

123052

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

PARDEE HOMES OF NEVADA
10880 Wilshire Boulevard, Suite 1900
Los Angeles, California 90024
ATTN: MR. JON E. LASH

FILED FOR RECORDING
AT THE REQUEST OF

Stewart Title

2004 SEP 13 AM 10 35

LINCOLN COUNTY RECORDER
FEE \$3.00
LESLIE BOCHER
DEPT TNS

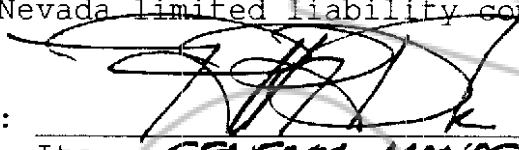
MEMORANDUM OF OPTION AGREEMENT

By this MEMORANDUM OF OPTION AGREEMENT entered into as of the 10th day of September, 2004 pursuant to an Option Agreement with the same parties covering the same property, COYOTE SPRINGS INVESTMENT LLC, a Nevada limited liability company ("Optionor"), and PARDEE HOMES OF NEVADA, a Nevada corporation ("Optionee"), hereby agree as follows:

1. Optionor hereby grants to Optionee an option to purchase certain real property located in the County of Lincoln, State of Nevada, which property is more fully described in Exhibit 1 attached hereto and incorporated herein by this reference (the "Option Property").
2. The option to purchase shall commence on the above date and shall terminate, to the extent not exercised, on the fortieth (40th) anniversary of the recordation of this instrument, or as otherwise set forth in the aforesaid Option Agreement and shall otherwise be subject to the terms and conditions contained therein.
3. This Memorandum may be executed in counterparts, and all counterparts together shall be construed as one document.

IN WITNESS WHEREOF, Optionor and Optionee have executed this Memorandum of Option Agreement as of the day and year first above written.

COYOTE SPRINGS INVESTMENT LLC,
a Nevada limited liability company

By: 
Its GENERAL MANAGER

"Optionor"

PARDEE HOMES OF NEVADA, a Nevada corporation

By: _____
Its _____


"Optionee"

IN WITNESS WHEREOF, Optionor and Optionee have executed this Memorandum of Option Agreement as of the day and year first above written.

COYOTE SPRINGS INVESTMENT LLC,
a Nevada limited liability company

By: _____
Its _____
"Optionor"

PARDEE HOMES OF NEVADA, a Nevada
corporation

By:  _____
Its Jon E. Lash
"Optionee"

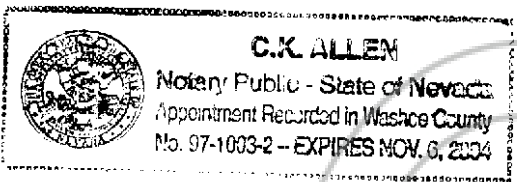
STATE OF Nevada
COUNTY OF Washoe

On 9/17/04, before me, C.K. Allen, Notary Public, personally appeared ROBERT R. DEKOR,

X personally known to me - OR.

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



C.K. Allen
NOTARY PUBLIC

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

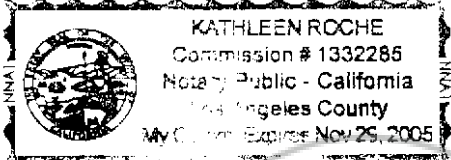
State of California
County of Los Angeles } ss.

On 9/7/04, before me, Kathleen Roche Notary Public
Date Name and Title of Officer (e.g., Jane Doe, Notary Public)

personally appeared Jon E. Lash
Name(s) of Signer(s)

personally known to me
 proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~ she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.
Kathleen Roche
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

- Signer's Name: _____
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

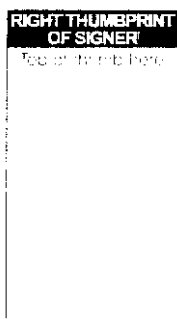


EXHIBIT "A"
LEGAL DESCRIPTION

Order No.:

The land referred to herein is situated in the State of Nevada,
County of CLARK and COUNTY OF LINCOLN, described as follows:

PARCEL NO. I: (LINCOLN COUNTY PORTION)

Mount Diablo Meridian, Nevada, fee title in and to the
following:

Township 11 South, Range 63 East, (Lincoln County, Nevada)

Section 13, South Half (S 1/2);

Section 20, all;

Section 21, all;

Section 22, all;

Section 23, all;

Section 24, all;

Section 25, all;

Section 26, all;

Section 27, all;

Section 28, all;

Section 29, all;

Section 32, all;

Section 33, all;

Section 34, all;

Section 35, all;

Section 36, West Half (W 1/2).

That portion of Sections 19, 30 and 31 lying Easterly of the
Westerly boundary of the transmission corridor, that boundary
being 1/2 mile Easterly of the Centerline of U.S. Highway 93.

