



**ESCROW INSTRUCTIONS**

Date: 05/31/2016

Commercial Escrow Officer: Cheri Yarbrough

Escrow Number: 125-2505132

Property: 0 Avenue of the Oaks, NV

The undersigned Redevelopment Agency City Sparks ("Seller") and SWD Quarry Bridges, LLC ("Buyer"), hereby authorize, direct and instruct First American Title Insurance Company ("Escrow Holder"), as follows:

Buyer and Seller have entered into that certain ("Agreement"), a copy of which is attached hereto as Exhibit "A". By this reference said Agreement and any amendments or addendum that may be entered into from time to time are incorporated herein and Escrow Holder is authorized and instructed to comply with the provisions therein that are only within the control of Escrow Holder.

In the event that the Agreement provides for title to be vested in an "Assignee" and/or "Nominee", Escrow Holder is authorized to insert the name of said assignee/nominee into the deed and related documents prior to delivery and/or recording of same without the benefit of any further written instructions from the Seller, unless the Agreement states otherwise.

Pursuant to the Agreement the parties have agreed that the Seller shall sell and the Buyer shall purchase that certain real property of the Seller, which real property is described as:

See Exhibit "B" attached hereto for complete legal description and by referenced made a part hereof.

If this Agreement or any matter relating thereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold Escrow Holder free and harmless from any loss or expense, except losses or expenses as may arise from Escrow Holder's negligence or willful misconduct. If conflicting demands are made or notices served upon Escrow Holder with respect to this Agreement, the parties expressly agree that Escrow Holder shall be entitled to file a suit in interpleader and litigate an order from the court requiring the parties to interplead and litigate their several claims and rights among themselves. Upon the filing of the action in interpleader, Escrow Holder shall be fully released and discharged from any obligations sufficiency or correctness as to form, manner, execution or validity of any instrument deposited with it or as to the identity, authority or rights of any person executing with such Agreement, contract or other instrument filed with Escrow Holder or referred to herein. Escrow Holder's duties hereunder shall be limited to the safekeeping of all monies, instruments or other documents received by it as Escrow Holder, and for their disposition in accordance with the terms of this Agreement.

These Escrow Instructions are not intended to modify or amend the Agreement between Seller and Buyer unless such modification and/or amendment is specifically set forth herein.

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This agreement in all parts applies to, inures to the benefit of , and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns, and whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural.

The "General Provisions" attached hereto are made a part hereof by this reference.

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**EXHIBIT "B"**

PARCEL 1:

PARCEL I OF DEDICATION TRACT MAP OF AVENUE OF THE OAKS, 13TH STREET AND THE B/C ALLEY FOR CITY OF SPARKS, ACCORDING TO THE MAP THEREOF NO. 4887, FILED IN THE OFFICE OF THE COUNTY RECORDER OF WASHOE COUNTY, STATE OF NEVADA ON SEPTEMBER 30, 2008 AS DOCUMENT NO. 3692370 OF OFFICIAL RECORDS.

PARCEL 2:

PARCEL C OF DEDICATION TRACT MAP OF AVENUE OF THE OAKS, 13TH STREET AND THE B/C ALLEY FOR CITY OF SPARKS, ACCORDING TO THE MAP THEREOF NO. 4887, FILED IN THE OFFICE OF THE COUNTY RECORDER OF WASHOE COUNTY, STATE OF NEVADA ON SEPTEMBER 30, 2008 AS DOCUMENT NO. 3692370 OF OFFICIAL RECORDS.

BUYER:

SWD Quarry Bridges, LLC

SELLER:

Redevelopment Agency City Sparks

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ESCROW GENERAL PROVISIONS

The parties understand and acknowledge:

1. SPECIAL DISCLOSURES:

A. DEPOSIT OF FUNDS & DISBURSEMENTS

Unless directed in writing to establish a separate, interest-bearing account together with all necessary taxpayer reporting information (i.e. W9), all funds shall be deposited in general escrow accounts in a federally insured financial institution (which may include First American Trust Company which is an affiliate of Escrow Holder) ("depositories"). All disbursements shall be made by Escrow Holder's check or by wire transfer unless otherwise instructed in writing.

