEL 7B as shown on said File 94 of Surveys, Page 17; thence along the east line of said PARCEL 7B, continuing along Westerly Right-of-Way line of said CRIMSON CANYON DRIVE, South 08°00'03" West a distance of 188.79 feet to the Southeast corner of said PARCEL 7B, also being the most Northerly, Northeast corner of that certain

MAYOR'S INITIALS _____

EXHIBIT "C"

(CONCLUDED)

A.P.N. 138-15-310-013 (290-603-002)

1.442 ACRE PARCEL, LOT 1 BLOCK 3

RESUBDIVISION LAS VEGAS TECHNOLOGY CENTER

parcel of land described by DEED to CONTINENTAL WIRE AMERICA, INC., recorded April 29, 1993 in Book 930429 as Instrument Number 00445 of Clark County, Nevada Records; thence along the South line of said PARCEL 7B and along the North line of said CONTINENTAL WIRE Parcel, North 81°59'57" West a distance of 340.00 feet to the Southwest corner of said PARCEL 7B in the West line of LOT 1 in said Block 3; thence along the West line of said PARCEL 7B and the West line of LOT 1 in said Block 3, North 08°00'03" East a distance of 180.57 feet to the Northwest corner of said PARCEL 7B; thence along the North line of said PARCEL 7B, South 83°23'06" East a distance of 340.10 feet to the TRUE POINT OF BEGINNING.

The above-described parcel of land contains an area of 62,793 square feet or 1.442 acres, more or less.

MAYOR'S INITIALS _____

Scripsit:

Michael Barrett, SEA, TTG
City of Las Vegas
731 South Fourth Street
Las Vegas, Nevada
89101

APN: _____
RPTT: _____

Recording Requested by:

City of Las Vegas, Nevada

After Recordation, Mail to:

Mr. Alex Salmons
On the Web Marketing Group, Inc.
Real World Furniture Imports
7340 Smoke Ranch Road
Las Vegas, Nevada 89128

EXHIBIT "D"
GRANT, BARGAIN AND SALE DEED

For valuable consideration, the receipt of which is hereby acknowledged, the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada (herein the "Grantor"), hereby grants, bargains and sells to On the Web Marketing Group, Inc., a Nevada Corporation (herein the "Grantee"), all right, title and interest in the real property (the "Property") legally described in the documents attached hereto as Attachment "A" and Attachment "B" and incorporated herein by this reference, which Property is also known as A.P.N. 138-15-310-013 (290-603-002).

1. The Property is conveyed pursuant to an agreement for purchase and sale (the Agreement") of the Property entered into by and between Grantor and Grantee and dated _____. The conveyance herein is subject to the terms, covenants and conditions set forth in the Agreement.

2. The Agreement provides, among other things, that Grantee's use, occupation and development of the Property is subject to compliance with certain covenants, restrictions and obligations and that Grantee's failure to perform thereunder may result in Grantor's exercising its rights to repurchase, re-enter and repossess as set forth in said Agreement, provided, however, that Grantor's exercise of such rights shall not defeat, render invalid or limit any mortgage, deed of trust or other security instrument permitted by the Agreement.

3. The absence from this Deed of the covenants, restrictions and obligations contained in the Agreement shall not work as a merger thereof into this Deed to the exclusion of said covenants, restrictions and obligations.

4. The conditions set forth in the foregoing paragraphs shall remain in effect until a Certificate of Occupancy for the improvements constructed on the Property is issued by Grantor.

5. The Property is conveyed subject to restrictions, reservation, conditions, rights-of-way, easements and other encumbrances of record.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed this _____ day of _____, 2003.

CITY OF LAS VEGAS

OSCAR B. GOODMAN, Mayor

“Grantor”

Approved as to form:

ATTEST:

Date

BARBARA JO RONEMUS, City Clerk

ACCEPTANCE

The provisions of this Grant, Bargain and Sale Deed are hereby approved and accepted.

