

4/27/90

132388

The Walker Villa Subdivision is described as:
SW 1/4 NW 1/4 Sec 9 - T29N - R48E.

The CC & R's already filed in your office preclude use of the
property for other than homes.

The entire property has been sold to Thomas M. O'Brien and
Gordon Ruff, dba Crescent Valley Development Corp. with exclusive
rights of purchase of the entire subdivision.

Gordon Ruff

Veronica L. Kent
VERONICA L. KENT
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES MAR 21, 1991

MAY 21 1990

BOOK 210 PAGE 463

OFFER TO PURCHASE REAL PROPERTY

This letter constitutes our offer to acquire property described on the attached schedule upon the terms and conditions stated herein, and our offer to enter into an option (the "Property"). The terms of purchase would be as follows:

Purchase Option. We agree to purchase Parcel 1 upon the terms and conditions stated herein. By purchasing Parcel 1, we shall automatically be entitled to an option to acquire Parcels 2, 3, 4 and 5 for no additional consideration other than the purchase price hereinafter described. Each of the options is independent from the other; but must be exercised in order (i.e., Parcels 2, 3, 4 then 5). The options shall be exercised by a written notice to you, given any time prior to five (5) years from the date of the Parcel 1 closing (the "Option Period"). Each Parcel shall include a proportionate interest in the Water Rights.

Purchase Price: \$300,000 for Parcel 1 (\$3,000 per lot); \$400,000 for Parcel 2 (\$4,000 per lot); \$700,000 for Parcel 3 (\$7,000 per lot); \$700,000 for Parcel 4 (\$7,000 per lot); \$976,000 for Parcel 5 (\$8,000 per lot).

Deposit: Upon your acceptance of this Offer, we shall deposit the sum of \$5,000 (the "Deposit") with an escrow agent ("Escrow Agent") of your choice, which shall be a reputable title insurance company doing business in Eureka County, Nevada. If you do not accept this Offer within the time herein specified, the Deposit shall be returned to us. If we elect to proceed with the purchase, the Deposit will be credited toward the purchase price.

Closing and Adjustments: At the expiration of the Contingency Period we shall purchase (the "Closing") Parcel 1, and if we have purchased Parcel 1, we shall have the option to purchase the remainder of the Property in order (i.e., Parcel 2, 3, 4, 5) within the Option Period. With respect to each purchase you shall pay for the cost of an owner's policy of title insurance and all real property transfer taxes and other customary seller prorations and closing costs.

Payment of Purchase Price. The purchase price for the Property shall be payable as follows:

A. The Deposit to be paid upon your acceptance of this offer and satisfaction of the contingencies for closing on Parcel 1.

B. \$45,000 shall be payable in cash at the closing of Parcel 1.

300,000 ¹⁵⁰
C. The \$250,000 balance of the purchase price for Parcel 1 shall be payable by our execution and delivery of a \$250,000.00 promissory note in Escrow Agent's standard form ("Parcel 1 Note") payable without interest on or before the earlier of (1) 1,1989 from the date of closing or (2) in increments of \$3,000 for each lot sold in Parcel 1 at the time of such sale. The Parcel 1 Note shall be secured by a deed of trust on Parcel (the "Parcel 1 Deed of Trust"), which shall be in Escrow Agent's standard form except that (1) the Parcel 1 Deed of Trust shall contain a partial reconveyance provision whereby for each payment of \$3,000 the lien thereof is released from one lot (to be selected by us) within the Parcel 1; and (2) the lien of the Parcel 1 Deed of Trust shall contain a provision whereby the beneficiary agrees to subordinate the lien thereof to a deed of trust lien in favor of a bank or savings and loan in the amount of \$300,000 with interest and repayment terms as agreed upon by us and such lender, provided only the proceeds are used in the development of the Property (including our reasonable overhead).

D. The purchase price for Parcels 2, 3, 4 and 5 shall be payable by delivery of a promissory note in the amount of the Purchase Price for each such parcel (except as described below for Parcel 3), which note shall be in form similar to the Parcel 1 Note, will not bear interest and shall be payable in each case on or before the earlier of five years from the Closing of Parcel 1 or in increments upon the sale of a lot in each Parcel as follows: Parcel 2: \$4,000 per lot, Parcels 3 and 4 - \$7,000 per lot, and Parcel 5 - \$8,000 per lot. Each such promissory note shall be secured by a deed of trust upon the property purchased, which deed of trust shall be in a form similar to the Parcel 1 Deed of Trust (including release and subordination provisions), except the release prices shall be in accordance with the payments due upon the sale of each lot.

