

Project Name: NORTHSTAR VILLAGE, PHASE 1 AND 2
(BUILDINGS "G", "H", "J", AND "R")
Entitlement No.: SUB-416/CUP-2938
Developer: NORTHSTAR IRON HORSE, LLC.
Effective Date: NOVEMBER 1, 2005
Expiration Date: OCTOBER 1, 2006

DEFERRED IMPROVEMENT PLAN AGREEMENT

This DEFERRED IMPROVEMENT PLAN AGREEMENT is made and entered into this 26th day of October, 2005, by and between the County of Placer, a political subdivision of the State of California, ("County"), and NORTHSTAR IRON HORSE, LLC a Delaware Limited Liability Corporation ("Developer").

WITNESSETH:

WHEREAS, in October, 2003, the County approved the Tentative Map and Conditional Use Permit - "Northstar Village" (SUB-416/CUP-2938) to allow Developer to proceed with a project commonly referred to as Northstar Village located generally 500 feet southwest of the intersection of Northstar and Big Springs Drives, in the Martis Valley Area of Lake Tahoe (the "Project"), and

WHEREAS, Developer is the owner of the property subject to SUB-416/CUP-2938, properties described as Lots 1, 5, 6, D and E as shown on that map filed in Book AA at Page 21, Placer County Records (the "Property") and

WHEREAS, on June 23, 2004, the County approved the Improvement Plans for Northstar Village Phase 1 (County Project No. PN-8211) to allow Developer to proceed with the construction of improvements, excluding design work required by Conditions of Approval 38, 45, AND 109, and

WHEREAS, on July 22, 2004, the County approved the Improvement Plans for Northstar Village Phase 2 (County Project No. PN-8227) to allow Developer to proceed with the construction of improvements, excluding design work required by Conditions of Approval 38, 45, AND 109, and

~~WHEREAS, on July 26, 2005, the County approved the Improvement Plans to address Condition 38, titled "Project Improvement Plans for Construction of State Highway in Placer County near Truckee from PM 3.7 TO 4.0 on Route 267 and Northstar Drive" (County Project No. PN-8265), and on May 31, 2005, the County approved Improvement Plans to address Condition 45, titled "Street Improvement plans for Basque Road at Northstar Drive Intersection" (County Project No. PN-8231), and~~

WHEREAS, the Developer has not completed the construction of those improvements identified as required per Conditions 38 and 45, and

WHEREAS, the Developer has not completed the design nor the construction of those improvements identified as required per Condition 109, titled "Improvement Plans for Highlands Drive, Sawmill Flat Road, and Big Springs Drive" (County Project No. PN-8313), also known as Highlands View Drive, as shown on and generally set forth in the attached Engineer's Estimates, Conditions of Approval, and Exhibits, attached hereto and incorporated herein by reference (collectively, the "Deferred Improvement Plans"), and

WHEREAS, the Developer has entered into an Agreement with the Northstar Community Services District ("NCSD") to rely on Highlands View Drive to meet the requirement of Condition 109 for emergency access for Northstar Village, and

WHEREAS, the same Agreement between Developer and NCSD allows occupancy of Northstar Village Phases 1 and 2 (Buildings "G", "H", "J", and "R", referred to as "Phase 1" in the NCSD Agreement) prior to construction of Highlands View Drive, and

WHEREAS, the Developer has requested that the County issue occupancy permits for Northstar Village Phase 1 and 2, and the County has agreed to defer construction of improvements required per Conditions 38 and 45, and the County has agreed to defer design and construction of improvements required per Condition 109, and in reliance upon the Agreement entered into between the Developer and NCSD, and in reliance upon the Developer's representations as set forth herein,

NOW THEREFORE, the parties agree hereby as follows:

1. Concurrently with the execution of this Agreement by the County, the Developer shall submit to the County financial security in the amount of Two million, two hundred twenty five thousand dollars (\$2,225,000), in the form of a liquid security such as cash, a certificate of deposit naming the County of Placer as the holder in a form approved by the County, or a letter of credit issued by a financial institution in a form approved by the County. The balance of the final security in the sum of Four million, one hundred thousand dollars (\$4,100,000) shall be submitted to the County concurrently with the execution of the agreement and may be either a liquid security or a performance bond issued by a bonding surety approved by the County. Prior to execution of this Agreement by the County, the Developer shall have submitted for approval by the County the proposed form of the security.

-2. No later than October 1, 2006, Developer shall ~~complete construction of the~~ Deferred Improvements as shown on Exhibits "A", "B", and "C", and as shown on plans titled "Project Improvement Plans for Construction of State Highway in Placer County near Truckee from PM 3.7 TO 4.0 on Route 267 and Northstar Drive" (County Project No. PN-8265), and "Street Improvement plans for Basque Road at Northstar Drive Intersection" (County Project No. PN-8231), and "Improvement Plans for Highlands Drive, Sawmill Flat Road, and Big Springs Drive (County Project No. PN-8313), to the satisfaction of the County Community Development/Resource Agency ("Agency").

In the event Developer fails to complete the above-referenced work by October 1, 2006, the County shall provide the Developer with written notice of default and allow Developer SIXTY (60) days to cure the default. In the event the Developer fails to cure the default after written notice, the County shall be authorized without additional notice to Developer to take possession of and utilize the security referred to in Section 1 herein, including any accrued interest, to the extent necessary for the County to complete the work. Developer acknowledges that County will construct only the minimum improvements necessary to facilitate public safety. Developer's failure to complete the above-referenced work within SIXTY (60) days of the effective date of the written notice of default shall constitute a material breach of this agreement and shall entitle the County, without additional notice to Developer or providing Developer an opportunity to cure, to take possession of and utilize the security referred to in Section 1 herein, including any accrued interest, to the extent necessary for the County to complete minimum improvements as necessary to facilitate public safety. In the event the security is insufficient to complete the work, upon written demand of the County, the Developer shall pay to the County any additional sums required.

Should the County be compelled to complete the work because of the failure or refusal of the Developer to do so, the Developer hereby expressly consents and agrees to allow the County access to and entry upon the property owned by Developer consisting of the Project and any other necessary property interest. Said right of entry shall extend to the County's contractors, agents and employees to the full extent necessary to complete the work.

3. Upon receipt of the security referred to in paragraph 1, above, and provided all improvements related to accessibility and safety have been completed to the satisfaction of the County, the Agency will approve issuance of temporary occupancy building permits for Northstar Village Phase 1 and 2, both commercial and residential components.

No further occupancy (temporary or final) will be issued for any Northstar Village project building permit until the improvements required by Conditions 38, 45, and 109 have been constructed and accepted by the County as complete.

4. Upon satisfaction of all of the conditions as set forth herein, including Conditions 38, 45, AND 109, and upon successful completion of construction of said improvements, and provided Developer is otherwise in compliance with the conditions of approval of SUB-416/CUP-2938, the County shall release the full security and final occupancy building permits for Northstar Village Phase 1 and 2 and at which time this Agreement shall be terminated and of no further force or effect.

5. This Agreement shall not be construed to modify, amend, waive or supercede any of the conditions of approval of SUB-416/CUP-2938 as approved by the County as of this date, which shall remain unchanged and in full force and effect. Developer shall comply in full with all such conditions. The sole purpose of this Agreement is to set forth the terms upon which County agrees to issue temporary occupancy building permits for Northstar Village Phase 1 and 2 prior to construction of improvements required by Conditions 38, 45, AND 109.

6. This Agreement is the result of the joint efforts and negotiations of parties hereto. The parties agree that this Agreement shall be interpreted as though each of the parties participated equally in the composition of this Agreement and each and every part of it. The parties agree that each has been afforded the opportunity to consult with the attorney of its choosing prior to execution hereof. This Agreement constitutes the full written agreement of the parties, and no agreements or understandings not set forth herein shall be recognized. The person(s) signing this Agreement on behalf of Developer each warrants and represents that he or she has the authority to execute this Agreement on behalf of Developer and to bind Developer to the terms and conditions stated herein.

7. This Agreement shall be binding upon the successors-in-interest, the heirs and the assigns of the parties. This Agreement shall constitute a covenant running with the Property and an equitable servitude thereon. Developer agrees to notify any successor-in-interest, heirs or assigns of the existence of this Agreement.

