

**DEVELOPMENT AGREEMENT
FOR
THE TWO FIFTY**

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EXHIBITS

- A. Property Legal Description
- B. Master Land Use Plan with Development Areas
- C. 2016 Major Modification
- D. The Two Fifty Design Guidelines, Development Standards and Uses
- E. Intentionally Deleted
- F. Development Phasing
- G. UDC as of the Effective Date

THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2016 by and between the **CITY OF LAS VEGAS**, a municipal corporation of the State of Nevada ("City") and **180 LAND COMPANY LLC**, a Nevada limited liability company ("Master Developer"). The City and Master Developer are sometimes individually referred to as a "Party" and collectively as the "Parties".

RECITALS

A. City has authority, pursuant to NRS Chapter 278 and Title 19 of the Code, to enter into development agreements such as this Agreement, with persons having a legal or equitable interest in real property to establish long-range plans for the development of such property.

B. The City has taken no actions to cause, nor has ever intended to cause NRS 278A to apply to the Property as defined herein. As such, this Agreement is not subject to NRS 278A.

C. Seventy Acres LLC, a Nevada limited liability company ("Seventy Acres"), Fore Stars, LTD., a Nevada limited liability company ("Fore Stars") and 180 Land Co LLC, a Nevada limited liability company ("180 Land") are the owners (Seventy Acres, Fore Stars and 180 Land each individually an "Owner" and collectively the "Owners") of the Property described on **Exhibit "A"** attached hereto (collectively the "Property").

D. The Property is the land on which the golf course, known as the Badlands, is currently operated.

E. The Parties have concluded, each through their separate and independent research, that the golf course industry is struggling resulting in significant numbers of golf course closures across the country.

F. The golf course located on the Property can be closed and the land is planned to be repurposed in a manner that is complementary and compatible to the adjacent uses with very large estate lots with custom homes, with luxury multifamily development and assisted living units.

G. The Property is divided into four (4) development areas, totaling two hundred fifty and ninety-two hundredths (250.92) acres (hereinafter referred to as "The Two Fifty"), as shown on **Exhibit "B"** attached hereto.

H. A Major Modification to the 1990 Peccole Ranch overall Conceptual Master Plan ("2016 Major Modification") has been submitted concurrent with this Agreement (and is attached hereto as "**Exhibit C**") to reflect the repurposed uses on the Property.

I. The Parties desire to enter into a Development Agreement for the development of the Property in phases and in conformance with the requirements of NRS Chapter 278, and as otherwise permitted by law.

J. Seventy Acres and Fore Stars irrevocably appoint Master Developer to act for and on behalf of Seventy Acres and Fore Stars, as their agent, to do all things necessary to fulfill Seventy Acres, Fore Stars and Master Developer's obligations under this Agreement.

K. The Property shall be developed as the market demands, in accordance with this Agreement, and at the sole discretion of Master Developer.

L. The Parties acknowledge that this Agreement will (i) promote the health, safety and general welfare of City and its inhabitants, (ii) minimize uncertainty in the planning for and development of the Property and minimize uncertainty for the surrounding area, (iii) ensure attainment of the maximum efficient utilization of resources within City at the least economic cost to its citizens, and (iv) otherwise achieve the goals and purposes for which the laws governing development agreements were enacted.

M. The Parties further acknowledge that this Agreement will provide the owners of adjacent properties with the assurance that the development of the Property will be compatible and complimentary to the existing adjacent developments in accordance with the Design Guidelines, Development Standards and Uses ("Design Guidelines") attached hereto as **Exhibit "D"**.

N. As a result of the development of the Property, City will receive needed jobs, sales and other tax revenues and significant increases to its real property tax base. City will additionally receive a greater degree of certainty with respect to the phasing, timing and orderly development of the Property by a developer with significant experience in the development process.

O. Master Developer desires to obtain reasonable assurances that it may develop the Community in accordance with the terms, conditions and intent of this Agreement. Master Developer's decision to enter into this Agreement and commence development of the Community is based on expectations of proceeding, and the right to proceed, with the Community in accordance with this

Agreement and the Applicable Rules.

P. Master Developer further acknowledges that this Agreement was made a part of the record at the time of its approval by the City Council and that Master Developer agrees without protest to the requirements, limitations, and conditions imposed by this Agreement.

Q. The City Council, having determined that this Agreement is in conformance with the 2016 Major Modification and the Las Vegas 2020 Master Plan, and that all other substantive and procedural requirements for approval of this Agreement have been satisfied, and after giving notice as required by the relevant law, and after introducing this Agreement by ordinance at a public hearing on _____, 2016, and after a subsequent public hearing to consider the substance of this Agreement on _____, 2016, the City Council found this Agreement to be in the public interest and lawful in all respects, and approved the execution of this Agreement by the Mayor of the City of Las Vegas.

NOW, THEREFORE, in consideration of the foregoing recitals, the promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

SECTION ONE

DEFINITIONS

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the following meanings:

"Affiliate" means (a) any other entity directly or indirectly controlling or controlled by or under direct or indirect common control with another entity and (b) any other entity that beneficially owns at least fifty percent (50%) of the voting common stock or partnership interest or limited liability company interest, as applicable, of another entity. For the purposes of this definition, "control" when used with respect to any entity, means the power to direct the management and policies of such entity, directly or indirectly, whether through the ownership of voting securities, partnership interests, by contract or otherwise; and the terms "controlling" or "controlled" have meanings correlative to the foregoing.

"Agreement" means this development agreement and at any given time includes all addenda and

exhibits incorporated by reference and all amendments which hereafter are duly entered into in accordance with the terms of this Agreement.

"Alcohol Related Uses" means a Beer/Wine/Cooler On-Sale use or Restaurant with Service Bar use as defined by the UDC.

"Applicable Rules" as they relate to this Agreement and the development of the Community include the following:

- (a) The provision of the Code and all other uniformly-applied City rules, policies, regulations, ordinances, laws, general or specific, which were in effect on the Effective Date; and
- (b) This Agreement and all attachments hereto.

The term "Applicable Rules" does not include any of (i), (ii), or (iii) below, but the Parties understand that they, and the Property, may be subject thereto:

- (i) Any ordinances, laws, policies, regulations or procedures adopted by a governmental entity other than City;
- (ii) Any fee or monetary payment prescribed by City ordinance which is uniformly applied to all development and construction subject to the City's jurisdiction; or
- (iii) Any applicable state or federal law or regulation.

"Authorized Designee" means any person or entity authorized in writing by Master Developer to make an application to the City for an Entitlement Request on the Property.

"Building Codes" means the development of the Community shall be subject to the Building Codes and fire codes in effect at the time of issuance of the permit for the particular development activity.

"CCRFCD" means the Clark County Regional Flood Control District.

"City" means the City of Las Vegas, together with its successors and assigns.

"City Council" means the Las Vegas City Council.

"City Infrastructure Improvement Standards" means in their most recent editions and with the most recent amendments adopted by the City, the Standard Drawings for Public Works Construction Off-Property Improvements, Clark County, Nevada; Uniform Standard Specifications for Public Works Construction Off-Property Improvements, Clark County, Nevada; Uniform Regulations for the Control of Drainage and Hydrologic Criteria and Drainage Design Manual, Clark County Regional Flood Control

District; Design and Construction Standards for Wastewater Collection Systems of Southern Nevada; and any other engineering, development or design standards and specifications adopted by the City Council. The term includes standards for public improvements and standards for private improvements required under the UDC.

"City Manager" means the person holding the position of City Manager at any time or its designee.

"Code" means the Las Vegas Municipal Code, including all ordinances, rules, regulations, standards, criteria, manuals and other references adopted therein.

"Community" means the Property and any and all improvements provided for or constructed thereupon.

"Design Guidelines" means the document prepared by Master Developer entitled Design Guidelines, Development Standards and Uses, attached hereto as **Exhibit "D"**, and reviewed and approved by City.

"Designated Builder" means any legal entity other than Owner(s) that owns any parcel of real property within the Community, whether prior to or after the Effective Date, provided that such entity is designated as such by Master Developer to City Manager in writing. For purposes of the Applicable Rules, the term "Designated Builder" is intended to differentiate between the Master Developer, Owner(s) and their Affiliates in their capacity as developer and land owner and any other entity that engages in the development of a structure or other improvements on a Development Parcel(s) within the Community. A Designated Builder is not a Party to this Agreement and may not enforce any provisions herein, but upon execution and recordation of this Agreement, a Designated Builder may rely on and be subject to the land use entitlements provided for herein. Designated Builder will work closely with Master Developer to ensure the Community and/or the Development Parcel(s) owned by Designated Builder is/are developed in accordance with this Agreement.