Township 12 South, Range 63 East, (Lincoln County, Nevada)

Section 1, Lots Three (3), Four (4), South Half of the
Northwest Quarter (NW 1/4) and the Southwest Quarter (SW 1/4);

Section 2, Lots One (1) thru Four (4), South Half (S 1/2) of
the North Half (N 1/2) and the South Half (S 1/2);

Section 3, Lots One (1) thru Four (4), South Half (S 1/2) of
the North Half (N 1/2) and the South Half (S 1/2);

Section 6, that portion lying between the Centerline of U.S.
Highway 93 and the Western boundary of the transmission
corridor, that boundary being 1/2 mile easterly of the
Centerline of U.S. Highway 93, excluding that portion of the
North Half (N 1/2) of the North Half (N 1/2) lying between the

Continued on next page

LEGAL DESCRIPTION - continued

Centerline of U.S. Highway 93 and the western boundary of the transmission corridor; and that portion lying Easterly of the western boundary of the transmission corridor, that boundary being 1/2 mile Easterly of the Centerline of U.S. Highway 93;

FURTHER EXCEPTING THEREFROM THAT PORTION OF SAID LAND AS CONVEYED TO LEVEL 3 COMMUNICATIONS, LLC., BY THAT CERTAIN DEED RECORDED JANUARY 18, 2000 IN BOOK 146, PAGES 26-27, MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EASTERLY RIGHT OF WAY LINE OF U.S. HIGHWAY 93, SAID POINT BEING NORTH 68°26'42" WEST 2,564.97 FEET FROM A MARKED ROCK MONUMENTING THE SOUTHEAST CORNER OF SAID SECTION 6; THENCE NORTH 08°00'55" WEST ALONG SAID EASTERLY RIGHT OF WAY LINE 400.00 FEET; THENCE NORTH 81°50'05" EAST 544.50 FEET; THENCE SOUTH 08°00'55" EAST 544.50 FEET; THENCE SOUTH 81°59'55" WEST 544.50 FEET TO THE POINT OF BEGINNING.

SAID LAND ALSO BEING SHOWN ON THAT CERTAIN PARCEL MAP RECORDED JANUARY 18, 2000, IN BOOK B OF PARCEL MAPS, PAGE 273, OFFICIAL RECORDS OF LINCOLN COUNTY, NEVADA.

Sections 7, 18, 19, 29, 30 AND 32 all lying Easterly of the Centerline of U.S. Highway 93;

Sections 5, 9, 16, 21, 28 AND 33, that portion lying Westerly of the eastern boundary of the transmission corridor, that boundary being 1 1/2 miles from the Centerline of U.S. Highway 93.

Section 8, all;
Section 10, all;
Section 11, all;
Section 12, West Half (W 1/2) of the West Half (W 1/2);
Section 13, West Half (W 1/2);
Section 14, all;
Section 17, all;
Section 20, all;

Continued on next page

LEGAL DESCRIPTION - continued

Section 23, North Half (N 1/2) and the Southeast Quarter (SE 1/4);
Section 24, West Half (W 1/2);
Section 25, all;
Section 26, East Half (E 1/2);
Section 36, all;

PARCEL NO. I: (CLARK COUNTY PORTION)

Township 13 South, Range 63 East, (Clark County, Nevada)

Section 1, Lot One (1); the East Half (E 1/2) of Lot Two (2); the East Half (E 1/2) of the Southwest Quarter (SW 1/4) of the Northeast Quarter (NE 1/4), Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4), East Half (E 1/2) of the West Half (W 1/2) of the Southeast Quarter (SE 1/4), East Half (E 1/2) of the Southeast Quarter (SE 1/4);

ALL OF LOTS ONE (1), TWO (2) AND THREE (3) OF THAT CERTAIN PARCEL MAP ON FILE IN FILE 98 OF PARCEL MAPS, PAGE 57, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

Township 13 South, Range 64 East, (Clark County, Nevada)

Section 6, the West Half (W 1/2);

Section 7, the West Half (W 1/2) and the West Half (W 1/2) of the Southeast Quarter (SE 1/4);

Section 18, all

Section 19, all

Section 30, that portion lying Northerly of the Centerline of State Highway No. 168.

Continued on next page

LEGAL DESCRIPTION - continued

PARCEL NO. II: (LINCOLN COUNTY PORTION)

A leasehold estate in and to the following:

Mount Diablo Meridian, Nevada, Township 11 South, Range 63 East, (Lincoln County, Nevada).

Sections 19, 30 and 31, that portion lying Easterly of the Centerline of U.S. Highway 93 and the Western boundary of the transmission corridor, that boundary being 1/2 mile Easterly from the Centerline of U.S. Highway 93.

Mount Diablo Meridian, Nevada, Township 12 South, Range 63, (Lincoln County Nevada).

Section 4, all Sections 5, 9, 16, 21, 28, 33, that portion lying Easterly of the eastern boundary of the transmission corridor.

The North Half (N 1/2) of the North Half (N 1/2) of Section 6 lying Easterly of the Centerline of U.S. 93 and Westerly of the Westerly boundary of the transmission corridor, that boundary being 1/2 mile Easterly of the Centerline of U.S. Highway 93.

Section 15, all;
Section 22, all;
Section 23, Southwest Quarter (SW 1/4);
Section 26, West Half (W 1/2);
Section 27, all;
Section 34, all;
Section 35, all.

LEGAL DESCRIPTION - continued

PARCEL NO. 2: (CLARK COUNTY PORTION)

Township 13 South, Range 63 East, (Clark County, Nevada).

Section 1, West Half (W 1/2) of the West Half (W 1/2) of the East Half (E 1/2) and the West Half (W 1/2);

Section 2, all;

Sections 3, 4, 10 and 15, that portion lying Easterly of the eastern boundary of the transmission corridor, that boundary being 1 1/2 miles from the Centerline of U.S. Highway 93;

Section 11, all;

Section 12, all;

Section 13, all;

Section 14, all;

Section 22, that portion lying Northerly of a boundary 1/2 mile from the Centerline of State Highway 168 and Easterly of the eastern boundary of the transmission corridor, that boundary being 1 1/2 miles easterly of the Centerline of U.S. Highway 93;

Sections 23 and 24, that portion lying Northerly of a boundary 1/2 mile from the Centerline of State Highway 168.