E. The sum of \$50,000 shall be payable on or before the earlier of the Closing of Parcel 3 or the payment in full of the purchase money note for Parcel 2. Such payment shall be credited toward the purchase price for Parcel 3.

Warranties and Representations: The following representations and warranties are now, and shall be on the Closing date for each Parcel, true and correct in all material aspects:

- A. You are the true owner of the Property (except for the Parcels we have previously purchased hereunder) and have full authority to enter into and perform this agreement.
- B. You are not aware of any actions, laws, or governmental regulations, pending or threatened, that would affect your title to the Property or in any way prohibit you from selling the Property or our, in accordance with the terms of this agreement or our development of the Property as residential lots with mobile homes thereon.

- C. The Property is free and clear of all encumbrances and/or will be free and clear of all encumbrances, at the time of closing, and there are no contracts, leases or agreements now in force between you and any other parties with respect to or affecting the Property, except this Agreement.
- D. There is and will not be prior to Closing, any action taken with respect to the Property that would give rise to a mechanic's or materialman's lien or liens.
- E. The Water Rights are sufficient for the development and use of 522 lots as residential lots.
- F. Each of the lots within the Property is a separate lot having been subdivided in accordance with NRS Chapter 278.
- G. There are no proceedings pending or to your knowledge, threatened or contemplated against the Property or any part thereof to exercise the power of eminent domain against such Property.

Contingency Period: As noted, we require a feasibility period to extend from the date of your acceptance of this Offer for a period of up to 30 days thereafter (the "Contingency Period"). During the Contingency Period, we shall have the right to obtain and approve: (1) a Preliminary Title Report of the Property; (2) a current survey of the Property, at our cost; (3) the zoning and other land use and governmental approvals (collectively, "Approvals") which we will require in our sole discretion to develop the Property, and (4) our receipt of an MAI or other satisfactory appraisal indicating that the Property has a value not less than the Purchase Price. We agree to use diligent efforts to obtain the required Approvals within the Contingency Period at our reasonable expense. If within the Contingency Period we are unable to obtain the Approvals after using our diligent efforts, we may terminate this contract by written notice, and the Deposit will be returned to us, less the reasonable fees of Escrow Agent.

Remedies: If we elect to proceed with the purchase, the Deposit shall be a nonrefundable deposit in your favor. Should we fail to close the transaction at the time of closing (or as at such other date that we may subsequently agree upon), your sole remedy will be to retain as fully liquidated damages, the Deposit, together with any interest thereon, less the reasonable fees of Escrow Agent. Should you fail to close the transaction, our remedies shall be such remedies as permitted by law in the State of Nevada.

Real Estate Commission: It is our understanding that no real estate broker has represented either party in connection with this transaction. We each agree to save harmless each other from any such fees which may be claimed by any third party.

Assignment: You agree that you will not sell or mortgage your interest in the Property prior to Closing and, if the Closing occurs, prior to the expiration of the Option Period, and you further agree that your rights hereunder may not be assigned without our consent. We shall have the right to assign our interest in this contract to an entity with which we are affiliated.

Covenants, Conditions and Restrictions. We shall have the right to have residential, covenants, conditions and restrictions ("CC&Rs") recorded against all of the Property at the time of the Closing on Parcel 1, or at any time thereafter, to assure that the Property is developed in accordance with uniform standards for residential purposes only, and creating such covenants, restrictions and easements as any be beneficial for the overall development of the Property in accordance with our master plan. You agree to execute such CC&Rs and that such CC&Rs shall be prior to the liens of any purchase money deeds of trust. The CC&Rs or a separate agreement which we both shall execute, deliver and record, may further provide for the operation, maintenance and use of the Water Rights, but in lieu thereof, the Water Rights shall be operated and maintained by us and you and we shall each pay our proportionate share of the related costs and expenses.