"Development Area(s)" means the four (4) separate development areas of the Property as shown on the Master Land Use Plan attached hereto as **Exhibit "B"**.

"Development Parcel(s)" means legally subdivided parcel(s) of land within the Community that are intended to be developed or further subdivided.

"Director of Planning" means the Director of the City's Department of Planning or its designee.

"Director of Public Works" means the Director of the City's Department of Public Works or its designee.

"Effective Date" means the date, on or after the adoption by City of an ordinance approving the execution of this Agreement, and the subsequent execution of this Agreement by the Parties, on which this Agreement is recorded in the Office of the County Recorder of Clark County. Each party agrees to cooperate as requested by the other party to cause the recordation of this Agreement without delay.

"Entitlement Request" means a request by Master Developer or its Authorized Designee for any land use approval.

"Grading Plan, Master Rough" means a plan or plans prepared by a Nevada-licensed professional engineer, also referred to as a Mass Grading Plan, to:

(a) Specify areas where the Master Developer intends to perform rough grading operations;

(b) Identify approximate future elevations and slopes of roadways, Development Parcels, and drainage areas; and

(c) Prior to issuance of any rough grading permit:

(i) the Director of Public Works may require an update to the Master Drainage Study to address the impacts of phasing or diverted flows if the Master Drainage Study does not contain sufficient detail for that permit; and,

(ii) Master Developer shall submit the location(s) and height(s) of stockpiles in conjunction with its respective grading permit submittal(s)/application(s).

(d) The Master Rough Grading Plan shall be reviewed by the Director of Public Works for conformance to the grading and drainage aspects of the approved Master Drainage Study.

"Grading Plan", which accompanies the Technical Drainage Study, means a detailed grading plan for a development site within the Community, created pursuant to the UDC, to further define the grading within residential subdivision sites, as identified in the Master Drainage Study, to a level of detail sufficient

to support construction drawings, in accordance with the CCRFCD Hydrologic Criteria and Drainage Design Manual.

"HOA or Similar Entity" means any unit owners' association organized pursuant to NRS 116.3101, that is comprised of owners of residential dwelling units, lots or parcels in the Community, or portions thereof, created and governed by a declaration (as defined by NRS 116.037), formed for the purpose of managing, maintaining and repairing all common areas transferred to it for such purposes.

"Investment Firm" means an entity whose main business is holding securities of other companies, financial instruments or property purely for investment purposes, and includes by way of example, and not limitation, Venture Capital Firms, Hedge Funds, and Real Estate Investment Trusts.

"LVVWD" means the Las Vegas Valley Water District.

"Master Developer" means 180 Land Company LLC, a Nevada limited liability company, and its successors and assigns as permitted by the terms of this Agreement.

"Master Drainage Study" means the comprehensive hydrologic and hydraulic study, including required updates, to be approved by the Director of Public Works prior to the issuance of any permits, excepting grub and clear permits outside of FEMA designated flood areas and/or demolition permits, for the Property or the recordation of any map, excepting therefrom Parcel Map 64285.

"Master Land Use Plan" means the Master Land Use Plan for the Community, which is **Exhibit "B"**.

"Master Sanitary Sewer Study" means the comprehensive sanitary sewer study to be approved by the Director of Public Works prior to the issuance of any permits, excepting grub and clear permits outside of FEMA designated flood areas and/or demolition permits, for the Property or the recordation of any map, excepting therefrom Parcel Map 64285, including updates as may be required by the City where changes from those reflected in the approved Master Sanitary Sewer Study's approved densities or layout of the development are proposed that would impact downstream pipeline capacities and that may result in additional required Off-Property sewer improvements.

"Master Studies" means the Master Traffic Study, Master Sanitary Sewer Study and the Master Drainage Study.

"Master Traffic Study" means the comprehensive traffic study, including required updates, with

respect to this Property to be approved by the Director of Public Works prior to the issuance of any permits, excepting grub and clear permits outside of FEMA designated flood areas and/or demolition permits, or the recordation of any map, excepting therefrom Parcel Map 64285.

"Master Utility Improvements" means those water, sanitary sewer, storm water drainage, power, street light and natural gas improvements within and directly adjacent to the Property necessary to serve the proposed development of the Community other than those utility improvements to be located within individual Development Parcels. All public sewer, streetlights, traffic signals, associated infrastructures and public drainage located outside of public right-of-way must be within public easements in conformance with City of Las Vegas Code Title 20, or pursuant to an approved variance application if necessary to allow public easements within private property and/or private drives of the HOA or Similar Entity or of the Development Parcels.

"Master Utility Plan" means a conceptual depiction of all existing and proposed utility alignments, easements or otherwise, within and directly adjacent to the Property necessary to serve the proposed development of the Community, other than those utility improvements to be located within individual Development Parcels. The Master Developer shall align all proposed utilities within proposed public rights-of-way and/or within public utility easements when reasonable and, if applicable, will dedicate such rights-of-way to the City before granting utility easements to specific utility companies, and Master Developer shall separately require any Authorized Designee to disclose the existence of such facilities located on (or in the vicinity of) any affected residential lots, and easements necessary for existing and future LVVWD water transmission mains.

"NRS" means the Nevada Revised Statutes, as amended from time to time.

"Off-Property" means outside of the physical boundaries of the Property.

"Off-Property Improvements," as this definition relates to the Master Studies, means infrastructure improvements located outside the Property boundaries required by the Master Studies or other governmental entities to be completed by the Master Developer due to the development of the Community.

"On-Property" means within the physical boundaries of the Property.

"On-Property Improvements," as this definition relates to the Master Studies, means infrastructure

improvements located within the Property boundaries required by the Master Studies or other governmental entities, to be completed by the Master Developer due to the development of the Community.

"Owner" has the meaning as defined in Recital C.

"Party," when used in the singular form, means Master Developer, an Owner (as defined in Recital B) or City and in the plural form of "Parties" means Master Developer, Owners and City.

"Planning Commission" means the City of Las Vegas Planning Commission.

"Planning Department" means the Department of Planning of the City of Las Vegas.

"Property" means that certain two hundred fifty and ninety-two hundredths (250.92) gross acres of real property which is the subject of this Agreement. The legal description of the Property is set forth at **Exhibit "A"**.

"Subdivision Map" means any instrument under NRS and the UDC which legally subdivides property or gives the right to legally subdivide property.

"Technical Drainage Study(s)" means comprehensive hydrologic study(s) prepared under the direction of and stamped by a Nevada-licensed professional engineer that must comply with the CCRFCD drainage manual. Technical Drainage Study(s) shall be approved by the Director of Public Works.

"Term" means the term of this Agreement.

"The Two Fifty Drive Extension" means the roadway identified as The Two Fifty Drive Extension, as may also be referred to as the Clubhouse Drive Extension, which Master Developer is obligated to construct pursuant to the Master Traffic Study, together with associated curb, gutter, sidewalk, landscaping, underground utility improvements including fiber optic interconnect, streetlights, traffic control signs and signals other than those for which a fee was paid pursuant to Ordinance 5644.

"UDC" means the Unified Development Code as of the Effective Date of this Agreement attached hereto as **Exhibit "G"**.

"Water Feature" means one or more items from a range of fountains, ponds (including irrigation ponds), cascades, waterfalls, and streams used for aesthetic value, wildlife and irrigation purposes from ground water or effluent.

SECTION TWO

APPLICABLE RULES AND CONFLICTING LAWS

2.01 Reliance on the Applicable Rules. City and Master Developer agree that Master Developer will be permitted to carry out and complete the development of the Community in accordance with the terms of this Agreement and the Applicable Rules. The terms of this Agreement shall supersede any conflicting provision of the City Code except as provided in Section 2.02 below.

2.02. Application of Subsequently Enacted Rules by the City. The City shall not amend, alter or change any Applicable Rule as applied to the development of the Community, or apply a new fee, rule regulation, resolution, policy or ordinance to the development of the Community, except as follows:

(a) The development of the Community shall be subject to the Building Codes and fire codes in effect at the time of issuance of the permit for the particular development activity.

(b) The application of a new uniformly-applied rule, regulation, resolution, policy or ordinance to the development of the Community is permitted, provided that such action is necessary to protect the health, safety and welfare of City residents, and provided that City gives Master Developer written notice thirty (30) days prior to implementing a new policy.

(c) Nothing in this Agreement shall preclude the application to the Community of new or changed rules, regulations, policies, resolutions or ordinances specifically mandated and required by changes in state or federal laws or regulations. In such event, the provisions of Section 2.03 through 2.05 of this Agreement are applicable.