COUNTY OF PLACER

By: W Zicker
Print Name: WESLEY K. ZICKER
Title: DIRECTOR EPS

Address for service of notice:

County of Placer
Wes Zicker, Director
Community Development/Resource Agency
Engineering and Surveying Division
11444 B Street
Auburn, CA 95603

DEVELOPER

NORTHSTAR IRON HORSE, LLC
a Delaware Limited Liability Corporation

BY: NORTHSTAR MOUNTAIN PROPERTIES, LLC,
A DELAWARE LIMITED LIABILITY COMPANY,
ITS MEMBER AND MANAGER

BY: NMP HOLDINGS, LLC,
A DELAWARE LIMITED LIABILITY COMPANY,
ITS MANAGER

BY: EAST WEST RESORT DEVELOPMENT V, L. P., L.L.L.P.,
A DELAWARE LIMITED PARTNERSHIP REGISTERED AS A
LIMITED LIABILITY LIMITED PARTNERSHIP,
ITS MEMBER AND MANAGER

BY: HF HOLDING CORP.,
A COLORADO CORPORATION,
ITS GENERAL PARTNER

B T Raydon
BY: SIGNATURE

10/26/05
DATE

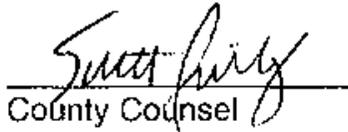
Bryan T. Raydon, Vice President
PRINT NAME / TITLE

Address for service of notice:

EAST WEST PARTNERS
PO BOX 2537
TRUCKEE, CA 96160
10164 DONNER PASS ROAD, SUITE 3
TRUCKEE, CA 96161

APPROVAL AS TO FORM:
PLACER COUNTY COUNSEL

By:


County Counsel

Attachments:

- Exhibit A: Construction Estimate, Conditions of Approval #38 and #45 (Hwy 267 Intersection and Basque Road Intersection), and Site Improvements
- Exhibit B: Construction Estimate, Condition of Approval #109 (Highlands View Drive Emergency Vehicle Access)
- Exhibit C: Hwy 267 at Northstar Drive Intersection Improvements
- Exhibit D: Basque Road at Northstar Drive Intersection Improvements
- Exhibit E: Highlands Drive, Sawmill Flat Road, and Big Springs Drive

NOTARIAL ACKNOWLEDGEMENT(S) ON FOLLOWING PAGE(S)

State of California
County of Placer

On October 20, 2008 before me, Nancy A. Stewart, a Notary Public, personally appeared Bryan Raydon, 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.

Nancy A. Stewart
Notary Public





East West Partners

October 17, 2005

Mr. Phil Frantz
Placer County
11444 B Avenue
Auburn, CA 95603

RE: Northstar Village - SUB-416/CUP-2938
DIA - Conditions of Approval #38 and #45
DIA - Site Improvements, Village at Northstar, per SIA Agreement

Dear Phil,

Attached please find estimates of incomplete work related to the above-captioned conditions of approval. These estimates were developed following a site visit by Matt Bartholomew on 10/12/05 and are based upon the level of completion as of 10/15/05. The worksheets are derived from exhibits prepared by Psomas for the preceding DIA and SIA Agreements that were executed in the Summer of 2004. In summary, the incomplete work totals are as follows:

1. COA #38 - Hwy 267 & Northstar Drive:	\$ 150,200	
2. COA#45 - Basque Road & Northstar Drive:	\$ 13,060	
3. Site Improvements - Phase I:	\$ 751,100	0
4. Site Improvements - Phase II:	\$ 579,440	0
TOTAL	\$ 1,493,800	\$ 163,260
	20% CONTINGENCY: 300,000	32,652
	\$ 1,802,000	\$ 195,912

PER 10/24/05
CONFERENCE
CALL WITH
EAST WEST

Very truly yours,

Bryan T. Raydon

SAY \$ 200,000



East West Partners

October 10, 2005

Mr. Phil Frantz
Placer County
11444 B Avenue
Auburn, CA 95603

RE: Condition of Approval #109 – Northstar Village – SUB-416/CUP-2938
Emergency Access Road

Dear Phil,

As mentioned in my letter dated October 7, 2005, I have attached an estimate to complete Highlands View Road to County Emergency Access Road standards. Those standards, as detailed in Northstar Village Conditional Use Permit, are:

The Emergency Access Road shall be designed to meet the criteria of NCSD, North Fire Department and CDF and includes, but is not limited to, the following:

- A) 20' paved width with 2' gravel shoulders.
- B) The road design shall have a 40,000 pound load capacity.
- C) Bridge crossings shall be either 24' wide or 20' wide with turnouts at both ends of the bridge.
- D) Gates and signage shall be constructed at both ends of the road to the satisfaction of NCSD/CDF/NFD.
- E) Snow removal maintenance shall occur per Placer County standards.

As you can see, the estimated cost is considerable... about \$6 million.

Very truly yours,

Bryan T. Raydon

NO DESCRIPTION	Unit	Quantity	Unit	Unit Price	Sub Total
MOBILIZATION					
MOBILIZATION	Common	1.00	LS	75,000.00	75,000.00
MOBILIZATION SUBTOTAL					75,000.00
EARTHWORK					
CUT & FILL	Road 1	3.00	CY	1,000.00	3,000.00
CONSTRUCTION STAKING	Common	1.00	LS	150,000.00	150,000.00
DRAINAGE BLANKET	Road 1	1.00	EA	2,500.00	2,500.00
URCA MAT & EMBANK	Road 1	30,000.00	CY	5.50	1,650,000.00
STUMP REMOVAL	Road 1	200.00	EA	450.00	90,000.00
READY ROCK WALLS	Road 1	15,337.50	SF	15.00	230,062.50
EARTHWORK SUBTOTAL					1,877,562.50
SWPPP					
WHEEL WASHING PAIS	Common	1.00	EA	6,500.00	6,500.00
STORM DRAIN CLOSERS	Common	16,500.00	LF	2.50	41,250.00
INLET PROTECTION	Common	50.00	EA	150.00	7,500.00
VEG WASHING	Road 1	2.00	EA	5,000.00	10,000.00
FIRE FIGHT CONTAINMENT AREA	Common	1.00	EA	6,500.00	6,500.00
TRAIL PROTECTION	Common	100.00	EA	210.00	21,000.00
DUST CONTROL	Common	4.00	LS	25,000.00	100,000.00
ORANGE SAFETY FENCE	Common	20,000.00	LF	2.00	40,000.00
SWPPP SUBTOTAL					209,250.00
STORM DRAIN					
Storm Drain	Road 1	1.00	LS	500,000.00	500,000.00
STORM DRAIN SUBTOTAL					500,000.00
WATER					
WATER SUBTOTAL					
BASE & PAVING					
2" ROAD BASE	Road 2	40,000.00	SF	0.75	30,000.00
3" AC 1 1/2" A 1/2" MAX	Road 2	80,000.00	SF	1.25	100,000.00
TYPE AC DRIVE	Road 2	15,000.00	LF	2.00	30,000.00
BASE & PAVING SUBTOTAL					160,000.00
SCMS, STRIPING, GUARDRAIL SUBTOTAL					
MISC WORKS					
WOOD RUN TUNNEL 240	Road 1	20.00	LF	450.00	9,000.00
AC SAWCUT	Road 1	75.00	LF	1.00	75.00
MISC. WORKS SUBTOTAL					9,075.00
REVEGETATION					
REVEGETATION	Road 1	50.00	AC	25,000.00	1,250,000.00
REVEGETATION SUBTOTAL					1,250,000.00
CONSPANS					
WEST FORK CREEK - Small	Road 1	2.00	LS	122,500.00	245,000.00
WEST FORK CREEK - Structure	Road 1	1.00	LS	400,000.00	400,000.00
WOODS RUN TUNNEL - Small	Road 1	1.00	LS	299,500.00	299,500.00
WOODS RUN TUNNEL - Structure	Road 1	1.00	LS	415,000.00	415,000.00
VILLAGE RUN TUNNEL - Small	Road 1	1.00	LS	342,500.00	342,500.00
VILLAGE RUN TUNNEL - Structure	Road 1	1.00	LS	281,500.00	281,500.00
VILLAGE RUN TUNNEL - Small	Road 1	1.00	LS	192,000.00	192,000.00
VILLAGE RUN TUNNEL - Structure	Road 1	1.00	LS	118,500.00	118,500.00
HOMERUN TUNNEL - Small	Road 1	1.00	LS	275,000.00	275,000.00
HOMERUN TUNNEL - Structure	Road 1	1.00	LS	417,400.00	417,400.00
HOMERUN TUNNEL - Small	Road 1	1.00	LS	612,500.00	612,500.00
HOMERUN TUNNEL - Structure	Road 1	1.00	LS	249,618.30	249,618.30
CONSPAN SUBTOTALS					2,988,228.30
JOB CLEANUP					
JOB CLEANUP	Common	1.00	LS	10,100.00	10,100.00
JOB CLEANUP SUBTOTAL					10,100.00
TOTAL					5,812,511.80

+ 20% CONTINGENCY 1,183,400

\$7,100,000

EXHIBIT "C"