On the Web Marketing Group, Inc.
A Nevada Corporation

Alex Salmons

“Grantee”

ACKNOWLEDGEMENTS

State of Nevada)
)
County of Clark)

 This instrument was acknowledged before me, a notary public, on this ____
____ day of _____, 2003 by Grantor

Notary Public

State of Nevada)
)
County of Clark)

This instrument was acknowledged before me, a notary public, on this _____ day of _
_____, 2003 by _____, Grantee.

Notary Public

ATTACHMENT "A"
A.P.N. 138-15-310-013 (290-603-002)
1.50 ACRE PARCEL, LOT 1 BLOCK 3
RESUBDIVISION LAS VEGAS TECHNOLOGY CENTER

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MAYOR'S INITIALS _____

ATTACHMENT "A"
(CONCLUDED)
A.P.N. 138-15-310-013 (290-603-002)
1.50 ACRE PARCEL, LOT 1 BLOCK 3
RESUBDIVISION LAS VEGAS TECHNOLOGY CENTER

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MAYOR'S INITIALS _____

Scripsit:
Michael Barrett, SEA, TTG
City of Las Vegas
731 South Fourth Street
Las Vegas, Nevada

ATTACHMENT "B"
A.P.N. 138-15-310-013 (290-603-002)
1.442 ACRE PARCEL, LOT 1 BLOCK 3
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MAYOR'S INITIALS_____

ATTACHMENT "B"
(CONCLUDED)
A.P.N. 138-15-310-013 (290-603-002)
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MAYOR'S INITIALS _____

Scripsit:
Michael Barrett, SEA, TTG
City of Las Vegas
731 South Fourth Street
Las Vegas, Nevada
89101

EXHIBIT "E"
FORM OF QUITCLAIM DEED

Recorded at the Request of:

City of Las Vegas
400 Stewart Avenue
Las Vegas, Nevada 89101

When Recorded, Return to:

City Attorney's Office
City of Las Vegas
400 Stewart Avenue, 9th Floor
Las Vegas, Nevada 89101

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, On the Web Marketing Group, Inc. a Nevada Corporation, does hereby REMISE, RELEASE AND QUITCLAIM to the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada, the real property in the city of Las Vegas, County of Clark, State of Nevada, described on Attachment "A" and Attachment "B" attached hereto.

DATED this _____ day of _____,
2003.

On the Web Marketing Group, Inc.

By: _____
Alex Salmons

Its: _____

ACKNOWLEDGEMENT

State of Nevada)
): ss
County of Clark)

This instrument was acknowledged before me, a notary public, on this _____ day of _____, 2003 by
_____.

Notary Public

ATTACHMENT "A"
A.P.N. 138-15-310-013 (290-603-002)
1.50 ACRE PARCEL, LOT 1 BLOCK 3
RESUBDIVISION LAS VEGAS TECHNOLOGY CENTER

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MAYOR'S INITIALS _____

ATTACHMENT "A"

(CONCLUDED)

A.P.N. 138-15-310-013 (290-603-002)

1.50 ACRE PARCEL, LOT 1 BLOCK 3

RESUBDIVISION LAS VEGAS TECHNOLOGY CENTER

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MAYOR'S INITIALS _____

Scripsit:
Michael Barrett, SEA, TTG
City of Las Vegas
731 South Fourth Street
Las Vegas, Nevada

ATTACHMENT "B"
A.P.N. 138-15-310-013 (290-603-002)
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MAYOR'S INITIALS _____

ATTACHMENT "B"

(CONCLUDED)

A.P.N. 138-15-310-013 (290-603-002)

1.442 ACRE PARCEL, LOT 1 BLOCK 3

RESUBDIVISION LAS VEGAS TECHNOLOGY CENTER

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MAYOR'S INITIALS _____

Scripsit:
Michael Barrett, SEA, TTG
City of Las Vegas
731 South Fourth Street
Las Vegas, Nevada
89101

EXHIBIT "F"
ESCROW INSTRUCTION FOR QUITCLAIM DEED

_____, 2003

Re: Escrow No. _____

Dear Sir or Madam:

On the Web Marketing Group, Inc., (the "Developer"), one of the undersigned has entered into that certain real property Purchase and Sale Agreement dated _____, 2003, with the City of Las Vegas (the "City"), the other party to these instructions, providing for conveyance of a certain parcel of real property (the "Site").