(d) Should the City adopt or amend rules, regulations, policies, resolutions or ordinances and apply such rules to the development of the Community, other than pursuant to one of the above Sections 2.02(a), 2.02(b) or 2.02(c), the Master Developer shall have the option, in its sole discretion, of accepting such new or amended rules by giving written notice of such acceptance to City. City and the Master Developer shall subsequently execute an amendment to this Agreement evidencing the Master Developer's acceptance of the new or amended ordinance, rule, regulation or policy within a reasonable time.

2.03 Conflicting Federal or State Rules. In the event that any federal or state laws or

regulations prevent or preclude compliance by City or Master Developer with one or more provisions of this Agreement or require changes to any approval given by City, this Agreement shall remain in full force and effect as to those provisions not affected, and:

(a) Notice of Conflict. Either Party, upon learning of any such matter, will provide the other Party with written notice thereof and provide a copy of any such law, rule, regulation or policy together with a statement of how any such matter conflicts with the provisions of this Agreement; and

(b) Modification Conferences. The Parties shall, within thirty (30) calendar days of the notice referred to in the preceding subsection, meet and confer in good faith and attempt to modify this Agreement to bring it into compliance with any such federal or state law, rule, regulation or policy.

2.04 City Council Hearings. In the event either Party believes that an amendment to this Agreement is necessary due to the effect of any federal or state law, rule, regulation or policy, the proposed amendment shall be scheduled for hearing before the City Council. The City Council shall determine the exact nature of the amendment necessitated by such federal or state law or regulation. Master Developer shall have the right to offer oral and written testimony at the hearing. Any amendment ordered by the City Council pursuant to a hearing contemplated by this Section is subject to judicial review. The Parties agree that any matter submitted for judicial review shall be subject to expedited review in accordance with Rule 2.15 of the Eighth Judicial District Court of the State of Nevada.

2.05 City Cooperation.

(a) City shall cooperate with Master Developer in securing any City permits, licenses or other authorizations that may be required as a result of any amendment resulting from actions initiated under Section 2.04.

(b) As required by the Applicable Rules, Master Developer shall be responsible to pay all applicable fees in connection with securing of such permits, licenses or other authorizations.

(c) Permits issued to Master Developer shall not expire so long as work progresses as determined by the City's Director of Building and Safety.

SECTION THREE

PLANNING AND DEVELOPMENT OF THE COMMUNITY

3.01 Permitted Uses, Density, and Height of Structures. Pursuant to NRS Chapter 278, this Agreement sets forth the permitted uses, density and maximum height of structures to be constructed in the Community for each Development Area within the Community.

(a) Maximum Units Permitted. The maximum number of residential dwelling units allowed within the Community, as shown on **Exhibit B**, is two thousand four hundred seventy-five (2,475) units, with seven hundred twenty (720) multifamily residential units in Development Area 1, one thousand six hundred eighty (1,680) multifamily residential units in Development Area 2 and Development Area 3 combined, and a maximum of seventy-five (75) estate lots in Development Area 4. An assisted living facility, as defined by Code, may be developed within Development Area 2 or Development Area 3 with up to two hundred (200) assisted living units allowed in addition to the maximum residential dwelling units permitted herein. Should the assisted living units not be constructed, the two hundred (200) assisted living units may not be built as residential dwelling units.

(b) Permitted Uses and Unit Types.

(i) The Community is planned for a mix of single family residential homes and multi-family residential homes including mid-rise tower residential homes.

(ii) To promote a pedestrian friendly environment, in Development Areas 2 and 3, commercial uses that are ancillary to multifamily residential uses shall be permitted. Ancillary commercial uses shall be similar to, but not limited to, general retail uses and restaurant uses (café, coffee shop, sandwich shops, etc.). The number and size of ancillary commercial uses shall be evaluated at the time of submittal for a Site Development Plan Review. Ancillary commercial uses shall be limited to Development Areas 2 and 3, and shall be limited to a total of seven thousand five hundred (7,500) square feet across Development Areas 2 and 3 with no single use greater than two thousand five hundred (2,500) square feet. It is the intent that the ancillary commercial will largely cater to the residences of Development Areas 1, 2 and 3 to be consistent with an environment that helps promote a walkable community.

(iii) Water Features shall be allowed in the Community, even if City enacts a future ordinance or law contrary to this Agreement.

(iv) Uses allowed within the Community are listed in the Design Guidelines attached as **Exhibit "D"**. Additionally, the permissible uses in the UDC shall apply within each respective zoning district.

(v) The Parties acknowledge that golf course operations may be continued or discontinued, on any portion or on all of the Property, at and for any period of time, or permanently, at the discretion of the Master Developer. If discontinued, Master Developer shall comply with all City Code requirements relating to the maintenance of the Property and comply with Clark County Health District regulations and requirements relating to the maintenance of the Property, which may necessitate Master Developer's watering and rough mowing the Property, or at Master Developer's election to apply for and acquire a clear and grub permit for the Property outside of FEMA designated flood areas and/or demolition permits, subject to all City laws and regulations.

(vi) Pursuant to its general authority to regulate the sale of alcoholic beverages, the City Council declares that the public health, safety and general welfare of the Community are best promoted and protected by requiring that a Special Use Permit be obtained for all Alcohol Related Uses. Alcohol Related Uses shall be subject to a Special Use Permit in accordance with the requirements of this Section and Las Vegas Municipal Code Section 19.16.0110. The Parties agree that Master Developer may apply for Alcohol Related Uses and that Alcohol Related Uses, as defined herein, may be permitted adjacent to a private park open for public access.

(c) Density. Master Developer shall have the right to determine the number of residential dwelling units to be developed on any Development Parcel up to the maximum density permitted in each Development Area. Notwithstanding the foregoing, the maximum density permitted in Development Area 1 shall be a maximum of seven hundred twenty (720) multifamily residential units; Development Areas 2 and 3 combined shall be a maximum of one thousand six hundred eighty (1,680) multifamily residential units plus up to two hundred (200) assisted living units; and Development Area 4 shall be a maximum of seventy-five (75) residential estate lots as a result of the Master Developer's decision to keep much of Development Area 4 preserved for enhanced landscaped areas.

(d) Maximum Height and Setbacks. The maximum height and setbacks shall be governed by the Code except as otherwise provided for in the Design Guidelines attached as **Exhibit "D"**.

(e) Residential Mid-Rise Towers in Development Area 2. Master Developer shall have the right to develop two (2) residential mid-rise towers within Development Area 2. The mid-rise tower locations shall be placed so as to minimize the impact on the view corridors to the prominent portions of the Spring Mountain Range from the existing residences in One Queensridge Place. As provided in the Design Guidelines attached as **Exhibit "D"**, each of the two (2) mid-rise towers may be up to one hundred fifty (150) feet in height.

(f) Phasing.

(i) The Community shall be developed as outlined in the Development Phasing **Exhibit "F"**.

(ii) The Development Areas' numerical designations are not intended and should not be construed to be the numerical sequence or phase of development within the Community.

(iii) Development Area 4's Sections A-G are not intended and should not be construed to be the alphabetical sequence or phase of development within Development Area 4.

(iv) The Property shall be developed as the market demands, in accordance with this Agreement, and at the sole discretion of Master Developer.

(v) Portions of the Property are located within the Federal Emergency Management Agency ("FEMA") Flood Zone.

(1) Following receipt from FEMA of a Conditional Letter of Map Revision ("CLOMR") and receipt of necessary City approvals and permits, Master Developer may begin construction in Development Areas 1, 2 and 3, including but not limited to, the mass grading, the drainage improvements, including but not limited to the installation of the open drainage channels and/or box culverts, and the installation of utilities. Notwithstanding, Master Developer may begin and complete any construction prior to receipt of the CLOMR in areas outside of the

FEMA Flood Zone, following receipt of the necessary permits and approvals from City.

(2) In Development Area 4 in areas outside of the FEMA Flood Zone, Master Developer may begin and complete any construction, as the market demands, following receipt of necessary City approvals and permits.

(3) In Development Area 4 in areas within the FEMA Flood Zone, construction, including but not limited to, mass grading, drainage improvements, including but not limited to the installation of the open drainage channels and/or box culverts, and the sewer and water mains may commence only after receipt of the CLOMR related to these areas and receipt of necessary City approvals and permits.

(vi) Master Developer and City agree that prior to the approval for construction of the seventeen hundredth (1,700th) residential unit, by way of a building permit issuance or group of building permit issuance that would encapsulate the construction of the seventeen hundredth (1,700th) residential unit, Master Developer shall have substantially completed the drainage infrastructure required in Development Area 4. For clarification, the completion of the aforementioned drainage infrastructure required in Development Area 4 is not a prerequisite to approval for construction, by way of building permit issuance, of the first sixteen hundred ninety-nine (1,699) residential units. For purposes of this subsection, substantial completion of the drainage infrastructure shall mean the installation of the open drainage channels and/or box culverts required pursuant to the City-approved Master Drainage Study or Technical Drainage Study for Development Area 4.