1 OF 2

SHEET NO.	COUNTY	ROUTE	PROJ. POST MILE	TOTAL PROJECT	SHEET TOTAL
04	PLA	PLA	3.7/4.0		18

REGISTERED CIVIL ENGINEER

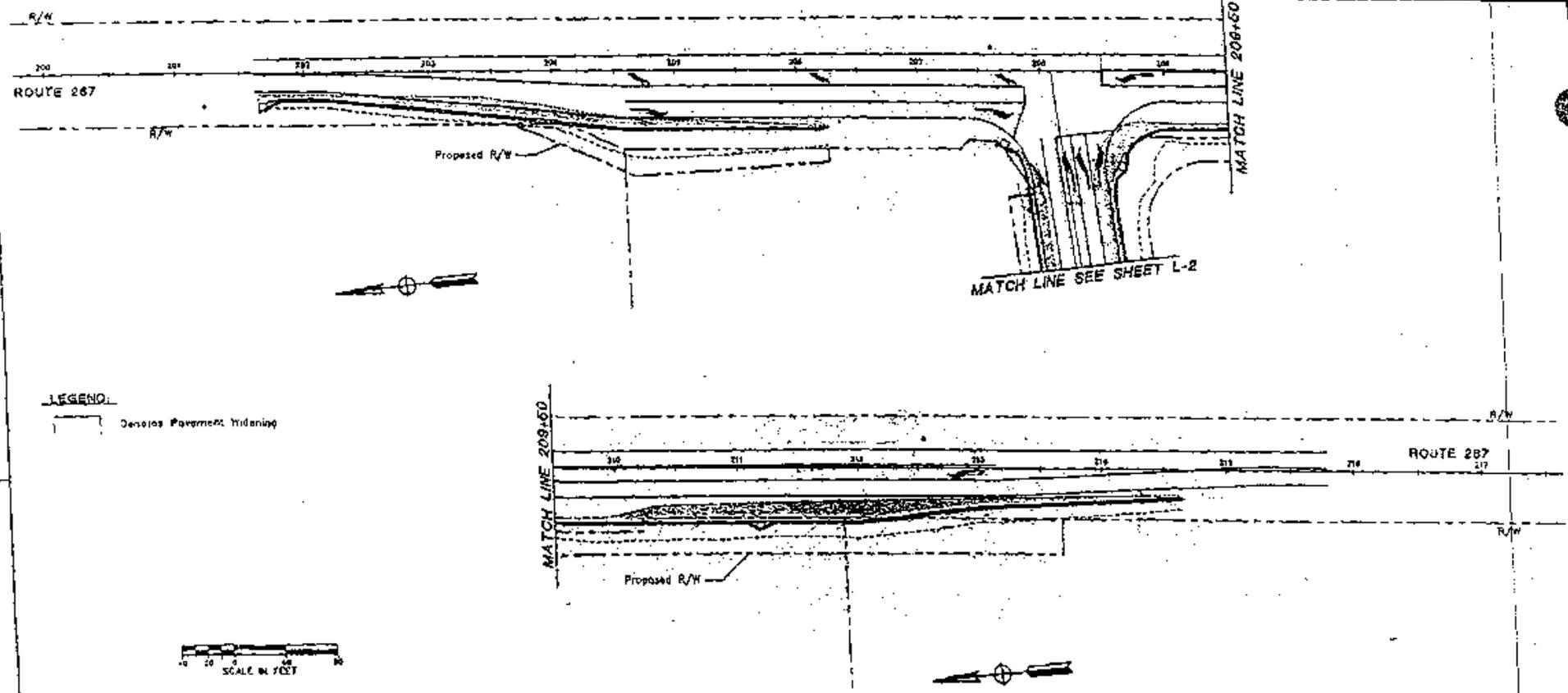
PLANS APPROVAL DATE

PSDHAS
2355 Gateway Oaks Dr. Ste 250
Sacramento, CA 95833



The State of California or its officers or agents shall not be responsible for the accuracy or completeness of information of this plan sheet.

REVISIONS BY: _____ DATE: _____
 DESIGNED BY: _____ CHECKED BY: _____
 DESIGN DIVISION: _____
 PUBLIC LEGAL: DIVISION OF PUBLIC WORKS



HIGHWAY 267 AT NORTHSTAR DRIVE INTERSECTION IMPROVEMENTS

TRUCKEE, PLACER COUNTY, CALIFORNIA
June 25, 2004

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REVISIONS BY: _____ DATE REVISED: _____
 DESIGNED BY: _____ CHECKED BY: _____
 PLANNING DEPARTMENT OF PUBLIC WORKS
 PLANS SECTION

EXHIBIT "C"
 2 OF 2

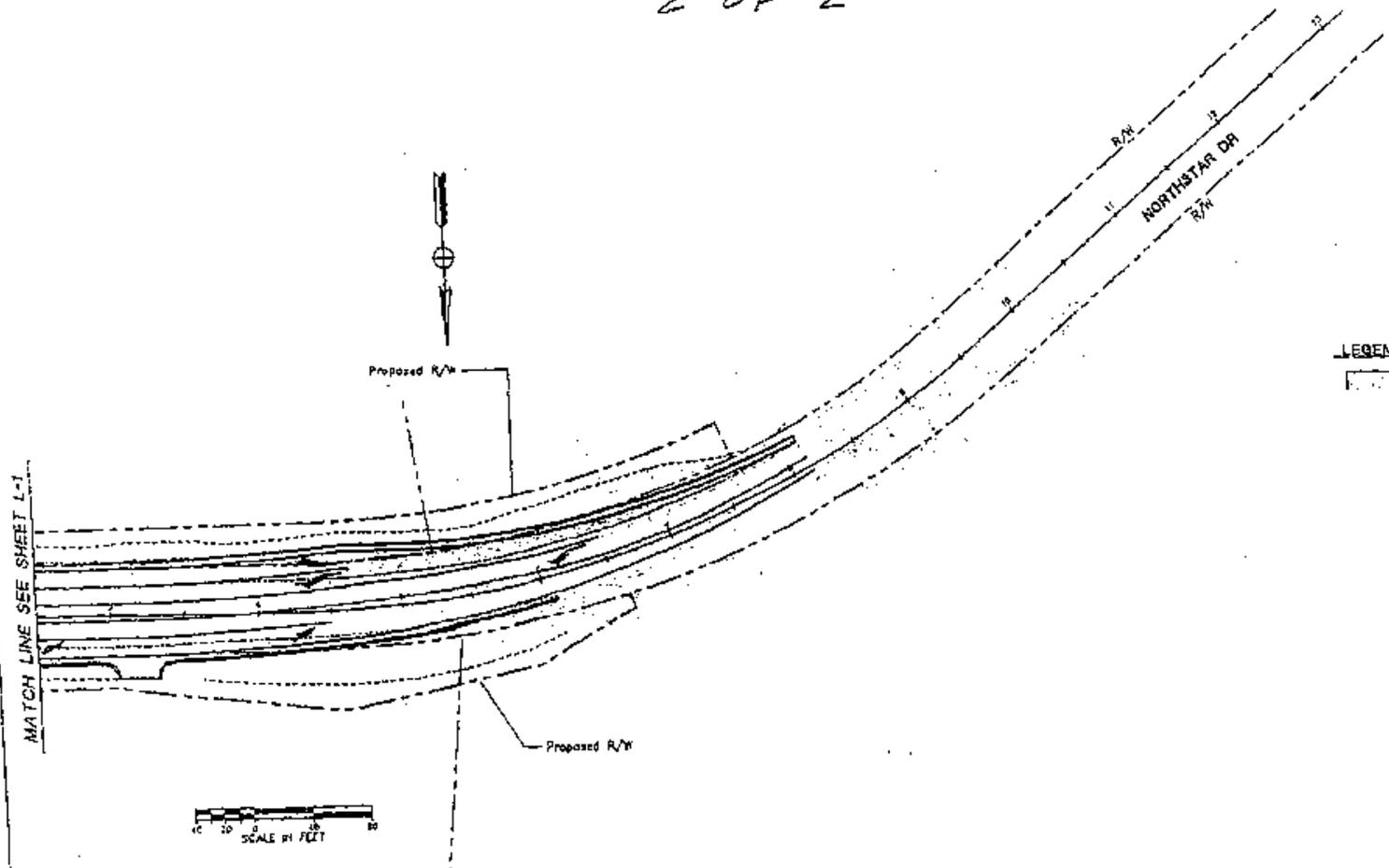
DIST.	COUNTY	ROUTE	KILOMETER POST TOTAL PROJECT	SHEET NO.	TOTAL SHEETS
04	PLA	PLA	3.7/4.0		16