The Site is the subject of this escrow and is described in the accompanying Quitclaim deed (the "Quitclaim Deed").

Section 26 of the Agreement provides that at the time of conveyance of the Site, the Quitclaim Deed will be delivered to you together with irrevocable escrow instructions and is for the purpose of instructing you as to the disposition of the accompanying Quitclaim Deed.

In the event that you receive from the City notice certifying that a copy of it has been delivered concurrently to the Developer and stating that the City has given notice of the exercise of the City's remedy in Section 26 of the Agreement with respect to the Site and accompanied by satisfactory evidence that any mortgage existing thereon has been discharged or by funds sufficient to discharge such mortgage, you shall at the end of 20 (twenty) days after receipt of said notice record the Quitclaim Deed.

The undersigned, jointly and severally, and each of us to the extent that we may lawfully do so and to the extent of unencumbered budgeted appropriations, hereby agrees to defend, indemnify and hold you harmless from any liability whatsoever, including attorneys' fees arising out of your carrying out these instructions.

EXHIBIT "F"
(CONTINUED)

In the event that you receive notice from the Developer certifying that a copy of the notice has been delivered concurrently to the City and stating that the Developer has completed the construction as provided in the Agreement, you shall at the end of 30 (thirty) days after receipt of said notice return the Quitclaim Deed to the Developer, unless during the 30 (thirty) day period, the City objects on the basis that construction has not been completed pursuant to the Agreement.

In the event that you are advised by both parties hereto that the City's power of termination with respect to the Site has ended, you will forthwith return the Quitclaim Deed to the Developer.

These instructions may not be withdrawn or in any way amended, modified or waived without the prior written consent of both of the parties hereto.

Please indicate your acceptance of and agreement to carry out these instructions as indicated below.

CITY OF LAS VEGAS

By: _____
OSCAR B. GOODMAN, Mayor

Attest:

BARBARA JO RONEUS, City Clerk

_____ hereby accepts and agrees to
carry out these escrow instructions.

By: _____

EXHIBIT "G"
CERTIFICATE
DISCLOSURE OF OWNERSHIP/PRINCIPALS

1. Definitions

"City" means the City of Las Vegas.

"City Council" means the governing body of the City of Las Vegas.

"Contracting Entity" means the individual, partnership, or corporation seeking to enter into a contract or agreement with the City of Las Vegas.

"Principal" means, for each type of business organization, the following: (a) sole proprietorship – the owner of the business; (b) corporation – the directors and officers of the corporation; but not any branch managers of offices which are a part of the corporation; (c) partnership – the general partner and limited partners; (d) limited liability company – the managing member as well as all the other members.

2. Policy

In accordance with Resolution 79-99 and 105-99 adopted by the City Council, Contracting Entities seeking to enter into certain contracts or agreements with the City of Las Vegas must disclose information regarding ownership interests and principals. Such disclosure generally is required in conjunction with a Request for Proposals (RFP). In other cases, such disclosure must be made prior to the execution of a contract or agreement.

3. Instructions

The disclosure required by the Resolutions referenced above shall be made through the completion and execution of this Certificate. The Contracting Entity shall complete Block 1, Block 2, and Block 3. The Contracting Entity shall complete either Block 4 or its alternate in Block 5. Specific information, which must be provided, is highlighted. An Officer or other official authorized to contractually bind the Contracting Entity shall sign and date the Certificate, and such signing shall be notarized.

4. Incorporation

This Certificate shall be incorporated into the resulting contract or agreement, if any, between the City and the Contracting Entity. Upon execution of such contract or agreement, the Contracting Entity is under a continuing obligation to notify the City in writing of any material changes to the information in this Certificate. This notification shall be made within fifteen (15) days of the change. Failure to notify the City of any material change may result, at the option of the City, in a default termination (in whole or in part) of the contract or agreement, and/or a withholding of payments due the Contracting Entity.