(vii) The Two Fifty Drive Extension, being a new roadway between Development Areas 2 and 3 that will connect Alta Drive and South Rampart Boulevard, shall be completed in accordance with the approved Master Traffic Study and prior to the approval for construction of the fifteen hundredth (1,500th) residential unit, by way of a building permit issuance or group of building permit issuance that would encapsulate the construction of the fourteen hundred and ninety-ninth (1,499th) residential unit. For clarification, the completion of The Two Fifty Drive Extension is not a

prerequisite to approval for construction, by way of building permit issuance, of the first fourteen hundred and ninety-ninth (1,499th) residential units.

(viii) The Open Space, Parks and Recreation Space phasing shall be constructed incrementally with development as outlined below in subsection (g).

(ix) In Development Areas 1-3, prior to the commencement of grading and/or commencement of a new phase of building construction, Master Developer shall provide ten (10) days' written notice to adjacent HOAs.

(x) In Development Area 4, prior to the commencement of grading, Master Developer shall provide ten (10) days' written notice to adjacent HOAs.

(g) Open Space, Parks, Recreation, and Landscaped Space. The Property consists of two hundred fifty and ninety-two hundredths (250.92) acres. Master Developer shall amenitize and/or landscape (or cause the same to occur) approximately fifty percent (50%) of the Property (approximately one hundred twenty-five (125) acres) in excess of the Code requirements. Master Developer shall construct, or cause the construction of the following:

(i) Development Areas 1, 2 and 3. A minimum of 12.7 acres of public and private open space, parks, and recreation space shall be provided throughout the 67.21 acres of Development Areas 1, 2 and 3. The 12.7 acres of public and private open space, parks, and recreation space will include a minimum of: 2.5 acres of privately-owned park areas open to the public; 6.2 acres of privately-owned park and open space not open to the public; 4.0 acres of privately-owned recreational amenities not open to the public, including outdoor and indoor areas; and a 1 mile walking loop, and pedestrian walkways throughout (hereinafter referred to as "The Seventy Open Space"). The layout(s), location(s) and size(s) of the Seventy Open Space shall be determined pursuant to Site Development Plan Review(s) and shall be constructed incrementally in conjunction with the construction of the multifamily units located in Development Areas 1, 2 and 3. The 2.5 acres of privately-owned park area(s) open to the public shall be completed prior to the approval for construction of the fifteen hundredth (1,500th) residential unit, by way of a building permit issuance or group of building permit issuance that would encapsulate the construction of the fourteen hundred and ninety-ninth (1,499th) residential unit. For clarification, the completion of 2.5 acres of privately-owned park area(s) open to the public is not a

prerequisite to approval for construction, by way of building permit issuance, of the first fourteen hundred and ninety-nine (1,499) residential units, by way of a building permit issuance or group of building permit issuance that would encapsulate the construction of the fourteen hundred and ninety-ninth (1,499th) residential unit. The Seventy Open Space shall be maintained by Master Developer's Authorized Designee, the respective HOAs, Sub-HOA or Similar Entity.

(ii) Development Area 4. Because Master Developer has chosen to limit Developer Area 4 to a maximum of seventy-five (75) estate lots in Development Area 4, approximately one hundred twelve (112) acres of the landscaped area is anticipated to be located within Development Area 4 and shall be preserved, by easement or deed restriction, for natural areas, trees, shrubs, ponds, grasses and private access ways. The landscaped area, although not required pursuant to the UDC, is being created to maintain a landscaped environment in Development Area 4 and not in exchange for higher density in Development Areas 1, 2 or 3. The landscaped area will be maintained by individual estate lot owners, an HOA, sub-HOA or Similar Entity, or a combination thereof, pursuant to Section 4 of this Agreement.

(h) Development Area 3 No Building Structures Zone and Transition Zone. In Development Area 3, there will be a wall, up to ten (10) feet in height, to serve to separate Development Areas 1, 2 and 3 from Development Area 4. The wall will provide gated access points to Development Area 4. Additionally, there will be a seventy-five (75) foot "No Building Structures Zone" along the western boundary of Development Area 3 within seventy-five (75) feet of the property line of existing homes adjacent to the Property as of the Effective Date, as shown on Exhibit "B", to help buffer Development Area 3's development from these existing homes adjacent to the Property. The No Building Structures Zone will contain landscaping, an emergency vehicle access way that will also act as a pathway, and access drive lanes for passage to Development Area 4 through Development Area 3. An additional seventy-five (75) foot "Transition Zone" will be adjacent to the No Building Structures Zone, as shown on Exhibit "B", wherein buildings of various heights are permitted but the heights of the buildings in the Transition Zone cannot exceed thirty-five (35) feet above the finished floor of the adjacent existing residences as of the Effective Date, in no instance in excess of the parameters of the Design Guidelines. For example, if the finished floor of an adjacent existing residence, as of the Effective Date, is 2,800 feet

in elevation, the maximum building height allowed in the adjacent Transition Zone would be 2,835 feet. Along the western edge of the Transition Zone, architectural design will pay particular attention to the building exterior elevations to take into consideration architectural massing reliefs, both vertical and horizontal, building articulation, building colors, building materials and landscaping. A Site Development Plan Review(s) is required prior to development in Development Areas 1, 2 and 3.

(i) Grading and Earth Movement.

(i) Master Developer understands that it must obtain Federal Emergency Management Agency's ("FEMA") CLOMR approval prior to any mass grading on the FEMA designated areas of the Property. Master Developer may commence construction, and proceed through completion, subject to receipt of the appropriate grading and/or building permits, on the portions of the Property located outside the FEMA designated areas prior to obtaining FEMA CLOMR approval.

(ii) Master Developer's intention is that the Property's mass grading cut and fill earth work will balance, thereby mitigating the need for the import and export of fill material. However, there will be a need to import dirt for landscape fill.

(iii) In order to minimize earth movement to and from the Property, Master Developer shall be authorized to process the cut materials on site to create the needed fill materials, therefore eliminating or significantly reducing the need to take cut and fill materials to and from the Property. After approval of the Master Rough Grading Plan, other than the necessary Clark County Department of Air Quality Management approvals needed, Master Developer shall not be required to obtain further approval for rock crushing, earth processing and stockpiling on the Property; provided, however, that no product produced as a result of such rock crushing, earth processing and/or stockpiling on the Property may be sold off-site. The rock crushing shall be located no less than five hundred (500) feet from existing residential homes and, except as otherwise outlined herein, shall be subject to Las Vegas Municipal Code Section 9.16.

(iv) In conjunction with its grading permit submittal(s)/application(s), Master Developer shall submit the location(s) and height(s) of stockpiles.

(j) Gated Accesses to Development Area 4. Gated accesses to Development Area 4 shall be on Hualapai Way and through Development Area 3 unless otherwise specified in an approved

tentative map(s).

3.02. Entitlement Requests.

(a) Generally. City agrees to reasonably cooperate with Master Developer to:

(i) Expediently process all Entitlement Requests in connection with the Property that are in compliance with the Applicable Rules and Master Studies; and

(ii) Promptly consider the approval of Entitlement Requests, subject to reasonable conditions not otherwise in conflict with the Applicable Rules or the Master Studies.

(b) Zoning Entitlement for Property. The Parties acknowledge and agree that the Property will be rezoned for development in accordance with the 2016 Major Modification to allow for the development of the densities provided for herein.

(c) Other Entitlement Requests. Except as provided herein, all other Entitlement Request applications shall be processed by City according to the Applicable Rules. The Parties acknowledge that the procedures for processing such Entitlement Request applications are governed by this Agreement, and if not covered by this Agreement, then by the Code. In addition, any additional application requirements delineated herein shall be supplemental and in addition to such Code requirements.

(i) Site Development Plan Review. Unless otherwise provided for herein, Master Developer shall satisfy the requirements of Las Vegas Municipal Code Section 19.16.100 for the filing of an application for a Site Development Plan Review, except:

(1) No Site Development Plan Review will be required for any of the up to seventy-five (75) residential units in Development Area 4. Master Developer shall be responsible for the approval of the residential units in Development Area 4.

(2) As part of this Agreement, specifically Section 3.01(e), Master Developer shall have the right to develop two (2) residential mid-rise towers within Development Area 2. The two (2) residential mid-rise towers' maximum heights and setbacks have been established as part of the Design Guidelines attached as **Exhibit "D"** to this Agreement, so with respect to the two (2) residential mid-rise towers, the Site Development Plan Review shall be subject to the requirements of a Site Development Plan Review except the two (2) residential mid-rise towers' maximum heights and

setbacks. Because **Exhibit "E"** is conceptual, the remainder of the development in Development Areas 1, 2 and 3 shall be subject to all of the requirements of a Site Development Plan Review.