REGISTERED CIVIL ENGINEER

PLANS APPROVAL DATE _____

POCULAS
 2299 Gateway Oaks Dr., Ste 250
 Sacramento, CA 95833

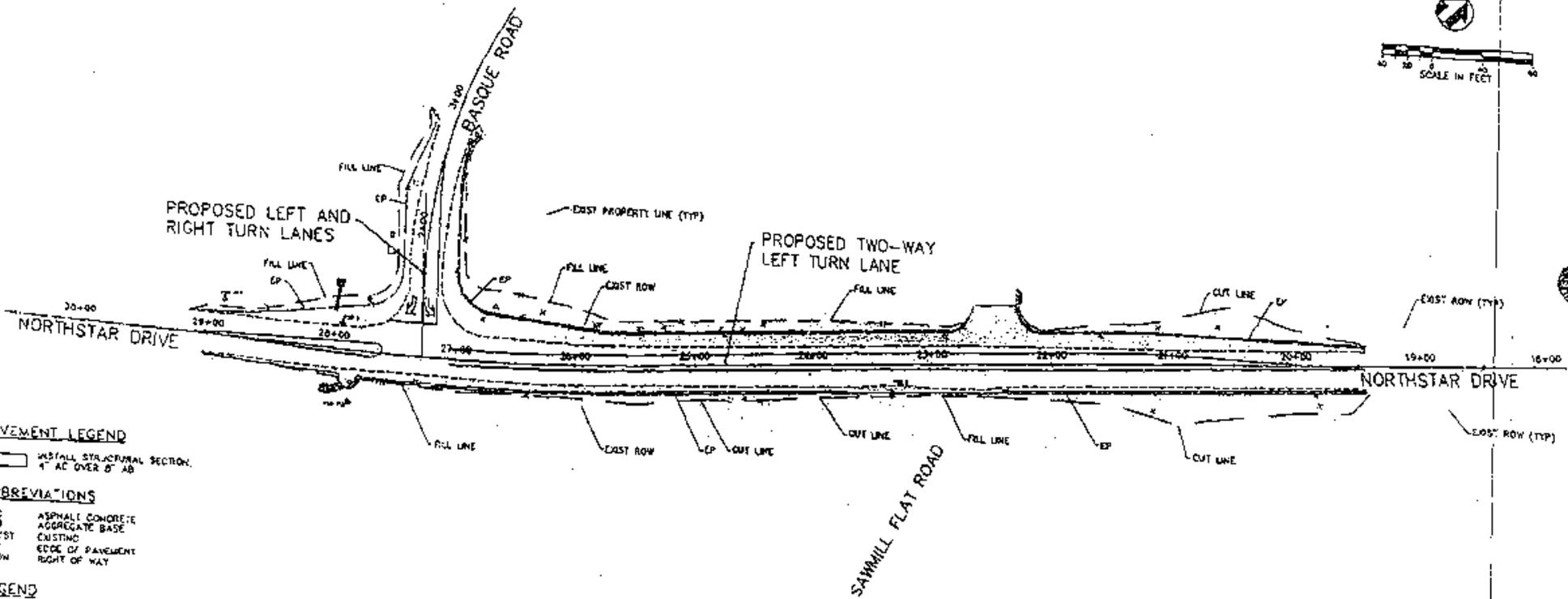
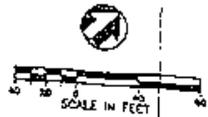
The State of California or its officers or agents shall not be responsible for the accuracy or completeness or contractual nature of this plan sheet.

LEGEND:
 Denotes Pavement Widening

HIGHWAY 267 AT NORTHSTAR DRIVE INTERSECTION IMPROVEMENTS
 TRUCKEE, PLACER COUNTY, CALIFORNIA
 June 25, 2004

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PAVEMENT LEGEND

▭ INSTALL STRUCTURAL SECTION:
4" AC OVER 8" AB

ABBREVIATIONS

AC ASPHALT CONCRETE
 AB AGGREGATE BASE
 EXST EXISTING
 EP EDGE OF PAVEMENT
 ROW RIGHT OF WAY

LEGEND

- G — GAS
- E — ELECTRIC
- T — TELEPHONE
- C — CABLE TELEVISION
- ⊙ TELEPHONE POLE
- ⊕ LIGHT POLE
- ⊖ ROADSIDE SIGN
- ⊕ VALVE
- ⊕ FIRE HYDRANT
- ⊕ MANHOLE (SMR, 60" I)
- ⊕ VAULT
- ⊕ MAILBOX
- X REMOVE TREE (27 TOTAL)

EXHIBIT "D"

PSOMAS

3000 4th Ave, Suite 100
 Auburn, CA 95603
 (530) 262-8127 (FAX) 262-8026 (FAX)

BASQUE ROAD AT NORTHSTAR DRIVE INTERSECTION IMPROVEMENTS

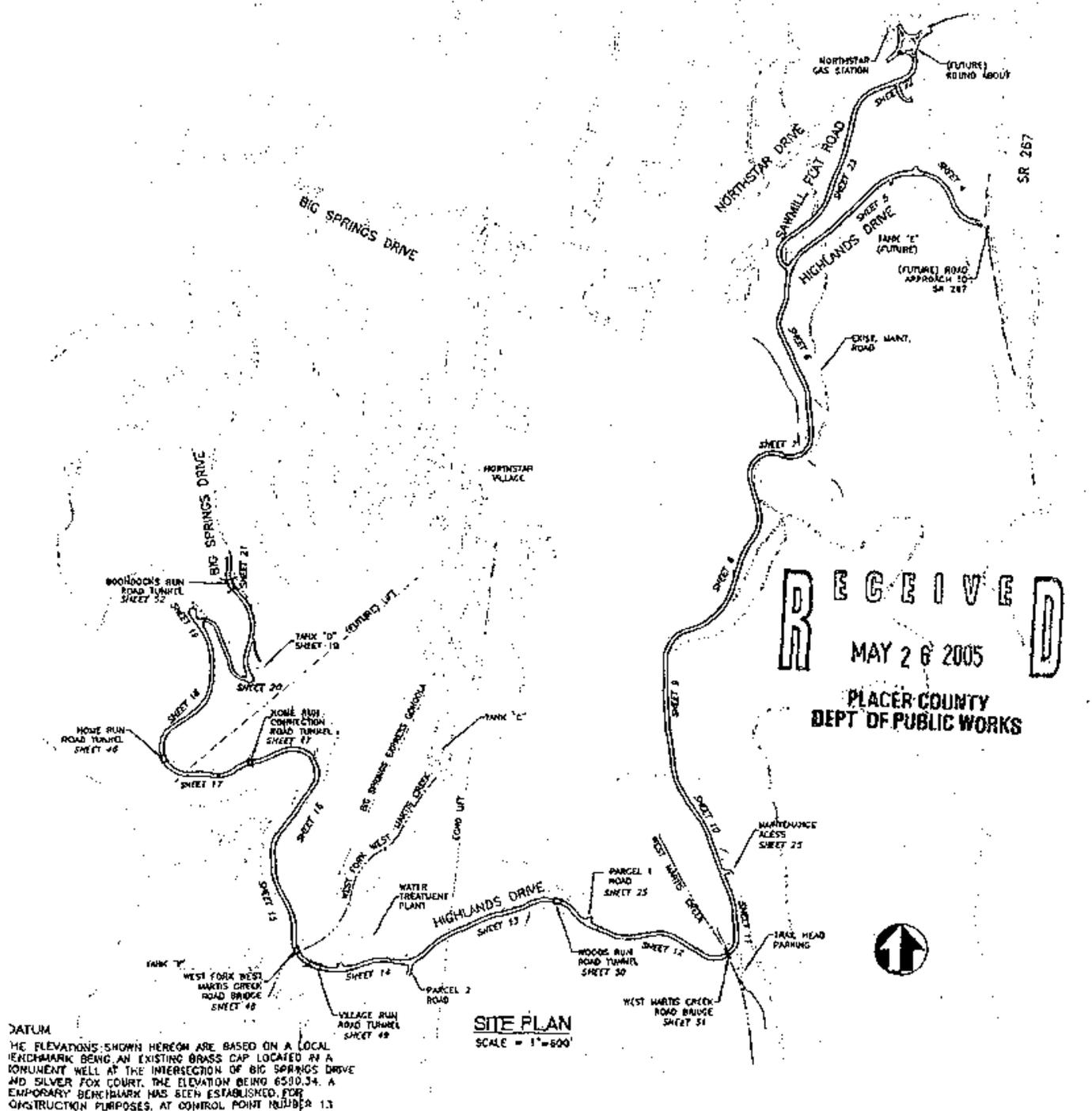
TRUCKEE, PLACER COUNTY, CALIFORNIA
 June 25, 2004

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IMPROVEMENT PLANS FOR
**HIGHLANDS DRIVE, SAWMILL FLAT ROAD,
 and BIG SPRINGS DRIVE**
 PLACER COUNTY
 CALIFORNIA

TAMOC DRAWING
 NO.
 PROJECT LOCATION
 SR 267





RECEIVED
 MAY 26 2005
 PLACER COUNTY
 DEPT. OF PUBLIC WORKS

INDEX OF

1. TITLE SHEET
2. NOTES & LEGEND
3. LEGEND
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28. SIGNING AND
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30. SIGNING AND
31. ROAD RIGHT-OF-WAY
32. ROAD RIGHT-OF-WAY
33. ROAD RIGHT-OF-WAY
34. ROAD RIGHT-OF-WAY
35. WATER QUALITY
36. WATER QUALITY
37. WATER QUALITY
38. WATER QUALITY
39. WATER QUALITY
40. DETAILS
41. DETAILS
42. DETAILS
43. DETAILS
44. DETAILS
- 44A. RETAINING WALL
- 44B. RETAINING WALL
45. VILLAGE RUN I
46. HOME RUN RD
47. HOME RUN CO
48. WEST FORK W
49. VILLAGE RUN E
50. WOODS RUN R
51. WEST MARTIS C
52. BOONDOCKS RL

DATUM
 THE ELEVATIONS SHOWN HEREON ARE BASED ON A LOCAL LEADMARK BEING AN EXISTING BRASS CAP LOCATED AT A MONUMENT WELL AT THE INTERSECTION OF BIG SPRINGS DRIVE AND SILVER FOX COURT. THE ELEVATION BEING 6500.34. A TEMPORARY BENCHMARK HAS BEEN ESTABLISHED FOR CONSTRUCTION PURPOSES, AT CONTROL POINT NUMBER 13 (P-17), TOP OF 400 NAIL, T.S.M., ELEVATION BEING 6576.85.