Binding Agreement: By your acceptance, it is agreed that this letter shall constitute a binding agreement of purchase and sale and option. The laws of the State of Nevada shall govern the validity, construction, performance and effect of this agreement. Each party agrees to sign such further or other documentation as may be deemed necessary or advisable in order to give effect to the intent of this agreement. Further to the understanding, with respect to execution of further and other documents, it is agreed that either party may request execution of a substitute agreement of purchase and sale in form mutually satisfactory to Purchaser and Seller and their respective attorneys.

Memorandum. At the time of the Closing of Parcel 1, we and you shall execute a memorandum, in recordable form, to be recorded against the remaining Property pursuant to which all persons are put on notice, pursuant to the recording statutes of the State of Nevada that we have the options described herein to purchase the Property during the Option Period.

Right of Entry. From and after the date of this Agreement after you accept it, we shall have the right to enter upon the Property for purposes of investigating the soils and performing other appropriate tests in connection with the development of the Property. You further agree to cooperate with us in obtaining any necessary land use permits in connection with our proposed

development. We agree to indemnify you and hold you harmless from any liability in connection with our entry upon the Property.

Yours truly,

Thomas M. O'Brien Oct 19, 1988
THOMAS M. O'BRIEN

Gordon V. Ruff Oct 19, 1988
GORDON V. RUFF

ACCEPTANCE:

If you are in agreement with the terms and conditions as set forth in this offer to purchase, kindly signify your acceptance by signing and dating in the presence of a witness, the attached copy and returning the same to me within the specified time for acceptance. This offer is open for your acceptance until Oct 19, 1988, 1988.

Sonia S. Walker
SONIA S. WALKER

Oct 19, 1988

STATE OF NEVADA

COUNTY OF CLARK

On October 19, 1988, personally appeared before me a Notary,
SONIA S. WALKER, GORDON V. RUFF AND THOMAS M. O'BRIEN,
who acknowledged that they executed the above instrument.

Jeanette L. Verga
JEANETTE L. VERGA
10/10/92



NOTARY PUBLIC
STATE OF NEVADA
County of Clark
JEANETTE L. VERGA
My Comm. Expires Feb. 14, 1994

BOOK 210 PAGE 469

PURCHASE AGREEMENT

A. Buyer agrees to pay Seller as follows:

1. \$5,000.00 earnest money to be released upon evidence of Title Report on the described property as free and clear of any indebtedness.
2. \$45,000.00 to be paid at closing of escrow.
3. Earnest money to be paid seller if buyers default within 15 days.
4. Earnest money is contingent upon Title Report of clear title within 15 days.

B. Buyer agrees to pay Seller \$3,000.00 at completion of sale of each lot for the first 100 lots in the subdivision.

C. Buyer agrees to pay Seller \$4,000.00 at the completion of sale of each lot for the second 100 lots in the subdivision.

D. Buyer agrees to pay Seller \$50,000.00 within 60 days of the two hundredth lot as an option to purchase 100 additional lots at \$7,000.00 each.

1. Buyer agrees to pay Seller \$7,000.00 at completion of sale of each lot for the third 100 lots in the subdivision.

E. Buyer agrees to pay Seller \$7,000.00 at the completion of sale of each lot for the third 100 lots in the subdivision.

F. Buyer agrees to pay Seller \$7,000.00 at the completion of sale of each lot for the fourth 100 lots in the subdivision.

G. Buyer agrees to pay Seller \$8,000.00 at the completion of sale of each lot for the final 122 lots in the subdivision.

H. Seller agrees to provide Buyer a First Deed of Trust for the first 100 lots of the subdivision.

1. Subordination: Seller agrees to execute an appropriate instrument subordinating the encumbrance of a loan for the construction of off-site and on-site improvements to the property.

2. At the time of such subordination there shall be no mechanics liens (actual or potential) against the property encumbered hereby, that is, at the time of such subordinations either (1) the statutory period for recordation of mechanics liens against the property encumbered hereby shall have expired, or (2) all actual and potential mechanics lien claimants have executed a written release of such liens in a form satisfactory to Beneficiary; and:

a. The principal amount of such construction loan shall not exceed \$200,000.00.

b. Seller shall have the right to inspect, prior to loan completion the developers cost breakdown submitted to the construction lender.

I. ESCROW - Promptly after execution of this option to purchase the parties hereto shall open an escrow account.

EXERCISE OF OPTIONS - Subject to conditions set fourth in C, D, E, F and G, above Seller hereby grants Buyer the exclusive right to acquire the entire Walker-Villa Subdivision, located in Crescent Valley, County of Eureka, Nevada.