(ii) Special Use Permits. Master Developer and/or Designated Builders shall satisfy all Code requirements for the filing of an application for a special use permit.

3.03. Dedicated Staff and the Processing of Applications.

(a) Processing Fees, Generally. All Entitlement Requests, Major Modification Requests and Major Deviation Requests and all other requests related to the development of the Community shall pay the fees as provided by the UDC.

(b) Inspection Fees. Construction documents and plans that are prepared on behalf of Master Developer for water facilities that are reviewed by City for approval shall not require payment of inspection fees to City unless the water service provider will not provide those inspection services.

(c) Dedicated Inspection Staff. Upon written request from Master Developer to City, City shall provide within thirty (30) days from written notice, if staff is available, and Master Developer shall pay for a full-time building inspector dedicated only to the development of the Community.

3.04 Modification of Design Guidelines. Parties agree that the only proper entity to request a modification or deviation to the Design Guidelines is the Master Developer entity. A modification or deviation to the Design Guidelines shall not be permitted by any other purchaser of real property within the Community, the HOA, Sub-HOA or Similar Entity.

(a) Applicant. Requests for all modifications of the Design Guidelines may be made only by Master Developer.

(b) Major Modifications.

(i) Any application for a modification to the Design Guidelines is a Major Modification. All applications for Major Modifications shall be scheduled for a hearing at the next available Planning Commission meeting after the City's receipt of the application.

(ii) All actions by the Planning Commission on Major Modifications shall be scheduled for a hearing at the next available City Council meeting.

3.05 Deviation to Design Guidelines. A deviation is an adjustment to a particular requirement of the Design Guidelines for a particular Development Parcel or lot.

(a) Major Deviation. Any application for a modification to the Design Guidelines for a particular Development Parcel or lot is a Major Deviation. A Major Deviation must not have a material and adverse impact on the overall development of the Community.

(i) City Council Approval Required. An application for a Major Deviation may be filed by the Master Developer or an Authorized Designee as provided herein. Any application by an Authorized Designee must include a written statement from the Master Developer that it either approves or has no objection to the request. Major Deviations shall be submitted to the Planning Commission for recommendation to the City Council, wherein the City Council shall have final action on all Major Deviations.

(ii) Submittal, Review and Approval.

(1) All applications for Major Deviations shall be scheduled for a hearing at the next available Planning Commission meeting after the City's receipt of the application.

(2) All actions by the Planning Commission on Major Deviations shall be scheduled for a hearing by the City Council within thirty (30) days of such action.

(b) If Master Developer or an Authorized Designee requests a deviation from adopted City Infrastructure Improvement Standards, an application for said deviation shall be submitted to the Land Development Section of the Department of Building and Safety and related fees paid for consideration by the City Engineer pursuant to the Applicable Rules.

(c) Any request for deviation other than those specifically provided shall be processed pursuant to Section 3.04 (Modifications of Design Guidelines).

3.06 Anti-Moratorium. The Parties agree that no moratorium or future ordinance, resolution or other land use rule or regulation imposing a limitation on the construction, rate, timing or sequencing of the development of property including those that affect parcel or subdivision maps, building permits, occupancy permits or other entitlements to use land that are issued or granted by City shall apply to the development of the Community or portion thereof. Notwithstanding the foregoing, City may adopt ordinances, resolutions or rules or regulations that are necessary to:

(a) comply with any state or federal laws or regulations as provided by Section 2.04, above;

(b) alleviate or otherwise contain a legitimate, bona fide harmful and/or noxious use of the Property, except for construction-related operations contemplated herein, in which event the ordinance shall contain the most minimal and least intrusive alternative possible, and shall not, in any event, be imposed arbitrarily; or

(c) maintain City's compliance with non-City and state sewerage, water system and utility regulations. However, the City as the provider of wastewater collection and treatment for this development shall make all reasonable best efforts to insure that the wastewater facilities are adequately sized and of the proper technology so as to avoid any sewage caused moratorium.

In the event of any such moratorium, future ordinance, resolution, rule or regulation, unless taken pursuant to the three exceptions contained above, Master Developer shall continue to be entitled to apply for and receive consideration of Entitlement Requests and other applications contemplated in Section 3 in accordance with the Applicable Rules.

3.07. Property Dedications to City. Except as provided in herein, any real property (and fixtures thereupon) transferred or dedicated to City or any other public entity shall be free and clear of any mortgages, deeds of trust, liens or encumbrances (except for any encumbrances that existed on the patent, at the time the Property was delivered to Master Developer, from the United States of America).

SECTION FOUR

MAINTENANCE OF THE COMMUNITY

4.01 Maintenance of Public and Common Areas.

(a) Community HOAs. Master Developer shall establish Master HOAs, Sub-HOAs or Similar Entities to manage and maintain sidewalk, common landscape areas, any landscaping within the street rights-of-way including median islands, private sewer facilities, private drainage facilities located within common elements, including but not limited to, grassed and/or rip-rap lined channels and natural arroyos as determined by the Master Drainage Study or applicable Technical Drainage Studies, but excluding public streets, curbs, gutters, sidewalks and streetlights upon City-dedicated public streets, City owned traffic control devices and traffic control signage and permanent flood control facilities.

(b) Maintenance Obligations of the Master HOAs and Sub-HOAs. The Master HOAs or Similar Entities and the Sub-HOAs (which hereinafter may be referred to collectively as the "HOAs") shall be responsible to maintain in good condition and repair all common areas that are transferred to them for repair and maintenance (the "Maintained Facilities"), including, but not limited to sidewalks, walkways, private streets, private alleys, private drives, landscaped areas, signage and water features, parks and park facilities, trails, amenity zones, flood control facilities not meeting the criteria for public maintained facilities as defined in Title 20 of the Code, and any landscaping in, on and around medians and public rights-of-way. Maintenance of the drainage facilities, which do not meet the criteria for public maintained facilities as defined in Title 20 of the Code, shall be the responsibility of an HOA or Similar Entity that encompasses a sufficient number of properties subject to this Agreement to financially support such maintenance, which may include such HOAs or Similar Entities posting a maintenance bond in an amount to be mutually agreed upon by the Director of Public Works and Master Developer prior to the City's issuance of any grading or building permits within Development Area 4, excluding any grub and clear permits outside of FEMA designated flood areas and/or demolition permits.

Master Developer acknowledges and agrees that the HOAs are common-interest communities created and governed by declarations ("Declarations") as such term is defined in NRS 116.037. The Declarations will be recorded by Master Developer or Designated Builders as an encumbrance against the property to be governed by the appropriate HOA. In each case, the HOA shall have the power to assess the encumbered property to pay the cost of such maintenance and repair and to create and enforce liens in the event of the nonpayment of such assessments. Master Developer further agrees that such Declarations will contain a covenant running to the benefit of City, and enforceable by City, that such facilities will be maintained in good condition and repair. Such HOAs will be Nevada not-for-profit corporations with a board of directors elected by the subject owners, provided, however, that Master Developer may control the board of directors of such HOA for as long as permitted by applicable law.

(c) The Declaration for the HOAs, when it has been fully executed and recorded with the office of the Clark County Recorder, shall contain (or effectively contain) the following provisions:

(i) that the governing board of the HOAs must have the power to maintain the Maintained Facilities;

(ii) that the plan described in Section 4.02 can only be materially amended by the HOAs;

(iii) that the powers under the Declaration cannot be exercised in a manner that would defeat or materially and adversely affect the implementation of the Maintenance Plan defined below; and

(iv) that in the event the HOAs fail to maintain the Maintained Facilities in accordance with the provisions of the plan described in Section 4.02, City may exercise its rights under the Declaration, including the right of City to levy assessments on the property owners for costs incurred by City in maintaining the Maintained Facilities, which assessments shall constitute liens against the land and the individual lots within the subdivision which may be executed upon. Upon request, City shall have the right to review the Declaration for the sole purpose of determining compliance with the provisions of this Section.

(d) City's right to enforce any HOA maintenance provisions are at the sole discretion of the City.

4.02 Maintenance Plan. For park and common areas, maintained by the HOAs the corresponding Declaration pursuant to this Section shall provide for a plan of maintenance. In Development Area 4, there will be a landscape maintenance plan with reasonable sensitivities for fire prevention provided to the City Fire Department for review.