BEARING
 THE PLAN OF THIS SURVEY IS BASED ON GRID BEARINGS FROM THE CALIFORNIA COORDINATE SYSTEM OF 1927, ZONE 2, SR 4/SUR/10, AND BASED UPON THE RECORD LINE BETWEEN MONUMENTS 637-38, AND 637-10.

SITE PLAN
 SCALE = 1"=600'

RECORD DRAWINGS

DATE _____ ENGINEER INITIAL _____

ADMINISTERING AGENCY
COMMUNITY DEVELOPMENT/RESOURCE AGENCY
ENGINEERING AND SURVEYING DEPARTMENT

Project Name: NORTHSTAR VILLAGE, PHASE 1 AND 2
(BUILDINGS "G", "H", "J" AND "R")
And
NORTHSTAR VILLAGE, PHASE 3 AND 4
(BUILDINGS "D", "E", AND "F")
Entitlement No.: SUB-416/CUP-2938
Developer: NORTHSTAR IRON HORSE, LLC.
Effective Date: OCTOBER 1, 2006
Expiration Date: OCTOBER 15, 2007

DEFERRED IMPROVEMENT AGREEMENT

This DEFERRED IMPROVEMENT AGREEMENT is made and entered into this 6th day of November, 2006, by and between the County of Placer, a political subdivision of the State of California, ("County"), and NORTHSTAR IRON HORSE, LLC a Delaware Limited Liability Corporation ("Developer").

WITNESSETH:

WHEREAS, In October, 2003, the County approved the Tentative Map and Conditional Use Permit - "Northstar Village" (SUB-416/CUP-2938) to allow Developer to proceed with a project commonly referred to as Northstar Village located generally 500 feet southwest of the intersection of Northstar and Big Springs Drives, in the Martis Valley Area of Lake Tahoe (the "Project"), and

WHEREAS, Developer is the owner of the property subject to SUB-416/CUP-2938, properties described as Lot 1 and Lot 6 as shown on that map filed in Book AA at Page 21, Placer County Records (the "Property") and

WHEREAS, on June 23, 2004, the County approved the Improvement Plans for Northstar Village Phase 1 (County Project No. PN-8211) to allow Developer to proceed with the construction of said improvements, and

WHEREAS, on July 22, 2004, the County approved the Improvement Plans for Northstar Village Phase 2 (County Project No. PN-8227) to allow Developer to proceed with the construction of said improvements, and

WHEREAS, on May 18, 2005, the County approved the Improvement Plans for Northstar Village Phase III & IV (County Project No. PN-8323) to allow Developer to proceed with the construction of said improvements, and

EXHIBIT "B"
DIA #2006-416-1 119

~~WHEREAS, Condition of Approval 109 of SUB-416 requires construction of an emergency vehicle access road as part of the Northstar Village project, and~~

WHEREAS, the Developer entered into an Agreement with the Northstar Community Services District ("NCSD") and Placer County Fire ("Fire"), Exhibit "A", to rely on Highlands View Drive to meet the requirement of Condition 109 for emergency vehicle access for Northstar Village, said Agreement requiring construction of Highlands View Drive to be completed by October 15, 2007, and

WHEREAS, the Developer entered into an Agreement with the County on October 26, 2005, DIA No. 2005-416-2, Exhibit "B", to allow issuance of non-occupancy building permits for phases 1 and 2 of the Northstar Village project, in the absence of complete construction of Highlands View Drive, among other required incomplete offsite improvements, said Agreement requiring construction of Highlands View Drive and other identified offsite improvements to be completed by October 1, 2006, and

WHEREAS, on September 19, 2005, the County approved the improvement plans for Segment 1 of Highlands View Road and Ridgeline Drive (County Project No. PN-8313, Exhibit "C"), and on May 12, 2006, the County approved the improvement plans for Segment 2 of Highlands View Road and Ridgeline Drive (County Project No. PN-8378, Exhibit "D"), collectively constituting Highlands View Drive in its entirety, and functioning as the emergency vehicle access road required for the Northstar Village project per Condition of Approval 109, and

WHEREAS, the Developer has completed construction of all required offsite improvements identified in the County Agreement with the exception of Highlands View Drive, and has requested an extension of the required completion date for Highlands View Drive, and

WHEREAS, the Developer has requested that Clause 3 of the County Agreement be modified to allow issuance of Temporary Occupancy Building Permits for Phases 3 and 4 of the Northstar Village project, in the absence of completion of Highlands View Drive, and

WHEREAS, the County has agreed to extend the completion date for Highlands View Drive, in reliance upon the Agreement entered into between Developer and NCSD/Fire, and in reliance upon Developer's representation that said improvements for Highlands View Drive are more than 50% complete, and

WHEREAS, the County has agreed to modify Clause 3 of the County Agreement, in reliance upon the Agreement entered into between Developer and NCSD/Fire, and in reliance upon Developer's representation that said improvements for Highlands View Drive are more than 50% complete, and in reliance upon the Developer's representations as set forth herein,

NOW THEREFORE, the parties agree hereby as follows:

1. This Agreement shall supersede in its entirety the prior Agreement between Developer and County, titled Deferred Improvement Plan Agreement, DIA No. 2005-416-2.
2. The County shall retain in full force the Six million, three hundred twenty five thousand dollars (\$6,325,000) security posted by the Developer for DIA No. 2005-416-2, in the form of Two million, two hundred twenty five thousand dollars (\$2,225,000) cash and Four million, one hundred thousand dollars (\$4,100,000) performance bond issued by RLI Surety Division, Bond No. CMS0221413.
3. No later than June 1, 2007, Highlands View Drive shall be surfaced with an all weather driveable surface (minimum 6-inches aggregate baserock) to meet Fire standards for emergency vehicle access for the 2007 fire season.
4. No later than October 1, 2007, Developer shall complete construction of Highlands View Drive as shown on plans titled "Segment 1 for Highlands View Road and Ridgeline Drive" (County Project No. PN-8313) and "Segment 2 of Highlands View Road and Ridgeline Drive" (County Project No. PN-8378), to the satisfaction of the County Community Development Resource Agency ("Agency").

In the event Developer fails to complete the above-referenced work by October 1, 2007, the County shall provide the Developer with written notice of default and allow Developer SIXTY (60) days to cure the default. In the event the Developer fails to cure the default after written notice, the County shall be authorized without additional notice to Developer to take possession of and utilize the security referred to in Section 1 herein, including any accrued interest, to the extent necessary for the County to complete the work. Developer acknowledges that County will construct only the minimum improvements necessary to facilitate public safety. Developer's failure to complete the above-referenced work within SIXTY (60) days of the effective date of the written notice of default shall constitute a material breach of this agreement and shall entitle the County, without additional notice to Developer or providing Developer an opportunity to cure, to take possession of and utilize the security referred to in Section 1 herein, including any accrued interest, to the extent necessary for the County to, at a minimum, complete improvements as necessary to facilitate public safety. In the event the security is insufficient to complete the work, upon written demand of the County, the Developer shall pay to the County any additional sums required.

Should the County be compelled to complete the work because of the failure or refusal of the Developer to do so, the Developer hereby expressly consents and agrees to allow the County access to and entry upon the property owned by Developer consisting of the Project and any other necessary property interest. Said right of entry shall extend to the County's contractors, agents and employees to the full extent necessary to complete the work.

4. Upon execution of this Agreement, the Agency will A) Extend the completion date of Highlands View Drive to October 1, 2007 and at the same time extinguish D/A No. 2005-416-2 and incorporate the outstanding component of that Agreement (completion of Highlands View Drive) into this Agreement, and 2) Approve issuance of Temporary Occupancy Building Permits for Northstar Village Phases III & IV, as follows:

Building D: Five (5) commercial permits
Twenty one (21) residential permits

Building E: Eleven (11) commercial permits
Fifty one (52) residential permits

Building F: Fourteen (14) commercial permits
Forty one (40) residential permits

5. Upon satisfaction of all of the conditions as set forth herein, including Condition 109, and upon successful completion of construction of said improvements, and provided Developer is otherwise in compliance with the conditions of approval of SUB-416/CUP-2938, the County shall release the full security and final occupancy building permits for Northstar Village Phases 1, 2, 3 and 4, and at which time this Agreement shall be terminated and of no further force or effect.

6. This Agreement shall not be construed to modify, amend, waive or supercede any of the conditions of approval of SUB-416/CUP-2938 as approved by the County as of this date, which shall remain unchanged and in full force and effect. Developer shall comply in full with all such conditions. The sole purpose of this Agreement is to set forth the terms upon which County agrees to A) Extend the completion date of Highlands View Drive to October 1, 2007, and B) Issue Temporary Occupancy Building Permits for Northstar Village Phases 3 and 4 prior to completion of improvements required by Condition 109.