B. GOOD FUNDS LAW.

ALL funds to close Escrow and/or to be released early must be deposited into escrow in sufficient time prior to the date of close/release so that funds have cleared and are available in Escrow Holder's account. Wire transfers are immediately disbursable upon confirmation of receipt. Funds deposited by a cashier's or certified check are generally available on the next banking day following deposit. Funds deposited by a personal check and other types of instruments may not be available until confirmation from Escrow Holder's bank which can vary from 2 to 10 days.

C. DISCLOSURE OF POSSIBLE BENEFITS TO ESCROW HOLDER

As a result of Escrow Holder maintaining its general escrow accounts with the depositories, Escrow Holder may receive certain financial benefits such as an array of bank services, accommodations, loans or other business transactions from the depositories ("collateral benefits"). All collateral benefits shall accrue to the sole benefit of Escrow Holder and Escrow Holder shall have no obligation to account to the parties to this escrow for the value of any such collateral benefits.

D. MISCELLANEOUS FEES

Escrow Holder may incur certain additional costs on behalf of the parties for services performed by third party providers. The fees charged by Escrow Holder for services such as wire transfers or overnight delivery/courier services may include a mark up over the direct cost of such services to reflect the averaging of direct, administrative and overhead charges of Escrow Holder for such services.

E. METHOD TO DELIVER PAYOFF TO LENDERS/LIEN HOLDERS

To minimize the amount of interest due on any existing loan or lien, Escrow Holder will deliver the payoff funds to the lender/lien holder in an expeditious manner as demanded by the lender/lien holder using (a) personal delivery, (b) wire transfer, or (c) overnight delivery service, unless otherwise directed in writing by the affected party.

2. PRORATIONS & ADJUSTMENTS

The term "close of escrow" means the date on which documents are recorded. All prorations and/or adjustments shall be made to the close of escrow based on the number of actual days, unless otherwise instructed in writing.

3. CONTINGENCY PERIODS

Escrow Holder shall not be responsible for monitoring contingency time periods between the parties. The parties shall execute such documents as may be requested by Escrow Holder to confirm the status of any such periods.

4. REPORTS

As an accommodation, Escrow Holder may agree to transmit orders for inspection, termite, disclosure and other reports if requested, in writing or orally, by the parties or their agents. Escrow Holder shall deliver copies of any such reports as directed.

Escrow Holder is not responsible for reviewing such reports or advising the parties of the content of same.

5. INFORMATION FROM AFFILIATED COMPANIES

Escrow Holder may provide the parties' information to and from its affiliates in connection with the offering of products and services from these affiliates.

6. RECORDATION OF DOCUMENTS

Escrow Holder is authorized to record documents delivered through escrow which are necessary or proper for the issuance of the requested title insurance policy(ies).

7. PERSONAL PROPERTY TAXES

No examination, UCC search, insurance as to personal property and/or the payment of personal property taxes is required unless otherwise instructed in writing.

8. REAL PROPERTY TAXES

Real property taxes are prorated based on the most current available tax statement from the tax collector's office. Supplemental taxes may be assessed as a result of a change in ownership or completion of construction. Adjustments due either party based on the actual new tax bill issued after close of escrow or a supplemental tax bill will be made by the parties outside of escrow and Escrow Holder is released of any liability in connection with such adjustments.

9. CANCELLATION OF ESCROW

Any party desiring to cancel this escrow shall deliver written notice of cancellation to Escrow Holder. Within a reasonable time after receipt of such notice, Escrow Holder shall send by regular mail to the address on the escrow instructions, one copy of said notice to the other party(ies). Unless written objection to cancellation is delivered to Escrow Holder by a party within 10 days after date of mailing, Escrow Holder is authorized, at its option, to comply with the notice and terminate the escrow. If a written objection is received by Escrow Holder, Escrow Holder is authorized, at its option, to hold all funds and documents in escrow (subject to the funds held fee) and to take no other action until otherwise directed by either the parties' mutual written instructions or a final order of a court of competent jurisdiction. If no action is taken on this escrow within 6 months after the closing date specified in the escrow instructions, Escrow Holder's obligations shall, at its option, terminate. Upon termination of this escrow, the parties shall pay all fees, charges and reimbursements due to Escrow Holder and all documents and remaining funds held in escrow shall be returned to the parties depositing same.