4.03 Release of Master Developer. Following Master Developer's creation of HOAs to maintain the Maintained Facilities, and approval of the maintenance plan with respect to each HOA, City will hold each HOA responsible for the maintenance of the Maintained Facilities in each particular development covered by each Declaration and Master Developer shall have no further liability in connection with the maintenance and operation of such particular Maintained Facilities. Notwithstanding the preceding sentence, Master Developer shall be responsible for the plants, trees, grass, irrigation systems, and any other botanicals or mechanical appurtenances related in any way to the Maintained Facilities pursuant to any and all express or implied warranties provided by Master Developer to the HOA under NRS Chapter 116.

4.04 City Maintenance Obligation Acknowledged. City acknowledges and agrees that all of

the following will be maintained by City in good condition and repair at the City's sole cost and expense: (i) permanent flood control facilities meeting the criteria for public maintenance defined in Title 20 of the Code as identified in the Master Drainage Study or applicable Technical Drainage Studies and (ii) all City dedicated public streets (excluding any landscape within the right-of-way), associated curbs, gutters, City-owned traffic control devices, signage, and streetlights upon City-dedicated right-of-ways within the Community and accepted by the City. City reserves the rights to modify existing sidewalks and the installation of sidewalk ramps and install or modify traffic control devices on common lots abutting public streets at the discretion of the Director of Public Works.

Master Developer will maintain all temporary detention basins or interim facilities identified in the Master Drainage Study or applicable Technical Drainage Studies. The City agrees to cooperate with the Master Developer and will diligently work with Master Developer to obtain acceptance of all permanent drainage facilities.

SECTION FIVE

PROJECT INFRASTRUCTURE IMPROVEMENTS

5.01. Conformance to Master Studies. Master Developer agrees to construct and dedicate to City or other governmental or quasi-governmental entity or appropriate utility company, all infrastructure to be publicly maintained that is necessary for the development of the Community as required by the Master Studies and this Agreement.

5.02 Sanitary Sewer.

(a) Design and Construction of Sanitary Sewer Facilities Shall Conform to the Master Sanitary Sewer Study. Master Developer shall design, using City's sewer planning criteria, and construct all sanitary sewer main facilities that are identified as Master Developer's responsibility in the Master Sanitary Sewer Study. Master Developer acknowledges and agrees that this obligation shall not be delegated or transferred to any other party.

(b) Off-Property Sewer Capacity. The Master Developer and the City have analyzed the effect of the build out of the Community on Off-Property sewer pipelines. Master Sanitary Sewer Study indicates that sufficient offsite capacity in the offsite sewer pipelines exists fro the development of

the project contemplated herein. Master Developer and the City agree that the analysis may need to be revised as exact development patterns in the Community become known. All future offsite sewer analysis for the Community will consider a pipe to be at full capacity if it reaches a d/D ratio of 0.90 or greater. The sizing of new On-Property and Off-Property sewer pipe will be based on peak dry-weather flow d/D ratio of 0.50 for pipes between eight (8) and twelve (12) inches in diameter, and 0.60 for pipes larger than fifteen (15) inches in diameter.

5.03 Traffic Improvements.

(a) Legal Access. As a condition of approval to the Master Traffic Study and any updates thereto, Master Developer shall establish legal access to all public and private rights-of-way within the Community.

(b) Additional Right Turn Lane on Rampart Boulevard Northbound at Summerlin Parkway. At such time as City awards a bid for the construction of a second right turn lane on Rampart Boulevard northbound and the related Summerlin Parkway eastbound on-ramp, Master Developer will contribute twenty eight and three-tenths percent (28.3%) of the awarded bid amount, unless this percentage is amended in a future update to the Master Traffic Study ("Right Turn Lane Contribution"). The Right Turn Land Contribution is calculated based on a numerator of the number of AM peak trips from the Property, making a second right turn lane on Rampart Boulevard northbound and the related Summerlin Parkway eastbound on-ramp necessary, divided by a denominator of the total number of AM peak trips that changes the traffic count from a D level of service to an E level of service necessitating a second right turn lane on Rampart Boulevard northbound and the related Summerlin Parkway eastbound on-ramp. If the building permits for less than eight hundred (800) residential units have been issued, by way of a building permit issuance or group of building permit issuance that would encapsulate the construction of the eight hundredth (800th) residential unit, on the Property at the time the City awards a bid for this second right turn lane, the Right Turn Lane Contribution may be deferred until the issuance of the building permit for the eight hundredth (800th) residential unit, by way of a building permit issuance or group of building permit issuance that would encapsulate the construction of the eight hundredth (800th) residential unit, or a date mutually agreed upon by the Parties. If the City has not awarded a bid for the construction of the second right turn lane by the issuance of the building permit for the sixteen hundred

and ninety ninth (1699th) residential unit, a dollar amount based on the approved percentage in the updated Master Traffic Study shall be paid prior to the issuance of the seventeen hundredth (1,700th) residential unit, by way of a building permit issuance or group of building permit issuance that would encapsulate the construction of the seventeen hundredth (1,700th) residential unit, based on the preliminary cost estimate. At the time the work is bid, if the bid amount is less than the preliminary cost estimate, Master Developer shall be refunded proportionately. At the time the work is bid, if the bid amount is more than the preliminary cost estimate, Master Developer shall contribute up to a maximum of ten percent (10%) more than the cost estimate already paid to the City.

(c) Dedication of Additional Lane on Rampart Boulevard.

(i) Prior to the issuance of the 1st building permit for a residential unit in Development Areas 1, 2 or 3, Master Developer shall dedicate a maximum of 16 feet of a right-of-way for an auxiliary lane with right-of-way in accordance with Standard Drawing #201 on Rampart Boulevard along the Property's Rampart Boulevard frontage which extends from Alta Drive south through the Property's southern boundary on Rampart Boulevard. City shall pursue funding for construction of this additional lane as part of a larger traffic capacity public improvement project, however no guarantee can be made as to when and if such a project occurs.

(ii) On the aforementioned dedicated right-of-way, from the Property's first Rampart Boulevard entry north two hundred fifty (250) feet, Master Developer will construct a right hand turn lane into the Property in conjunction with Development Area 1's site improvements.

(d) Traffic Signal Improvements.

(i) Master Developer shall comply with Ordinance 5644 (Bill 2003-94), as amended from time to time by the City. The Master Developer shall construct or re-construct any traffic signal that is identified in the Master Traffic Study as the Master Developer's responsibility and shall provide appropriate easements and/or additional rights-of-way, as necessary.

(ii) The Master Traffic Study proposes the installation of a new traffic signal located on Rampart Boulevard at the first driveway located south of Alta Drive to Development Area 1. The Master Traffic Study indicates that this proposed signalized driveway on Rampart Boulevard operates at an acceptable level of service without a signal at this time. The installation of this proposed

traffic signal is dependent on additional traffic improvements as described in Sections 5.03 (b) and (c), and therefore, is not approved by the City at this time. The City agrees to accept in the future an update to the Master Traffic Study to re-evaluate the proposed traffic signal. Any such updated Master Traffic Study shall be submitted six (6) months after the issuance of the last building permit for Development Area 1 and at such subsequent times as mutually agreed to by the City and Master Developer. If construction of a traffic signal is approved at Rampart Boulevard at this first driveway to Development Area 1, the Master Developer shall, concurrently with such traffic signal, construct that portion of the additional lane dedicated pursuant to Section 5.03(c)(i) to the extent determined by the updated Master Traffic Study, unless such construction has already been performed as part of a public improvement project.

(e) Updates. The Director of Public Works may require an update to the Master Traffic Study as a condition of approval of the following land use applications: tentative map; site development plan review; or special use permit, but only if the applications propose land use, density, or entrances that substantially deviate from the approved Master Study or the development differs substantially in the opinion of the City Traffic Engineer from the assumptions of the approved Master Traffic Study. Additional public right-of-way may be required to accommodate such changes.

(f) Development Phasing. See Development Phasing plan attached hereto as **Exhibit "F"**.

5.04 Flood Control.

(a) Prior to the issuance of any permits in portions of the Property which do not overlie the regional drainage facilities on the Property, Master Developer shall increase the existing \$75,000 flood maintenance bond for the existing public drainage ways on the Property to \$125,000. Prior to the issuance of any permits in portions of the Property which overlie the regional drainage facilities on the Property, Master Developer shall have in place a bond amount of \$250,000.

(b) Obligation to Construct Flood Control Facilities solely on Master Developer. Master Developer shall design and construct flood control facilities that are identified as Master Developer's responsibility in the Master Drainage Study or applicable Technical Drainage Studies. Except as provided for herein, Master Developer acknowledges and agrees that this obligation shall not

be delegated to or transferred to any other party.

(c) Other Governmental Approvals. The Clark County Regional Flood Control and any other state or federal agencies, as required, shall approve the Master Drainage Study prior to final approval from City.