7. This Agreement is the result of the joint efforts and negotiations of parties hereto. The parties agree that this Agreement shall be interpreted as though each of the parties participated equally in the composition of this Agreement and each and every part of it. The parties agree that each has been afforded the opportunity to consult with the attorney of its choosing prior to execution hereof. This Agreement constitutes the full written agreement of the parties, and no agreements or understandings not set forth herein shall be recognized. The person(s) signing this Agreement on behalf of Developer each warrants and represents that he or she has the authority to execute this Agreement on behalf of Developer and to bind Developer to the terms and conditions stated herein.

8. This Agreement shall be binding upon the successors-in-interest, the heirs and the assigns of the parties. This Agreement shall constitute a covenant running with the Property and an equitable servitude thereon. Developer agrees to notify any successor-in-interest, heirs or assigns of the existence of this Agreement.

COUNTY OF PLACER

By: W Zicker
Print Name: W ZICKER
Title: DIRECTOR

Address for service of notice:

County of Placer
Was Zicker, Director
Community Development Resource Agency
Engineering and Surveying Department
3091 County Center Drive, Suite 120
Auburn, CA 95603

DEVELOPER

NORTHSTAR IRON HORSE, LLC
a Delaware Limited Liability Corporation

BY: NORTHSTAR MOUNTAIN PROPERTIES, LLC,
A DELAWARE LIMITED LIABILITY COMPANY,
ITS MEMBER AND MANAGER

BY: NMP HOLDINGS, LLC,
A DELAWARE LIMITED LIABILITY COMPANY,
ITS MANAGER

BY: EAST WEST RESORT DEVELOPMENT V, L. P., L.L.L.P.,
A DELAWARE LIMITED PARTNERSHIP REGISTERED AS A
LIMITED LIABILITY LIMITED PARTNERSHIP,
ITS MEMBER AND MANAGER

BY: HF HOLDING CORP.,
A COLORADO CORPORATION,
ITS GENERAL PARTNER

Bryan Raydon
BY: SIGNATURE

11/3/06
DATE

Bryan Raydon, V.P.
PRINT NAME / TITLE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of NV } ss.

On Nov. 3, 2006 before me, Virginia Allen, Notary Public
Name and Title of Officer (e.g., "John Doe, Notary Public")

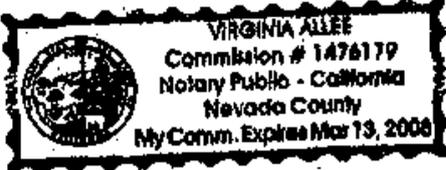
personally appeared Bryan Raydon
Name(s) of Signer(s)

- 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.

Virginia Allen
Signature of Notary Public



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: _____

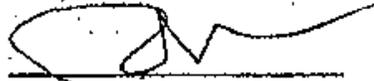


Address for service of notice:

EAST WEST PARTNERS
PO BOX 2537
TRUCKEE, CA 96160
10164 DONNER PASS ROAD, SUITE 3
TRUCKEE, CA 96161

APPROVAL AS TO FORM:
PLACER COUNTY COUNSEL

By:



County Counsel

Attachments:

- Exhibit A: Agreement Regarding Timing of Construction of Certain Public Facilities (NCSD/Fire Agreement)
- Exhibit B: Deferred Improvement Plan Agreement, DIA No. 2005-416-2 (County Agreement)
- Exhibit C: Segment 1 of Highlands View Road and Ridgeline Drive
- Exhibit D: Segment 2 of Highlands View Road and Ridgeline Drive

NOTARIAL ACKNOWLEDGEMENT(S) ON FOLLOWING PAGE(S)

EXHIBIT A

AGREEMENT REGARDING TIMING OF CONSTRUCTION OF CERTAIN PUBLIC FACILITIES

This Agreement is made by and between NORTHSTAR COMMUNITY SERVICES DISTRICT (the "District"), NORTHSTAR MOUNTAIN PROPERTIES, LLC (the "Developer"), and the CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION ("CDF").

RECITALS

AS A BASIS AND PREMISE for this Agreement, the parties acknowledge the following:

1. The Developer has applied to the County of Placer (the "County") and received approval for Developer's project known as "Northstar Village" (the "Village"), designated as project SUB-416/CUP-2938. The Developer has also applied to the County and received approval for a project known as Northstar Highlands (the "Highlands"), designated project "PSUB20040898." The County's approval of the Village and of the Highlands shall sometimes collectively be referred to herein as the "County Approvals." The County Approvals are subject to many written conditions.

2. The parties have executed or otherwise exchanged a variety of agreements, and letters, including but not limited to the following:

a. A letter from East West Partners to the Northstar Community Services District Fire Department dated November 21, 2002 regarding expansion of the emergency egress road;

- b. *Village at Northstar (SUB-416/CUP-2938) Will Serve - Fire and Rescue, Sewer Service, and Water Service from the District dated October 4, 2004 ("Will Serve Letter");*
- c. *Memorandum of Understanding dated February 12, 2004 regarding emergency access road mitigation measures for the Village ("Village EAR MOU");*
- d. *Memorandum of Understanding Re Formation of Community Facilities District, dated March 16, 2005 ("Facilities MOU");*
- e. *Memorandum of Understanding Re Intercept Parking Facility and Miscellaneous Conveyances, dated March 16, 2005 ("Intercept Parking MOU"); and*
- f. *Water Rights and Water Supply Agreement Between Trimont Landholdings, Inc., and Trimont Land Company, dba Northstar at Tahoe, and Northstar Community Services District Providing for the Conveyance of Rights to Water, Facilities and Easements, dated March 16, 2005 ("Water Rights MOU").*

The agreements and other documents referred to in this Recital 2 shall be referred to herein collectively as the "MOU's."

3. Among the conditions of the County Approvals of the Village and the Highlands projects are some that require construction of a variety of facilities including, but not limited to, new roads or improvements to existing roads; employee and visitor parking lots including lots commonly referred to as "intercept lots"; employee housing; an additional fire station; and a range of associated improvements to other public facilities and infrastructure.

4. Several of the MOU's and the conditions of the County Approvals require the construction of portions of the water system referred to in the Water Rights MOU, the intercept parking lots referred to in the Intercept Parking MOU, and the Emergency Access Road ("EAR") prior to the occupancy of residential or commercial improvements currently under construction in the Village.

5. The MOU's and the County Approvals that refer to the EAR, also sometimes referred to as the "emergency egress road," require that the Developer and the District, along with CDF, agree on the alignment and configuration of the EAR. The parties anticipated that the Developer would complete its construction of the EAR, and that certain other facilities would also be completed, before the end of 2005, but for several reasons beyond the Developer's control that is infeasible.

6. The Developer anticipates that one hundred residential units associated with buildings designated as "G," "H" and "J," and commercial space of a total of 75,469 square feet associated with the foregoing buildings and building "R" will be completed and ready for occupancy before the end of 2005. The Developer refers to the construction of buildings "G," "H," "J" and "R" as "Phase I of The Village," and will be referred to herein simply as "Phase I."

7. Construction of most of the public improvements referred to in Recitals 4 and 5, above will not be completed prior to the completion of Phase I referred to in Recital 6, above.

8. The Developer has requested that the District waive completion of certain of the facilities referred to in Recitals 4 and 5, above, as a condition of occupancy of Phase I. The District has determined that its existing infrastructure and water supply are adequate to serve, on a short term basis, Phase I, but that development of additional water supply and infrastructure,

such as that referred to in the Water Rights MOU as "TH2", is necessary before occupancy of any subsequent Phases or other development of the Developer. Subject to the terms and conditions of this Agreement, and strictly as limited herein, the District is willing to allow occupancy of Phase I with the District's existing infrastructure and water supply.

AGREEMENT

NOW, THEREFORE, the parties hereto agree as follows:

1. The parties intend that this Agreement be read as a supplement to the MOU's. Only and specifically limited to those instances where this Agreement differs from any of the MOU's shall this Agreement prevail. In all other instances, this Agreement and the MOU's shall be read together. Moreover, except as specifically provided in this Agreement, none of the obligations or rights of any party to this Agreement under the terms of any of the respective MOU's nor under the terms of the County Approvals shall be modified, and all of the terms and conditions of the MOU's and the County Approvals shall continue in full force and effect. The District will cooperate in assuring the County that the District will allow occupancy of Phase I as set forth herein, but the Developer understands and agrees that the County will make its own independent determination regarding occupancy, in accordance with the County Approvals.