- K. Buyer shall be responsible for all taxes and assessments to each lot sold at time of completion of each said sale.
- L. Buyer shall not have the right to assign any of its rights under this agreement without the written consent of the Seller.
- II. The following numbered exhibits are part of this agreement:
 1. Description of Walker-Villa Subdivision.
 2. Description of first 100 lots.
 3. Description of second 100 lots.
 4. Description of third 100 lots.
 5. Description of fourth 100 lots.
 6. Description of fifth 100 lots.
- M. Buyer desires to construct homes upon the property and acknowledges the property is presently zoned R-1 with a trailer overlay; that there are water rights appurtenant to such property sufficient to service 522 lots.
- N. Entire project to be completed within 5 years.
- P. The address of the Seller is:

Sonia S. Walker
4105 Casa Blanca Dr.
Reno, Nevada 89502

The address of Crescent Valley Development Corporation:

425 Gentry Way SE
Reno, Nevada 89502

The addresses of the principals of Crescent Valley Development Corporation:

Gordon V. Ruff
3675 Pomo Dr.
Reno, Nevada 89503

Thomas M. O'Brien
7225 Fury Lane
Las Vegas, Nevada 89128

Dated: 8/22/88

Dated: _____

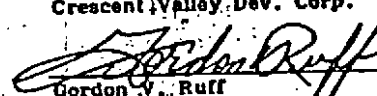
Dated: 8/22/88


Sonia S. Walker



Sworn this 22nd day of August 1988
STEPHANIE FRICKE
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES MAY 12, 1991

Thomas M. O'Brien
Crescent Valley Dev. Corp.


Gordon V. Ruff
Crescent Valley Dev. Corp.



Sworn this 22nd day of August 1988
Gordon V. Ruff

STEPHANIE FRICKE
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES MAY 12, 1991

First American Title Company of Nevada

5300 W. Sahara Avenue Suite 100

Las Vegas, Nevada Telephone (702) 731-4131.

ESCROW INSTRUCTIONS

Escrow Officer Jeanette L. Verga
Order Number LV-688926-JV
Date October 12, 1988

Escrow Summary	
Paid Outside Escrow	\$
Deposit to come	5,000.00
Backlog Funds to Come	45,000.00
Encumbrance of Record	
Encumbrance of Record	
Purchase Money Encumb.	300,000.00
Total Consideration	\$350,000.00

To FIRSTAMERICAN TITLE COMPANY OF NEVADA

I hereby agree to purchase the hereinafter described property for a total consideration of \$ 350,000.00 and will on or before approval of E.I. hand you said consideration which is payable as follows

- *\$5,000.00 to be release to seller on evidence of Preliminary Report as free and clear of any indebtedness. Execution of these instructions shall signify buyer and seller approval for said release. Escrow agent is hereby relieved of any and all liability in connection with the release of said funds prior to close of escrow should escrow not closed. Any return of funds must be handled outside of escrow.
- **\$45,000.00 to be paid at close of escrow.

I will deliver to you any additional funds and execute any instruments which are necessary to comply with the terms hereof, all of which you may use when you hold for me a deed executed by

SONIA S. WALKER

and when you can issue your CLTA coverage form policy of title insurance with liability of \$ 350,000.00 on the following described property situated in the County of EUREKA State of Nevada

SEE EXHIBIT "A" TO BE PROVIDED TO ESCROW PRIOR TO CLOSING.

showing title vested in CRESENT VALLEY DEVELOPMENT CORPORATION

free of encumbrances except

1. A portion of General and special taxes for fiscal year 1988 - 1989
2. The lien of supplemental taxes which may be assessed as a result of revised assessed values
3. Assessments and/or Bonds
4. Covenants, conditions, restrictions, rights of way, easements, and reservations, as described in that certain preliminary title evidence, issued, or to be issued, herein.
5. This is a purchase money Deed of Trust and is a First Deed of trust to be executed by buyer's herein in the form customarily used by First American Title Co. to secure a note for \$300,000.00 dated October 12, 1988 due after close of escrow, interest is -0-, payable in favor of the seller herein as above at Las Vegas, Nevada or as directed. Principal payable as follows: \$3,000.00 upon completion of sale of each lot for the first 100 lots.