**CERTIFICATE – DISCLOSURE OF OWNERSHIP/PRINCIPALS
(CONTINUED)**

Block 1	Contracting Entity
Name	
Address	
Telephone	
EIN or DUNS	

Block 2	Description
Subject Matter of Contract/Agreement	
RFP #	

Block 3	Type of Business
☐ Individual ☐ Partnership ☐ Limited Liability Company ☐ Corporation	

Block 4	Disclosure of Ownership and Principals		
In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.			
	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals – Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: _____

Block 5 **Disclosure of Ownership and Principals - Alternate**

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document _____

Date of Attached Document _____

Number of Pages _____

I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

Name

Date

Subscribed and sworn to before me this _____
day of

_____, 2003.

Notary Public

**CERTIFICATE
DISCLOSURE OF OWNERSHIP/PRINCIPALS**

1. Definitions

"City" means the City of Las Vegas.

"City Council" means the governing body of the City of Las Vegas.

"Contracting Entity" means the individual, partnership, or corporation seeking to enter into a contract or agreement with the City of Las Vegas.

"Principal" means, for each type of business organization, the following: (a) sole proprietorship – the owner of the business; (b) corporation – the directors and officers of the corporation; but not any branch managers of offices which are a part of the corporation; (c) partnership – the general partner and limited partners; (d) limited liability company – the managing member as well as all the other members.

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3. Instructions

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**CERTIFICATE – DISCLOSURE OF OWNERSHIP/PRINCIPALS
(CONTINUED)**

Block 1	<u>Contracting Entity</u>
Name	On The Web Marketing Group, Inc.
Address	7340 Smoke Ranch Rd. Suite A
Telephone	702-304-0909
EIN or DUNS	00-157-7712

Block 2	Description
Subject Matter of Contract/Agreement:	
RFP #:	

Block 3	Type of Business
☐ Individual	☐ Partnership
☐ Limited Liability Company	☒ Corporation

Block 4		Disclosure of Ownership and Principals	
In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.			
	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	Alex Salmons (ownership is currently being transferred to "LVNV Family Trust" owned by Alex and Ivana Salmons	7340 Smoke Ranch Rd. #A Las Vegas, NV 89128	702-304-0909
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals – Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: _____

Block 5 Disclosure of Ownership and Principals - Alternate

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: _____

Number of Pages: _____

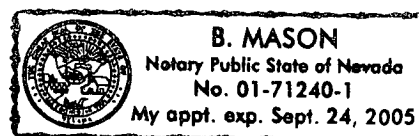
I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