2. The District shall issue a confirmation in writing to the County and such other agencies as are necessary and appropriate evidencing the District's consent to the occupancy of Phase I, but only Phase I, upon full satisfaction of the following conditions:

a. The Developer will use its best efforts to construct approximately 1,500 linear feet of underground pipeline across and in the vicinity of the Northstar Golf Course associated with the TH2 water facilities project no later than November 1, 2005.

b. The Developer will use its best efforts to construct 652 new skier parking spaces at the intercept parking lots no later than November 1, 2006. During the 2005-2006 ski season, on days that the Northstar Ski Resort operator declares as "red" skier days, the Developer shall provide (1) on-site traffic monitors during peak morning and afternoon hours at the following two intersections: (a) Basque Road and Northstar Drive; and (b) Big Springs Road and Northstar Drive; and (2) California Highway Patrol traffic control at Northstar Drive and Highway 267. The on-site monitors shall assist the ski resort operator in encouraging resort guests to make the most efficient use of available parking spaces at the resort, and the monitors shall assist in the most efficient movement of traffic at those intersections as possible.

c. The parties recognize that the Developer's ability to construct the pipeline identified in paragraph 2.a and the new parking spaces identified in paragraph 2.b depend in part on timely review and approval of the County of Placer, CDF and other regulatory agencies. The Developer shall use its best efforts to obtain such timely review and approval.

3. Except as provided in Article 4.b with respect to the EAR, in Article 2.a with respect to the pipeline, and in Article 2.b with respect to the new parking spaces, the Developer shall assure that all of the facilities, improvements and other measures that were to be implemented before occupancy of any part of Phase I shall be completed and implemented, along with any other obligations the Developer may have under the MOU's and the County Approvals to be completed in 2006, no later than September 30, 2006.

4. The parties agree as follows regarding the EAR:

a. The preferred alignment and course of the EAR shall be those portions of roads shown on the map attached hereto as Exhibit A entitled "Northstar Village Emergency Access Road" that are designated "Big Springs EVA" and "Highlands View Road". The total length of the two roads for purposes of this Agreement and the County Approvals is the EAR as illustrated in Exhibit A.

b. The Developer shall complete construction of the EAR, in its entirety, no later than October 15, 2007.

c. The parties understand and acknowledge that the impacts of constructing a road in this alignment were analyzed in the Highlands Environmental Impact Report certified by Placer County in February 2005. The parties have determined that no further analysis of the impacts of constructing this road is required. The parties have also determined that the construction of the EAR in this alignment will fulfill the requirements of Northstar Village Condition of Approval Number 109, which authorized the construction of the EAR in alternative locations upon approval by the District and CDF.

5. With respect to surety, the parties agree:

a. On or before November 15, 2005, the Developer shall provide Placer County with one or more performance bonds or standby letters of credit in the aggregate amount of \$6,125,000. The purpose of the bonds or letters of credit shall be to secure the Developer's performance under the terms of this Agreement, including, without limitation, Developer's obligations under

Articles 3 and 4 above. In the event Placer County must complete the Developer's performance either itself, or through the use of third parties, Placer County and its agents and assigns shall have access and all other necessary rights in, over and upon Developer's property to do so.

b. If by February 28, 2006 the District's Community Facilities District No. 1 ("CFD") has not issued bonds in the approximate amount of the cost of the improvements referred to in "Exhibits A and B - Facilities, Segments and Acquisition Prices" to the *Acquisition and Disclosure Agreement* for the CFD's Series 2005 bonds as Highlands View Road, and the Water Facilities (the "Bonded Improvements"), Developer shall provide the District with one or more performance bonds or standby letters of credit in the aggregate amount of the cost of the Bonded Improvements. The purpose of the bonds or letters of credit shall be to secure the Developer's performance under the terms of this Agreement, including, without limitation, Developer's obligations under Articles 3 and 4

above. In the event the District must complete the Developer's performance either itself, or through the use of third parties, the District and its agents and assigns shall have access and all other necessary rights in, over and upon Developer's property to do so.

6. The District shall not authorize and will provide no water or sewer services to any part of the Village or the Highlands other than Phase I unless all of the terms and provisions of this Agreement, the MOU's and the County Approvals that are conditions to the occupancy of any other part of the Village or the Highlands are first satisfied. Without limiting the foregoing, the parties acknowledge that it is imperative

that the District have available to it the water supply and delivery capacity represented by the "TH2" project before occupancy of any part of the Village or the Highlands other than Phase I. The District will authorize no occupancy other than of Phase I, as provided in this Agreement, until and unless the District has available to it the water supply and delivery capacity represented by the TH2 Project. If, because of construction delays, regulatory requirements, or other reasons, the specific facilities and water supply referred to as the "TH2" project cannot be developed in a timely manner in 2006, the parties will confer to determine if a substitute water supply and delivery facilities can be made available to the District pending final completion of the "TH2" Project.

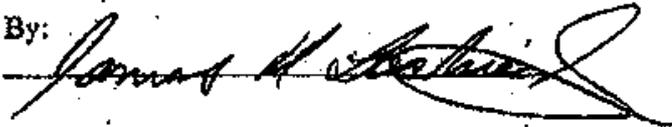
7. As noted above, the parties acknowledge that the occupancy of Phase I will place an additional demand upon the District's existing water and sewer systems, but the District has determined that it can provide the necessary service to Phase I with those existing facilities. In the event of a dry hydrologic year, however, the District's water system and water customers may experience shortages that they would not otherwise have experienced in the absence of early occupancy of Phase I. The Developer releases the District from any damage or loss that the Developer or its successors in interest suffer as a result of water shortages, or any delay in the construction of modifications, extensions or additions to the District's existing water and sewer systems. The Developer also releases the District from any liability for any damage suffered by the Developer or its successors in interest resulting from a delay in construction of the EAR. The Developer will indemnify and defend the District from any and all claims, including attorney's fees, that the District suffers, or brought by any third parties against the District, arising out of or in any manner connected with this

Agreement, including, but not limited to water shortages occurring during calendar years 2006 and 2007, resulting from the delay in construction, modifications, extensions or additions to the District's existing water and sewer systems or claims resulting from the manner or timing of construction of the EAR.

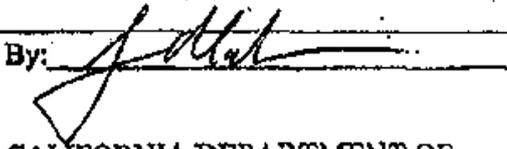
8. Should any litigation be commenced between the parties to this Agreement, arising out of breach thereof, or their rights and duties in relation thereto, the prevailing party in such litigation shall be entitled to attorney's fees, as such may be determined by the Court.

Date: 10/16/05

NORTHSTAR COMMUNITY
SERVICES DISTRICT

By: 

NORTHSTAR MOUNTAIN
PROPERTIES, LLC

By: 

CALIFORNIA DEPARTMENT OF
FORESTRY AND FIRE PROTECTION

By: Bob Eicholtz

50917165.001



ADMINISTERING AGENCY
COMMUNITY DEVELOPMENT/RESOURCE AGENCY
ENGINEERING AND SURVEYING DEPARTMENT

Project Name: NORTHSTAR TRAILSIDE, DPN-8386
Entitlement No.: PSUB-T20040898
Developer: Northstar Trailside Townhomes, LLC
Effective Date: JULY 20th, 2007
Expiration Date: OCTOBER 1, 2007

DEFERRED IMPROVEMENT AGREEMENT

This DEFERRED IMPROVEMENT AGREEMENT is made and entered into this 20th day of July, 2007, by and between the County of Placer, a political subdivision of the State of California, ("County"), and Northstar Trailside Townhomes, LLC, ("Developer").

WITNESSETH:

WHEREAS, in July 2005, the County approved the Vesting Tentative Map, Master Plan, Master Conditional Use Permit - "Northstar Highlands" (PSUB-T20040898) to allow Developer to proceed with a project commonly referred to as Northstar Trailside Townhomes, a component of the Northstar Highlands Master Plan, generally located about mid-mountain of the Northstar Ski Resort, approximately $\frac{3}{4}$ of a mile southwest of the intersection of Northstar and Big Springs Drive in the Northstar Area of Martis Valley, Lake Tahoe (the "Project"), Exhibit "A", and

WHEREAS, Developer is the owner of the property subject to PSUB-T20040898, property described as "Resultant Parcel 2" of the Resolution to Approve a Minor Boundary Line Adjustment No. MBR-20060418, recorded as Document No. 2006-0092745, Official Records of Placer County Records (the "Property") and

WHEREAS, on June 22, 2006, the County approved Improvement Plans for Northstar Trailside Townhomes (County Project No. DPN-8386) to allow Developer to proceed with the construction of said improvements, and

WHEREAS, the Developer has not completed construction of all required offsite improvements identified in PSUB-T20040898, namely Highlands View Drive, which is substantially complete from Highway 267 to the Northstar Trailside Townhomes project, but lacks final ancillary improvements and acceptance by the County, and which is currently secured by Six million, three hundred twenty five thousand dollars (\$6,325,000), under DIA #2006-416-1, attached Exhibit "B", and

WHEREAS, the Developer has not completed all require onsite improvements identified in PSUB-T20040898 and project improvement plans DPN-8386, said improvements being approximately 90% complete at the time of execution of this Agreement, an estimate of which incomplete onsite improvements are itemized as attached Exhibit "C", and