Seller herein shall provide buyer with a partial reconveyance on each lot when installments have been made on note, provided that his note not be in default.

Seller and buyers herein are aware of any regulations the Internal Revenue Service may have concerning NO INTEREST charges on the note and Deed of Trust.

PAGE 4

Buyer

Seller

BOOK 210 PAGE 472

Prorate and/or adjust the following as of close of escrow Item 1

1. Taxes based on the amount of the last tax statement of the Tax Collector issued prior to the close of escrow. (If the amount of the new tax bill issued by the Tax Collector after close of escrow is more or less than the amount used for proration purposes, the difference, if any, will be adjusted by the parties herein outside of escrow.) Sellers are to forward to buyers any present or future tax bills on property herein.
2. Insurance (including mortgage insurance, if any).
3. Interest on all encumbrances.
4. "Charge the buyer and credit the seller the amount of any funds held in an impound account, if any, in connection with an existing loan."
5. Rental per rent statement handed you.
- 6.

I hereby agree to pay any charges including usual buyers escrow fee and any advances and expenses that are properly chargeable to me regardless of the consummation of this escrow. At the Close of escrow you are to mail all documents, etc., to the persons entitled thereto, as provided herein.

GENERAL PROVISIONS

1. Deposit of Funds & Disbursements

You shall deposit all funds received in this escrow in any bank insured by an agency of the United States Government, including your affiliated bank, First American Trust Company, in one or more of your general escrow demand accounts. These funds may be transferred to any other general escrow demand account or accounts, in the above named bank or banks, including those maintained in your affiliated bank. All disbursements shall be made by your check. You are authorized not to close escrow or disburse until good funds have been confirmed in escrow.

2. Prorations and Adjustments

The expression "close of escrow" used in this escrow means the date of which instruments referred to herein are recorded and relates only to prorations and/or adjustments unless otherwise specified. All prorations and/or adjustments are to be made on the basis of a 30-day month unless otherwise instructed in writing.

3. Recordation of Instruments

You are authorized to record any documents delivered through this escrow, the recording of which is necessary or proper in the issuance of the requested policy of title insurance.

4. Authorization to Execute Assignment of Insurance Policies

You are to execute on behalf of the parties hereto form assignments of interest in any insurance policies (other than title insurance) called for in this escrow, forward assignments and policies upon close of escrow to the agent with the request, first, that insurer consent to such transfer and/or attach a loss-payable clause and/or make such other additions or corrections as may have been specifically required herein, and second, that the agent thereafter forward such policies to the parties entitled to them.

In all acts in this escrow relating to insurance, including adjustments, if any, you shall be fully protected in assuming that each policy is in force and that the necessary premium therefor has been paid.

5. Authorization to Furnish Copies

You are to furnish a copy of these instructions, amendments thereto, closing statements and/or any other documents deposited in this escrow to the lender or lenders, the real estate broker or brokers involved in this transaction.

6. Personal Property Taxes

No examination or insurance as to the amount of payment of personal property taxes is required unless specifically requested.

7. Right of Cancellation

Any party instructing you to cancel this escrow shall file notice of cancellation in your office, in writing. You shall within a reasonable time thereafter mail, by certified mail, one copy of the notice to each of the other parties at the addresses stated in this escrow. Unless written objection to cancellation is filed in your office by a party within ten (10) days after date of mailing, you are authorized at your option to comply with the notice and demand payment of your cancellation charges as provided in this agreement. If written objection is filed, you are authorized at your option to hold all money and instruments in this escrow and take no further action until otherwise directed, either by the parties' mutual written instructions, or final order of a court of competent jurisdiction.

Buyer

[Signature]
Buyer

Seller

[Signature]
Seller

BOOK 210 PAGE 473

8. Action in Interpleader

The parties hereto expressly agree that you, as escrow holder, have the absolute right at your election to file an action in interpleader requiring the parties to answer and litigate their several claims and rights among themselves and you are authorized to deposit with the clerk of the court all documents and funds held in this escrow. In the event such action is filed, the parties jointly and severally agree to pay your cancellation charges and costs, expenses and reasonable attorney's fees which you are required to expend or incur in the interpleader action, the amount thereof to be fixed and judgement therefor to be rendered by the court. Upon the filing of the action, you shall thereupon be fully released and discharged from all obligations to further perform any duties or obligations otherwise imposed by the terms of this escrow.

