

DISPOSITION AND DEVELOPMENT AGREEMENT

AMENDMENT NO. 1

DATED as of November 28, 2016

Recitals

A. A "Disposition and Development Agreement" (the "DDA") dated July 27, 2015 was entered into between SWD-Quarry FVS, LLC ("Developer"), the Redevelopment Agency of the City of Sparks ("Agency") and the City of Sparks, Nevada ("City"). The DDA granted the Developer the ability to acquire and develop 8 parcels from the Agency, 6 of which are referred to in the DDA as the Agency Residential Parcels and 2 of which are referred to as the Agency Mixed-Use Parcels. The Agency Mixed-Use Parcels have the Washoe County Assessor Parcel Numbers (APNs) of 032-341-22 and 032-341-23. The Agency Residential Parcels and the Agency Mixed-Use Parcels are jointly referred to as the Project Property.

B. As provided for in the DDA, on the Agency Residential Parcels the Developer is to build a total of ten (10) residential buildings containing approximately 220 residential units plus a clubhouse and a swimming pool. On the Agency Mixed-Use Parcels, the Developer shall build one mixed-use building on each parcel with approximately 4,615 square feet of restaurant/retail space on the ground floor, garage parking for 10-12 vehicles and 8 residential units on the second floor.

C. The DDA provides for two escrows for sale of the Project Property. The First Escrow means the escrow established with First American Title for closing the sale of the Agency Residential Parcels. The Second Escrow means the escrow established with First American Title for closing the sale of the Agency Mixed-Use Parcels.

D. Close of escrow on the First Escrow for the Agency Residential Parcels was completed and the Developer has or is constructing all of the improvements specified in the DDA.

E. Per Article 3.3 (Project Schedule) and Article 4.3.1 (Time Frames and Deadlines) of the DDA, the Closing Deadline for the Second Escrow for the Agency Mixed-Use Parcels is December 31, 2016. Per Article 3.3 (Project Schedule) of the DDA, the deadline for the Developer to start construction on the Agency Mixed-Use Parcels is December 31, 2016.

F. The Agency Mixed-Use Parcels are located directly in front of the Victorian Square movie theater building owned by Syufy Enterprises that, until September 29, 2016, was

operated by Cinemark Theaters. No reliable information is currently available as to whether, and if so when, a movie theater operator will resume operations in the building owned by Syufy Enterprises.

G. The restaurant/retail uses that are to occupy the ground floors of the mixed-use buildings on the Agency Mixed-Use Parcels are partially reliant on the presence of a complementary, customer generating-use on the site of movie theater building owned by Syufy Enterprises in order to be feasible and successful.

H. The parties desire to amend the terms of the DDA to provide the Developer additional time to obtain reliable information regarding future use of the movie theater property and to close the Second Escrow for, and commence construction on, the Agency Mixed-Use Parcels.

NOW THEREFORE, the parties agree as follows:

§A1.1 Changes in Term of Agreement

¶A1.1.A Deadline for Close of Second Escrow. The DDA is hereby changed in Article 3.3 (Project Schedule) and Article 4.3.1 (Time Frames and Deadlines) and all relevant places to provide that the deadline for close of the Second Escrow for the Agency Mixed-Use Parcels now expires on June 30, 2017.

¶A1.1.B Deadline for Start of Construction on Agency Mixed-Use Parcels. The DDA is hereby changed in Article 3.3 (Project Schedule) and all relevant places to provide that the Developer's deadline for start of construction on the Agency Mixed-Use Parcels is July 14, 2017.

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

Developer
SWD-Quarry FVS, LLC

By  Date 11/9/16
J Carter Witt III, President

Agency
Redevelopment Agency of the City of Sparks, Nevada

By _____ Date _____
_____, Chair

Attest:

By _____ Date _____
Teresa M. Gardner, Agency Clerk

City
City of Sparks, Nevada

By _____ Date _____
Geno R. Martini, Mayor

Attest:

By _____ Date _____
Teresa Gardner, City Clerk

Approved as to Form and Legality

By _____ By _____
Agency Attorney City Attorney