10. CONFLICTING INSTRUCTIONS & DISPUTES

If Escrow Holder becomes aware of any conflicting demands or claims concerning this escrow, Escrow Holder shall have the right to discontinue all further acts on Escrow Holder's part until the conflict is resolved to Escrow Holder's satisfaction. Escrow Holder has the right at its option to file an action in interpleader requiring the parties to litigate their claims/rights. If such an action is filed, the parties jointly and severally agree (a) to pay Escrow Holder's cancellation charges, costs (including the funds held fees) and reasonable attorneys' fees, and (b) that Escrow Holder is fully released and discharged from all further obligations under the escrow. If an action is brought involving this escrow and/or Escrow Holder, the party(ies) involved in the action agree to indemnify and hold the Escrow Holder harmless against liabilities, damages and costs incurred by Escrow Holder (including reasonable attorneys' fees and costs) except to the extent that such liabilities, damages and costs were caused by the negligence or willful misconduct of Escrow Holder.

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**A. Funds Held Charge**

If funds remain in escrow pursuant to parties instructions, or as a result of insufficient instructions, past the date which is ninety (90) days after Close of Escrow or if escrow has not closed, ninety (90) days after the estimated closing date set forth in the instructions, then a monthly funds held fee of \$25.00 shall accrue for each month or fraction thereof that the funds remain in escrow.

**B. Dormancy Charge**

If checks issued by Escrow Holder are not cashed a dormancy fee of \$50.00 per year shall accrue on any funds that remain in escrow 180 days or more after the date (or estimated date) of the closing of the transaction pursuant to which the funds were deposited.

**C. Release of Monthly and Annual Charges**

Escrow Holder is authorized to deduct the monthly funds held fee directly from the funds held on a monthly or other periodic basis (i.e. quarterly, semi-annually, etc.) and or the annual dormancy fee. The parties acknowledge and agree to pay these sums to compensate Escrow Holder for administering, monitoring, accounting, reminder and other notifications and processing of the funds so held.

**12. USURY**

Escrow Holder is not to be concerned with usury as to any loans or encumbrances in this escrow and is hereby released of any responsibility and/or liability therefore.

**13. AMENDMENTS TO ESCROW INSTRUCTIONS**

Any amendment to the escrow instructions must be in writing, executed by all parties and accepted by Escrow Holder. Escrow Holder may, at its sole option, elect to accept and act upon oral instructions from the parties. If requested by Escrow Holder the parties agree to confirm said instructions in writing as soon as practicable. The escrow instructions as amended shall constitute the entire escrow agreement between the Escrow Holder and the parties hereto with respect to the subject matter of the escrow.

**14. INSURANCE POLICIES**

In all matters relating to insurance, Escrow Holder may assume that each policy is in force and that the necessary premium has been paid. Escrow Holder is not responsible for obtaining fire, hazard or liability insurance, unless Escrow Holder has received specific written instructions to obtain such insurance prior to close of escrow from the parties or their respective lenders.

**15. COPIES OF DOCUMENTS; AUTHORIZATION TO RELEASE**

Escrow Holder is authorized to rely upon copies of documents, which include facsimile, electronic, NCR, or photocopies as if they were an originally executed document. If requested by Escrow Holder, the originals of such documents shall be delivered to Escrow Holder. Escrow Holder may withhold documents and/or funds due to the party until such originals are delivered. Documents to be recorded **MUST** contain original signatures. Escrow Holder may furnish copies of any and all documents to the lender(s), real estate broker(s), attorney(s) and/or accountant(s) involved in this transaction upon their request. Delivery of documents by escrow to a real estate broker or agent who is so designated in the purchase agreement shall be deemed delivery to the principal.