9. Termination of Agency Obligations

If there is no action taken on this escrow within six (6) months after the "time limit date" as set forth in the escrow instructions or written extension thereof, your agency obligation shall terminate at your option and all documents, monies or other items held by you shall be returned to the parties depositing same.

10. Conflicting Instructions

Should you before or after close of escrow receive or become aware of any conflicting demands or claims with respect to this escrow or the rights of any of the parties hereto, or any money or property deposited herein or affected hereby, you shall have the right to discontinue any or all further acts on your part until the conflict is resolved to your satisfaction, and you shall have the further right to commence or defend any action or proceedings for the determination of the conflict as provided in paragraphs 7 and 8 of these General Provisions.

11. Funds Retained in Escrow

If for any reason funds are retained or remain in escrow, you are to deduct therefrom a reasonable monthly charge as custodian thereof of not less than \$10.00 per month.

12. Indemnify for Attorneys Fees and Costs

In the event suit is brought by any party to this escrow, including the title company or any other party, as against each other, or others, including the title company, claiming any right they may have as against each other or against the title company, then in that event, the parties hereto agree to indemnify and hold harmless the title company against any attorney's fees and costs incurred by it.

13. Amendments to Escrow Instructions

Any Amendment or supplement to these escrow instructions must be in writing. These escrow instructions constitute the entire escrow between the escrow holder and the parties hereto.

14. Foreign Investment in Real Property Tax Act

The Foreign Investment in Real Property Tax Act of 1980 as amended by the Tax Reform Act of 1984 places special requirements for tax reporting and withholding on the parties to a real estate transaction where the transferor (seller) is a non-resident alien or non-domestic corporation or partnership or is a domestic corporation or partnership controlled by non-residents or non-resident corporations or partnerships. The parties to this transaction are seeking an attorney's, accountant's or other tax specialist's opinions concerning the effect of this Act on this transaction and are not acting on any statements made or omitted by the escrow or closing officer. Escrow agent is not responsible for complying with Real Property Tax Act of 1980 or as amended in 1984.

15. Plain Language Policy

The undersigned purchasers hereby acknowledges that if the herein subject property is a 1 to 4 Family Dwelling that they shall be receiving a plain language policy of title insurance at the close of this escrow and further acknowledges that they have read and approves the FIRST AMERICAN TITLE COMPANY brochure on said policy of title insurance.

TIME IS OF THE ESSENCE OF THESE INSTRUCTIONS. If this escrow is not in condition to close by the date stated herein, and demand for cancellation is received by you from any party to this escrow after said date, you shall act in accordance with the cancellation instructions contained in the general provisions on the previous page hereof. If no demand for cancellation is made, you will proceed to close this escrow when the principals have complied with the escrow instructions. The seller agrees to sell and the buyer agrees to buy the property herein described upon the terms hereof.

THE GENERAL PROVISIONS PRINTED ABOVE HAVE BEEN READ AND ARE HEREBY APPROVED BY THE UNDERSIGNED.

These escrow instructions, and amendments hereto, may be executed in one or more counterparts, each of which independently shall have the same effect as if it were the original, and all of which taken together shall constitute one and the same instruction.

Buyer

Seller

BOOK 210 PAGE 474

ESTIMATED ESCROW AND TITLE CHARGES FOR BUYER

CRESCENT VALLEY DEVELOPMENT CORPORATION

ALTA Policy \$ 10.00
Escrow Fee \$ 210.00
Recording Fee \$ 17.00

Name BY: Gordon V. Ruff
GORDON V. RUFF

Date 10-19-88

Name BY: Thomas M. O'Brien
THOMAS M. O'BRIEN

Date 10/19/88

Mailing Address

SELLER

I approve of the foregoing instructions and agree to sell and will deliver to you papers, instruments and/or funds required from me within the time limit specified herein, which you are authorized to deliver when you can issue your policy of title insurance as set forth above. I agree to pay any personal property taxes properly chargeable to me. You are instructed to use the money and record the instruments to comply with said instructions and to pay all encumbrances of record necessary without further approval including prepayment penalties to show title as herein provided. I agree to pay your usual sellers escrow fee, drawing of documents and such other charges which are advanced for my account regardless of the consummation of this escrow. I also agree to pay the policy of title insurance premium and recording fees which are properly chargeable to me and real property transfer tax stamps which you are authorized to affix to the deed, unless otherwise stated herein.