[Signature]
Name
9/30/03
Date

Subscribed and sworn to before me this 30
day of

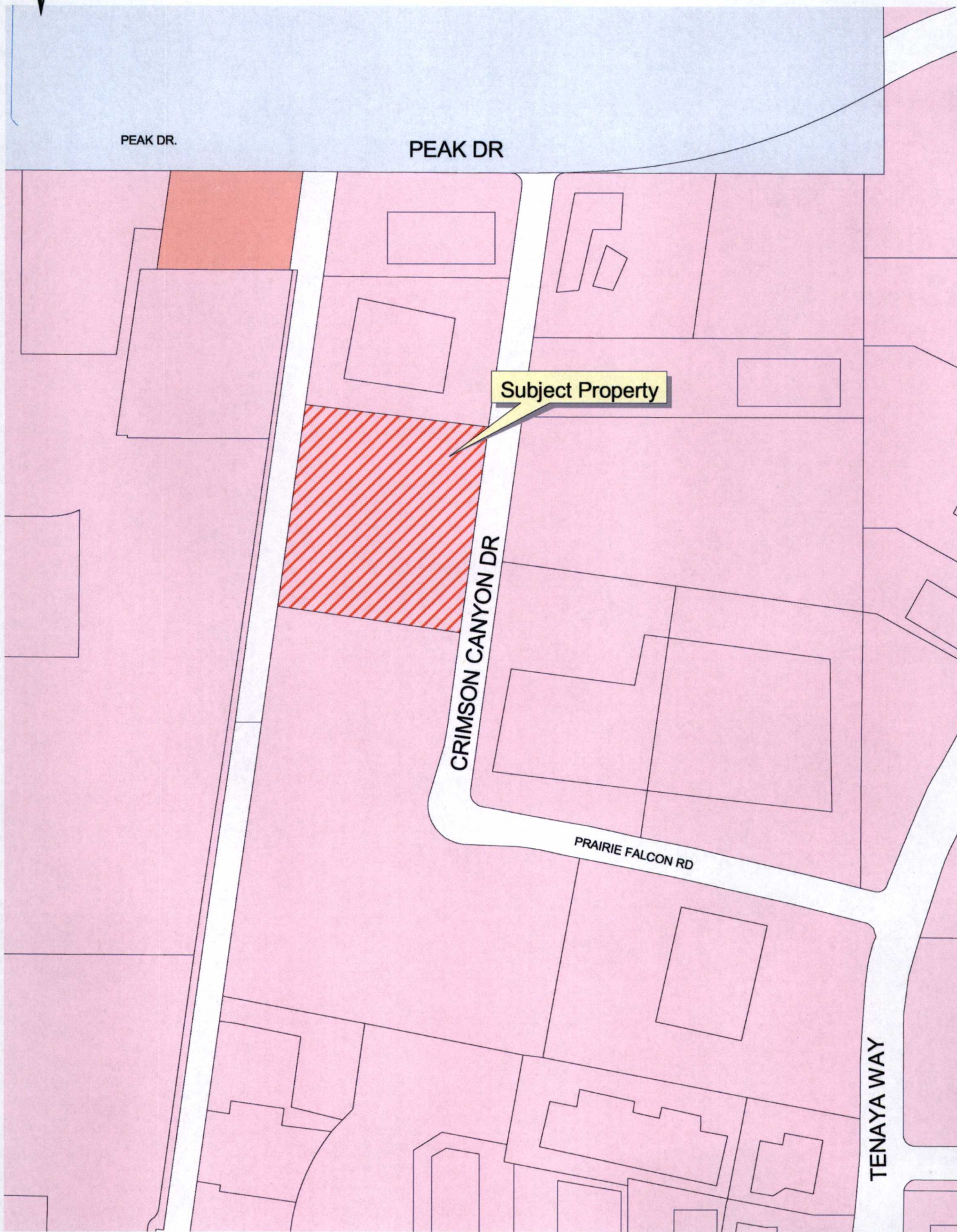
September, ~~2001~~ 2003

[Signature]
Notary Public





SITE MAP



REAL ESTATE COMMITTEE AGENDA
REAL ESTATE COMMITTEE MEETING OF: OCTOBER 13, 2003

CITIZENS PARTICIPATION: ITEMS RAISED UNDER THIS PORTION OF THE AGENDA CANNOT BE DELIBERATED OR ACTED UPON UNTIL THE NOTICE PROVISIONS OF THE OPEN MEETING LAW HAVE BEEN MET. IF YOU WISH TO SPEAK ON A MATTER NOT LISTED ON THE AGENDA, PLEASE CLEARLY STATE YOUR NAME AND ADDRESS. IN CONSIDERATION OF OTHERS, AVOID REPETITION, AND LIMIT YOUR COMMENTS TO NO MORE THAN THREE (3) MINUTES. TO ENSURE ALL PERSONS EQUAL OPPORTUNITY TO SPEAK, EACH SUBJECT MATTER WILL BE LIMITED TO TEN (10) MINUTES.

MINUTES:

None.

(3:33)

1-310

THE MEETING ADJOURNED AT 3:33 P.M.

Respectfully submitted:



GABRIELA S. PORTILLO-BRENNER, DEPUTY CITY CLERK

October 20, 2003