**16. COOPERATION REGARDING INADVERTENT ERROR**

Should adjustments be required after close of escrow due to clerical errors or oversight, the parties shall cooperate as required to assist Escrow Holder in effecting such corrections including, but not limited to, the payment of funds, execution of documents, etc.

**17. EXECUTION IN COUNTERPART**

The escrow instructions and any amendments may be executed in one or more counterparts, each of which shall be deemed an original,

and all of which taken together shall constitute the same instruction.

**18. SPECIAL PROPERTY DISCLOSURES**

**A. WOODSTOVE (WASHOE COUNTY ONLY)**

Washoe County Health Department ("HD") requires that as a condition of closing of escrow, Escrow Holder has in its possession either a "compliance Certificate" or "Notice of Exemption" signed by the parties and approved in writing by HD. Escrow Holder is authorized to advance the cost of the HD documents from funds held in escrow.

**B. NEVADA PROPERTY DISCLOSURE**

Nevada law mandates that a seller of residential property deliver to the buyer (a) a "Seller's Property Disclosure Form" or "Waiver Form" at least ten (10) days prior to transfer of the property, and (b) copies of homeowner association by laws, minutes and financial statements prior to the transfer of the property. Buyer and Seller agree that these deliveries shall be made between the parties outside of escrow and Escrow Holder is not to be concerned with this matter.

**19. TAX REPORTING, WITHHOLDING & DISCLOSURE**

The parties are advised to seek independent advice concerning the tax consequences of this transaction, including but not limited to, their withholding, reporting and disclosure obligations. Escrow Holder does not provide tax or legal advice and the parties agree to hold Escrow Holder harmless from any loss or damage that the parties may incur as a result of their failure to comply with federal and/or state tax laws. **WITHHOLDING OBLIGATIONS ARE THE EXCLUSIVE OBLIGATIONS OF THE PARTIES. ESCROW HOLDER IS NOT RESPONSIBLE TO PERFORM THESE OBLIGATIONS UNLESS ESCROW HOLDER AGREES IN WRITING.**

**A. TAXPAYER IDENTIFICATION NUMBER REPORTING**

Federal law requires Escrow Holder to report seller's social security number or tax identification number (both numbers are hereafter referred to as the "TIN"), forwarding address, and the gross sales price to the Internal Revenue Service ("IRS"). To comply with the USA PATRIOT Act, certain taxpayer identification information (including, but not limited to, the TIN) may be required by Escrow Holder from certain persons or entities involved (directly or indirectly) in the transaction prior to closing. Escrow cannot be closed nor any documents recorded until the information is provided and certified as to its accuracy to Escrow Holder. The parties agree to promptly obtain and provide such information as requested by Escrow Holder.

**B. FEDERAL WITHHOLDING & REPORTING**

Certain federal reporting and withholding requirements exist for real estate transactions where the seller (transferor) is a non-resident alien, a non-domestic corporation, partnership, or limited liability company; or a domestic corporation, partnership or limited liability company controlled by non-residents; or non-resident corporations, partnerships or limited liability companies.

**C. OTHER STATE'S WITHHOLDING OBLIGATIONS**

If withholding is required by the laws of any state other than Nevada, that withholding obligation is the sole responsibility of the parties and Escrow Holder is not obligated to withhold or to notify the parties of any such obligation.

**D. TAXPAYER IDENTIFICATION DISCLOSURE**

Federal and state laws require that certain forms include a party's TIN and that such forms or copies of the forms be provided to the other party and to the applicable governmental authorities. Parties to a real estate transaction involving seller-provided financing are required to furnish, disclose, and include the other party's TIN in their tax returns. Escrow Holder is authorized to release a party's TINs and copies of statutory forms to the other party and to the applicable governmental authorities in the foregoing circumstances. The parties agree to hold Escrow Holder harmless against any fees, costs, or judgments incurred and/or awarded because of the release of their TIN as authorized herein.

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