At the close of this transaction you are authorized to pay commission per separate agreement.

ESTIMATED ESCROW AND TITLE CHARGES FOR SELLER

Owners Policy \$1072.25
Escrow Fee \$ 210.00
Recording Fee \$ -0-
Reconveyance Fee \$ 55.00 if any
Transfer Tax \$ 110.00
Inspection Fee \$ to follow

Name Sonia S. Walker Date 10-19-88
SONIA S. WALKER

Date

Forwarding Address

At the close of escrow you are to mail your check and any documents to which I am entitled to the above address.

ADDITIONAL INSTRUCTIONS:

Buyers and seller herein agree to pay their own normal closing costs as is customary in Nevada.

You will file the necessary deeds, trust deeds and any other instruments and then pay any encumbrances you may find on subject property, except as set forth above, and you are authorized to insert into said documents the grantee's names as disclosed in nominee instructions and/or lender's documents.

Buyers shall not have the right to assign any of its rights under this escrow without the written consent of the seller herein.

Provided that this Deed of Trust be not in default, the beneficiary hereby agrees that he will execute a Subordination Agreement, Subordinating the interest under this Deed of Trust so that it will be second and subordinate to a Deed of Trust for the purpose of obtaining a loan for construction of off-site & on-site improvements on the described property herein. Said loan is subject to approval of seller herein as to terms and conditions.

AS A MEMORANDUM ONLY WITH WHICH ESCROW AGENT IS NOT TO ASSUME ANY RESPONSIBILITY AND/OR LIABILITY IN CONNECTION WITH:

1. Buyers herein agree to pay the seller \$4,000.00 at the completion of sale of each lot for the second 100 lots in the subdivision.
2. Buyers herein agree to pay the seller herein \$50,000.00 within 60 days of the two hundredth lot as an option to purchase 100 additional lots at \$7,000.00 each. Buyers agree to pay the seller \$7,000.00 at completion of sale of each lot for the third 100 lots in the subdivision.
3. Buyers herein agree to pay the seller herein \$7,000.00 at the completion of sale of each lot for the fourth 100 lots in the subdivision.
4. Buyers herein agrees to pay the seller herein \$8,000.00 at the completion of sale of each lot for the final 122 lots in the subdivision.
5. Seller agrees to provide buyers herein a First Deed of Trust for the first 100 lots of the subdivision.
 - a. Subordination: seller agrees to execute an appropriate instrument subordinating the encumbrance of a loan for the construction of off-site and on-site improvements to the property.
 - b. At the time of such subordination there shall be no mechanics liens (actual or potential) against the property encumbered hereby, that is, at the time of such subordinations either (1) the statutory period for recordation of mechanics liens against the property encumbered hereby shall have expired, or all actual and potential mechanics lien claimants have executed a written release of such liens in a form satisfactory to beneficiary and:
 1. The principal amount of such construction loan shall not exceed \$300,000.00
 2. Seller shall have the right to inspect, prior to loan completion the developers cost breakdown submitted to the construction lender.
6. Promptly after execution of the above options to purchase the parties hereto shall open an escrow account.
7. Subject to conditions set fourth in 5 on first page of escrow instructions and 1, 2, 3 and 4 above seller hereby grants buyers the exclusive right to acquire the entire Walker-Villa Subdivision, located in Crescent Valley, County of Eureka, Nevada.
8. Buyers herein desires to erect manufactured homes upon the property and acknowledges the property is presently zoned R-1 with a trailer overlay; that there are water rights appurtenant to such property sufficient to service 522 lots.
9. Entire project to be completed within five (5) years.
10. The letter dated September 28, 1988 and the Offer to Purchase Real Property shall be incorporated to this escrow.

CRESCENT VALLEY DEVELOPMENT CORPORATION

BY Gordon V. Ruff
GORDON V. RUFF

132398

OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
BOOK 210 PAGE 443

Sonia S. Walker
SONIA S. WALKER

Thomas M. O'Brien
THOMAS M. O'BRIEN

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BOOK 210 PAGE 476