(d) Updates. The Director of Public Works may require an update to the Master Drainage Study or Master Technical Study as a condition of approval of the following land use applications: tentative map (residential or commercial); site development plan review (multifamily or commercial); or parcel map (except Parcel Map 64285) if those applications are not in substantial conformance with the approved Master Land Use Plan or Master Drainage Study. The update must be approved prior to the approval of any construction drawings and the issuance of any final grading permits, excluding any grub and clear permits outside of FEMA designated flood areas and/or demolition permits. An update to the exhibit in the approved Master Drainage Study depicting proposed development phasing in accordance with the Development Agreement shall be submitted for approval by the Flood Control Section.

(e) Regional Flood Control Facility Construction by Master Developer. The Master Developer agrees to design and substantially complete the Clark County Regional Flood Control District facilities as defined in the Master Drainage Study pursuant to an amendment to the Regional Flood Control District 2008 Master Plan Update prior to the issuance of any permits for units located within the flood zone.

(f) Construction Phasing. Master Developer shall submit a phasing and sequencing plan for all drainage improvements within the Community as a part of the Master Drainage Study. The phasing plan and schedule must clearly identify drainage facilities (interim or permanent) necessary prior to permitting any downstream units for construction. Notwithstanding the above, building permit issuance is governed by section 3.01(f).

SECTION SIX

DEFAULT

6.01 Opportunity to Cure; Default. In the event of any noncompliance with any provision of this Agreement, the Party alleging such noncompliance shall deliver to the other by certified mail a ten (10) day notice of default and opportunity to cure. The time of notice shall be measured from the date of receipt of the certified mailing. The notice of noncompliance shall specify the nature of the alleged noncompliance and the manner in which it may be satisfactorily corrected, during which ten (10) day period the party alleged to be in noncompliance shall not be considered in default for the purposes of termination or institution of legal proceedings.

If the noncompliance cannot reasonably be cured within the ten (10) day cure period, the non-compliant Party may timely cure the noncompliance for purposes of this Section 4 if it commences the appropriate remedial action with the ten (10) day cure period and thereafter diligently prosecutes such action to completion within a period of time acceptable to the non-breaching Party. If no agreement between the Parties is reached regarding the appropriate timeframe for remedial action, the cure period shall not be longer than ninety (90) days from the date the ten (10) day notice of noncompliance and opportunity to cure was mailed to the non-compliant Party.

If the noncompliance is corrected, then no default shall exist and the noticing Party shall take no further action. If the noncompliance is not corrected within the relevant cure period, the non-complaint Party is in default, and the Party alleging non-compliance may declare the breaching Party in default and elect any one or more of the following courses.

(a) Option to Terminate. After proper notice and the expiration of the above-referenced period for correcting the alleged noncompliance, the Party alleging the default may give notice of intent to amend or terminate this Agreement as authorized by NRS Chapter 278. Following any such notice of intent to amend or terminate, the matter shall be scheduled and noticed as required by law for consideration and review solely by the City Council.

(b) Amendment or Termination by City. Following consideration of the evidence

presented before the City Council and a finding that a substantial default has occurred by Master Developer and remains uncorrected, City may amend or terminate this Agreement pursuant to NRS 278. Termination shall not in any manner rescind, modify, or terminate any vested right in favor of Master Developer, as determined under the Applicable Rules, existing or received as of the date of the termination. Master Developer shall have twenty-five (25) days after receipt of written notice of termination to institute legal action pursuant to this Section to determine whether a default existed and whether City was entitled to terminate this Agreement.

(c) Termination by Master Developer. In the event City substantially defaults under this Agreement, Master Developer shall have the right to terminate this Agreement after the hearing set forth in this Section. Master Developer shall have the option, in its discretion, to maintain this Agreement in effect, and seek to enforce all of City's obligations by pursuing an action pursuant to this Section 6.01(a).

6.02. Unavoidable Delay; Extension of Time. Neither party hereunder shall be deemed to be in default, and performance shall be excused, where delays or defaults are caused by war, national disasters, terrorist attacks, insurrection, strikes, walkouts, riots, floods, earthquakes, fires, casualties, third-party lawsuits, or acts of God. If written notice of any such delay is given to one Party or the other within thirty (30) days after the commencement thereof, an automatic extension of time, unless otherwise objected to by the party in receipt of the notice within thirty (30) days of such written notice, shall be granted coextensive with the period of the enforced delay, or longer as may be required by circumstances or as may be subsequently agreed to between City and Master Developer.

6.03. Limitation on Monetary Damages. City and the Master Developer agree that they would not have entered into this Agreement if either were to be liable for monetary damages based upon a breach of this Agreement or any other allegation or cause of action based upon or with respect to this Agreement. Accordingly, City and Master Developer (or its permitted assigns) may pursue any course of action at law or in equity available for breach of contract, except that neither Party shall be liable to the other or to any other person for any monetary damages based upon a breach of this Agreement.

6.04. Venue. Jurisdiction for judicial review under this Agreement shall rest exclusively with the Eighth Judicial District Court, County of Clark, State of Nevada or the United States District Court,

District of Nevada. The parties agree to mediate any and all disputes prior to filing of an action in the Eighth Judicial District Court unless seeking specific performance or injunctive relief.

6.05. Waiver. Failure or delay in giving notice of default shall not constitute a waiver of any default. Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies in respect of any default shall not operate as a waiver of any default or any such rights or remedies, or deprive such party of its right to institute and maintain any actions or proceedings that it may deem necessary to protect, assert, or enforce any of its rights or remedies.

6.06. Applicable Laws; Attorneys' Fees. This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada. Each party shall bear its own attorneys' fees and court costs in connection with any legal proceeding hereunder.

SECTION SEVEN

GENERAL PROVISIONS

7.01. Duration of Agreement. The Term of this Agreement shall commence upon the Effective Date and shall expire on the thirtieth (30) anniversary of the Effective Date, unless terminated earlier pursuant to the terms hereof. City agrees that the Master Developer shall have the right to request extension of the Term of this Agreement for an additional five (5) years upon the following conditions:

(a) Master Developer provides written notice of such extension to City at least one hundred-eighty (180) days prior to the expiration of the original Term of this Agreement; and

(b) Master Developer is not then in default of this Agreement;

Upon such extension, Master Developer and City shall enter into an amendment to this Agreement memorializing the extension of the Term.

7.02. Assignment. The Parties acknowledge that the intent of this Agreement is that there is a Master Developer responsible for all of the obligations in this Agreement throughout the Term of this Agreement.

(a) At any time during the Term, Master Developer and its successors-in-interest shall have the right to sell, assign or transfer all of its rights, title and interests to this Agreement (a "Transfer") to any person or entity (a "Transferee"). Except in regard to Transfers to Pre-Approved Transferees (which does not require any consent by the City as provided in Section 5.02(b) below), prior to consummating any Transfer, Master Developer shall obtain from the City written consent to the Transfer as provided for in this Agreement, which consent shall not be unreasonably withheld, delayed or conditioned. Master Developer's written request shall provide reasonably sufficient detail and any non-confidential, non-proprietary supporting evidence necessary for the City to consider and respond to Master Developer's request. Master Developer shall provide information to the City that Transferee, its employees, consultants and agents (collectively "Transferee Team") has: (i) the financial resources necessary to develop the Community, in accordance with the terms and conditions of this Agreement, or (ii) experience and expertise in developing projects similar in scope to the Community. The Master Developer's request, including approval of the Assignment and Assumption Agreement reasonably acceptable to the City, shall be promptly considered by the City Council for their approval or denial within forty-five (45) days from the date the City receives Master Developer's written request. Upon City's approval and the full execution of an Assignment and Assumption Agreement by City, Master Developer and Transferee, the Transferee shall thenceforth be deemed to be the Master Developer and responsible for all of the obligations in this Agreement and Master Developer shall be fully released from the obligations in this Agreement.

(b) Pre-Approved Transferees. Notwithstanding anything in this Agreement to the contrary, the following Transferees constitute "Pre-Approved Transferees," for which no City consent shall be required provided that such Pre-Approved Transferees shall assume in writing all obligations of the Master Developer hereunder by way of an Assignment and Assumption Agreement. The Assignment and Assumption Agreement shall be approved by the City Manager, whose approval shall not be unreasonably withheld, delayed or conditioned. The Assignment and Assumption Agreement shall be executed by the Master Developer and Pre-Approved Transferee and acknowledged by the City Manager. The Pre-Approved Transferee shall thenceforth be deemed to be the Master Developer and be

responsible for all of the obligations in this Agreement and Master Developer shall be fully released from the obligations in this Agreement.

