

## EXCLUSIVE NEGOTIATING AGREEMENT

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### AMENDMENT NO. 1

DATED as of March 25, 2013

#### Recitals

**A.** An "Exclusive Negotiating Agreement" (the "ENA") dated September 24, 2012 was entered into between AED Investments, LLC ("Developer"), the Redevelopment Agency of the City of Sparks ("Agency") and the City of Sparks, Nevada ("City"). The ENA granted the Developer an exclusive opportunity to prepare a proposal to develop a 10.2 acre parcel owned by the Agency situated along the east side of Marina Gateway Drive, legally Parcel A as depicted in Parcel Map 4081, recorded as Document 2918146, Official Records of Washoe County ("Property"), with facilities which provide specialized services to the elderly (the "Project") and, if the Project proposal is approved by the Agency and City, to acquire and develop the property accordingly. These residential facilities may provide respiratory, memory, behavioral, orthopedic, transitory or other skilled care.

**B.** The parties desire to amend the term of the agreement to provide the Developer additional time to complete their analysis of the feasibility of the project, including the availability of project financing, and a development proposal.

NOW THEREFORE, the parties agree as follows:

#### §A1.1 Changes in Term of Agreement

¶A1.1.A Expiration. The ENA is hereby changed in §5.01 (Expiration) and all relevant places to provide that the ENA now expires on September 23, 2013. This extended expiration date is, however, dependent on the Developer providing the Agency and City an updated and complete market study prepared by a third party consultant by May 24, 2013 that substantiates market demand for the Developer's proposal. If the market study is not submitted by this date, or should the market study fail to substantiate a need for the Project, the ENA will automatically terminate. If a Disposition and Development Agreement ("DDA") is negotiated with Agency staff and is submitted for approval by the Agency Board and City Council by September 23, 2013, the deadline will automatically be extended until the Agency Board of Directors and City Council makes a final decision on the DDA.

IN WITNESS WHEREOF the parties have caused this Amendment to the ENA to be executed on the dates indicated below.

**Developer**

AED Investments, LLC.

By \_\_\_\_\_ Date \_\_\_\_\_

William S. Erwin

Its: Manager

By \_\_\_\_\_ Date \_\_\_\_\_

A. Robert Aitchison

Its: Manager

**Agency**

Redevelopment Agency of the City of Sparks, Nevada

By \_\_\_\_\_ Date \_\_\_\_\_

Ron Smith, Chairman

Attest:

By \_\_\_\_\_ Date \_\_\_\_\_

Teresa Gardner, Agency Clerk

**City**

City of Sparks, Nevada

By \_\_\_\_\_ Date \_\_\_\_\_

Geno Martini, Mayor

Attest:

By \_\_\_\_\_ Date \_\_\_\_\_

Teresa Gardner, City Clerk

Approved as to Form and Legality

By \_\_\_\_\_

Agency Attorney

By \_\_\_\_\_

City Attorney