1) An entity owned or controlled by Master Developer or its Affiliates;

2) Any Investment Firm that does not plan to develop the Property. If Investment Firm desires to: (i) develop the Property, or (ii) Transfer the Property to a subsequent Transferee that intends to develop the Property, the Investment Firm shall obtain from the City written consent to: (i) commence development, or (ii) Transfer the Property to a subsequent Transferee that intends to develop the Property, which consent shall not be unreasonably withheld, delayed or conditioned. Investment Firm's written request shall provide reasonably sufficient detail and any non-confidential, non-proprietary supporting evidence necessary for the City Council to consider. Investment Firm shall provide information to the City that Investment Firm or Transferee and their employees, consultants and agents (collectively "Investment Firm Team" and "Transferee Team", respectively) that intends to develop the Property has: (i) the financial resources necessary to develop the Community, in accordance with the terms and conditions of this Agreement, or (ii) experience and expertise in developing projects similar in scope to the Community. The Investment Firm's request, including approval of the Assignment and Assumption Agreement reasonably acceptable to the City, shall be promptly considered by the City Council for their approval or denial within forty-five (45) days from the date the City receives Master Developer's written request. Upon City's approval and full execution of an Assignment and Assumption Agreement by City, Investment Firm and Transferee, the Transferee shall thenceforth be deemed to be the Master Developer and responsible for the all of the obligations in this Agreement.

(c) In Connection with Financing Transactions. Master Developer has full and sole discretion and authority to encumber the Property or portions thereof, or any improvements thereon, in connection with financing transactions, without limitation to the size or nature of any such transaction, the amount of land involved or the use of the proceeds therefrom, and may enter into such transactions at any time and from time to time without permission of or notice to City. All such financing transactions shall be subject to the terms and conditions of this Agreement.

7.03. Sale or Other Transfer Not to Relieve the Master Developer of its Obligation. Except as

expressly provided herein in this Agreement, no sale or other transfer of the Property or any subdivided development parcel shall relieve Master Developer of its obligations hereunder, and such assignment or transfer shall be subject to all of the terms and conditions of this Agreement, provided, however, that no such purchaser shall be deemed to be the Master Developer hereunder. This Section shall have no effect upon the validity of obligations recorded as covenants, conditions, restrictions or liens against parcels of real property.

7.04 Indemnity; Hold Harmless. Except as expressly provided in this Agreement, the Master Developer shall hold City, its officers, agents, employees, and representatives harmless from liability for damage for personal injury, including death and claims for property damage which may arise from the direct or indirect development operations or activities of Master Developer, or those of its contractors, subcontractors, agents, employees, or other persons acting on Master Developer's behalf. Master Developer agrees to and shall defend City and its officers, agents, employees, and representatives from actions for damages caused by reason of Master Developer's activities in connection with the development of the Community other than any challenges to the validity of this Agreement or City's approval of related entitlements or City's issuance of permits on the Property. The provisions of this Section shall not apply to the extent such damage, liability, or claim is proximately caused by the intentional or negligent act of City, its officers, agent, employees, or representatives. This section shall survive any termination of this Agreement.

7.05. Binding Effect of Agreement. Subject to this Agreement, the burdens of this Agreement bind, and the benefits of this Agreement inure to, the Parties' respective assigns and successors-in-interest and the property which is the subject of this Agreement.

7.06 Relationship of Parties. It is understood that the contractual relationship between City and Master Developer is such that Master Developer is not an agent of City for any purpose and City is not an agent of Master Developer for any capacity.

7.07 Counterparts. This Agreement may be executed at different times and in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page of this Agreement may be detached from any counterpart without impairing the legal effect to any signatures thereon, and may be attached to another counterpart,

identical in form thereto, but having attached to it one or more additional signature pages. Delivery of a counterpart by facsimile or portable document format (pdf) through electronic mail transmission shall be as binding an execution and delivery of this Agreement by such Party as if the Party had delivered an actual physical original of this Agreement with an ink signature from such Party. Any Party delivering by facsimile or electronic mail transmission shall promptly thereafter deliver an executed counterpart original hereof to the other Party.

7.08 Notices. All notices, demands and correspondence required or provided for under this Agreement shall be in writing. Delivery may be accomplished in person, by certified mail (postage prepaid return receipt requested), or via electronic mail transmission. Mail notices shall be addressed as follows:

To City:	City of Las Vegas 495 South Main Street Las Vegas, Nevada 89101 Attention: City Manager Attention: Director of the Department of Planning
To Master Developer:	180 LAND COMPANY LLC 1215 Fort Apache Road, Suite 120 Las Vegas, NV 89117
Copy to:	Chris Kaempfer Kaempfer Crowell 1980 Festival Plaza Drive, Suite 650 Las Vegas, Nevada 89135

Either Party may change its address by giving notice in writing to the other and thereafter notices, demands and other correspondence shall be addressed and transmitted to the new address. Notices given in the manner described shall be deemed delivered on the day of personal delivery or the date delivery of mail is first attempted.

7.09 Entire Agreement. This Agreement constitutes 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 of any part of the subject matter hereof.

7.10 Waivers. All waivers of the provisions of this Agreement shall be in writing and signed by

the appropriate officers of Master Developer or approved by the City Council, as the case may be.

7.11 Recording; Amendments. Promptly after execution hereof, an executed original of this Agreement shall be recorded in the Official Records of Clark County, Nevada. All amendments hereto must be in writing signed by the appropriate officers of City and Master Developer in a form suitable for recordation in the Official Records of Clark County, Nevada. No amendment of this Agreement shall in and of itself amend the 2016 Major Modification attached hereto as **Exhibit "C"** unless that is the expressed intention of the Parties to do so as it relates to the Property. Upon completion of the performance of this Agreement, a statement evidencing said completion, shall be signed by the appropriate officers of the City and Master Developer and shall be recorded in the Official Records of Clark County, Nevada. A revocation or termination shall be signed by the appropriate officers of the City and/or Master Developer and shall be recorded in the Official Records of Clark County, Nevada.

7.12 Headings; Exhibits; Cross References. The recitals, headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand or limit the terms of this Agreement. All exhibits attached to this Agreement are incorporated herein by the references contained herein. Any term used in an exhibit hereto shall have the same meaning as in this Agreement unless otherwise defined in such exhibit. All references in this Agreement to sections and exhibits shall be to sections and exhibits to this Agreement, unless otherwise specified.

7.13 Release. Each residential lot shown on a recorded Subdivision Map within the Community shall be automatically released from the encumbrance of this Agreement without the necessity of executing or recording any instrument of release upon the issuance of a building permit for the construction of a residence thereon.

7.14 Severability of Terms. If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect, provided that the invalidity, illegality or unenforceability of such terms does not materially impair the Parties' ability to consummate the transactions contemplated hereby. If any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall, if possible, amend this Agreement so as to affect the original intention of the Parties.

7.15 Exercise of Discretion. Wherever a Party to this Agreement has discretion to make a decision, it shall be required that such discretion be exercised reasonably unless otherwise explicitly provided in the particular instance that such decision may be made in the Party's "sole" or "absolute" discretion or where otherwise allowed by applicable law.

7.16 No Third Party Beneficiary. This Agreement is intended to be for the exclusive benefit of the Parties hereto and their permitted assignees. No third party beneficiary to this Agreement is contemplated and none shall be construed or inferred from the terms hereof. In particular, no person purchasing or acquiring title to land within the Community, residing in the Community, or residing outside the Community shall, as a result of such purchase, acquisition or residence, have any right to enforce any obligation of Master Developer or City nor any right or cause of action for any alleged breach of any obligation hereunder by either party hereto.

7.17 Gender Neutral. In this Agreement (unless the context requires otherwise), the masculine, feminine and neutral genders and the singular and the plural include one another.

SECTION EIGHT

REVIEW OF DEVELOPMENT

8.01 Frequency of Reviews. As provided by NRS Chapter 278, Master Developer shall appear before the City Council to review the development of the Community. The Parties agree that the first review occur no later than twenty-four (24) months after the Effective Date of this Agreement, and again every twenty-four (24) months on the anniversary date of that first review thereafter or as otherwise requested by City upon fourteen (14) days written notice to Master Developer. For any such review, Master Developer shall provide, and City shall review, a report submitted by Master Developer documenting the extent of Master Developer's and City's material compliance with the terms of this Agreement during the preceding period.

[Signatures on following pages]

**In Witness Whereof, this Agreement has been executed by the Parties on the day and year first
above written.**

CITY:

CITY COUNCIL, CITY OF LAS VEGAS

By:

Mayor

Approved as to Form:

City Attorney

Attest:

City Clerk

By:

LuAnn Holmes, City Clerk

MASTER DEVELOPER

180 LAND COMPANY LLC,

a Nevada limited liability company

By:

Name:

Title:

SUBSCRIBED AND SWORN TO before me

on this ____ day of _____,

2015.

Notary Public in and for said County and State