WHEREAS, the Developer has requested that the County allow issuance of Non-Occupancy Building Permits (foundation-only) for Units 1 through 10, as shown on and generally set forth in the attached Exhibit "D", and

WHEREAS, developer has asserted to County that the Northstar Trailside Townhomes project is, at this time, intended to be non-saleable, rental units per the developer's current marketing plan, and

WHEREAS, Northstar Community Services District - Fire ("NCSD-Fire") has agreed to the release of early building permits (foundation-only) for the Northstar Trailside Townhomes Units 1 through 10, in accordance with their June 14, 2007 e-mail from Fire Chief Mark Shadowens, attached Exhibit "E", and

WHEREAS, the County has agreed to issue Non-Occupancy Building Permits (foundation-only) for Units 1 through 10, in reliance upon Developer's representation as set forth herein, namely that said offsite improvements for Highlands View Drive are substantially complete, that said onsite improvements are 90% complete, that said offsite and onsite improvements feasibly can be completed to the satisfaction of the County by September 1, 2007, and that said requirements of NCSD-Fire can be met to the satisfaction of NCSD-Fire and County, and

NOW THEREFORE, the parties agree hereby as follows:

1. Concurrently with execution of this Agreement by the County, the Developer shall submit to the County a survey certification of foundation locations relative to the future Final Map lot configuration.
2. Financial security required for the incomplete offsite and onsite improvements shall rely on the security posted by Developer for Deferred Improvement Agreement DIA# 2006-416-1, said security being Six million, three hundred twenty five thousand dollars (\$6,325,000), consisting of Two million, two hundred twenty five thousand dollars (\$2,225,000) cash and Four million, one hundred thousand dollars (\$4,100,000) performance bond issued by RLI Surety Division, Bond No. CMS0221413.
3. No later than September 1, 2007, all outstanding onsite improvements required of this project per project entitlements PSUB-T20040898 and project improvement plans DPN-8386 shall be complete to the satisfaction of the County and NCSD-Fire.

No later than October 1, 2007, all outstanding offsite improvements required of this project per project entitlements PSUB-T20040898 and project improvement plans DPN-8386 shall be complete to the satisfaction of the County and NCSD-Fire.

In the event Developer fails to complete the above-referenced work by September 1, 2007 for onsite improvements and October 1, 2007 for offsite improvements, the County shall provide the Developer with written notice of default and allow Developer thirty (30) days to cure the default. In the event the Developer fails to cure the default after written notice, the County shall be authorized without additional notice to Developer to take possession of and utilize the security referred to in Section 1 herein, including any accrued interest, to the extent necessary for the County to complete the work. Developer acknowledges that County will construct only the minimum improvements necessary to facilitate public safety. Developer's failure to

complete the above-referenced work within thirty (30) days of the effective date of the written notice of default shall constitute a material breach of this agreement and shall entitle the County, without additional notice to Developer or providing Developer an opportunity to cure, to take possession of and utilize the security referred to in Section 1 herein, including any accrued interest, to the extent necessary for the County to, at a minimum, complete improvements as necessary to facilitate public safety. In the event the security is insufficient to complete the work, upon written demand of the County, the Developer shall pay to the County any additional sums required.

Should the County be compelled to complete the work because of the failure or refusal of the Developer to do so, the Developer hereby expressly consents and agrees to allow the County access to and entry upon the property owned by Developer consisting of the Project and any other necessary property interest. Said right of entry shall extend to the County's contractors, agents and employees to the full extent necessary to complete the work.

4. Upon execution of this Agreement, the Community Development Resource Agency-Engineering and Surveying Department, will recommend issuance of Non-Occupancy Building Permits (foundation-only) for Northstar Trailside Townhomes Units 1 through 10.

5. Upon satisfaction of all of the conditions as set forth herein, and upon successful completion of construction of said improvements, and provided Developer is otherwise in compliance with the conditions of approval of PSUB-T2000898, and upon completion of construction of said improvements identified in Deferred Improvement Agreement DIA#2006-416-1, the County shall release the full security and authorize final occupancy building permits for Northstar Trailside Townhomes Units 1 through 10, and at which time this Agreement shall be terminated and of no further force or effect.

Upon satisfaction of all of the conditions as set forth herein, and upon successful completion of construction of said improvements, and provided Developer is otherwise in compliance with the conditions of approval of PSUB-T2000898, but in the absence of completion of construction of said improvements identified in Deferred Improvement Agreement DIA#2006-416-1, the County shall authorize final occupancy building permits for Northstar Trailside Townhomes Units 1 through 10, but will continue to retain said security posted with Deferred Improvement Agreement DIA# 2006-416-1, the terms of release which are identified in said Agreement.

6. This Agreement shall not be construed to modify, amend, waive or supercede any of the conditions of approval of PSUB-T20040898 as approved by the County as of this date, which shall remain unchanged and in full force and effect, nor shall this Agreement be construed to modify, amend, waive or supercede any provision of Deferred Improvement Agreement DIA# 2006-416-1. Developer shall comply in full with all such conditions and Deferred Improvement Agreement DIA# 2006-416-1. The sole purpose of this Agreement is to set forth the terms upon which County agrees to issue non-occupancy building permits (foundation-only) for Northstar Trailside Townhomes Units 1 through 10.

7. This Agreement is the result of the joint efforts and negotiations of parties hereto. The parties agree that this Agreement shall be interpreted as though each of the parties participated equally in the composition of this Agreement and each and every part of it. The parties agree that each has been afforded the opportunity to consult with the attorney of its choosing prior to execution hereof. This Agreement constitutes the full written agreement of

the parties, and no agreements or understandings not set forth herein shall be recognized. The person(s) signing this Agreement on behalf of Developer each warrants and represents that he or she has the authority to execute this Agreement on behalf of Developer and to bind Developer to the terms and conditions stated herein.

8. This Agreement shall be binding upon the successors-in-interest, the heirs and the assigns of the parties. This Agreement shall constitute a covenant running with the Property and an equitable servitude thereon. Developer agrees to notify any successor-in-interest, heirs or assigns of the existence of this Agreement.

COUNTY OF PLACER

By: 
Print Name: WESLEY K. ZICKER
Title: DIRECTOR

Address for service of notice:

County of Placer
Wes Zicker, Director
Community Development Resource Agency
Engineering and Surveying Department
3091 County Center Drive, Suite 120
Auburn, CA 95603

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

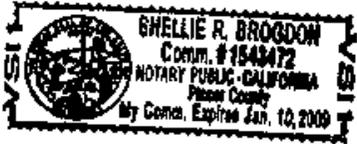
State of California

County of Placer } ss.

On 8-13-07, before me, Shellie R. Brogdon, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared Wesley K. Zicker
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.

Shellie R. Brogdon
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: Deferred Improvement Agreement

Document Date: 7-20-07 Number of Pages: 4

Signer(s) Other Than Named Above: by Lambiath

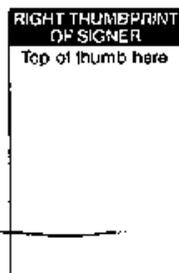
Capacity(ies) Claimed by Signer(s)

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



Signer Is Representing: _____

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



Signer Is Representing: _____

DEVELOPER

NORTHSTAR TRAILSIDE TOWNHOMES, LLC
a Delaware Limited Liability Corporation

BY: NORTHSTAR MOUNTAIN PROPERTIES, LLC,
A DELAWARE LIMITED LIABILITY COMPANY,
ITS MEMBER AND MANAGER

BY: NMP HOLDINGS, LLC,
A DELAWARE LIMITED LIABILITY COMPANY,
ITS MANAGER

BY: EAST WEST RESORT DEVELOPMENT V, L. P., L.L.L.P.,
A DELAWARE LIMITED PARTNERSHIP REGISTERED AS A LIMITED
LIABILITY LIMITED PARTNERSHIP,
ITS MEMBER AND MANAGER

BY: HF HOLDING CORP.,
A COLORADO CORPORATION,
ITS GENERAL PARTNER


BY: SIGNATURE

7/20/07
DATE

Jay Lambiello Vice President
PRINT NAME / TITLE

Address for service of notice:

EAST WEST PARTNERS
PO BOX 2537
TRUCKEE, CA 96160
10164 DONNER PASS ROAD, SUITE 3
TRUCKEE, CA 96161

Attachments:

Exhibit A: Vicinity Map

Exhibit B: Deferred Improvement Agreement DIA# 2006-416-1

Exhibit C: Estimate of Incomplete Onsite Infrastructure Improvements

Exhibit D: Site Map

Exhibit E: NCSD-Fire E-mail dated June 14, 2007

NOTARIAL ACKNOWLEDGEMENT(S) ON FOLLOWING PAGE(S)

Golden State Notary Acknowledgment Form

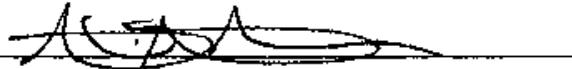
State of California
County of Placer } ss.

On July 20, 2007 before me, Abigail Moran,
personally appeared Jay Lambiette

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.


Signature of Notary

Notes

Please provide information about the document that this form is attached to
This is not required under California State notary public law.

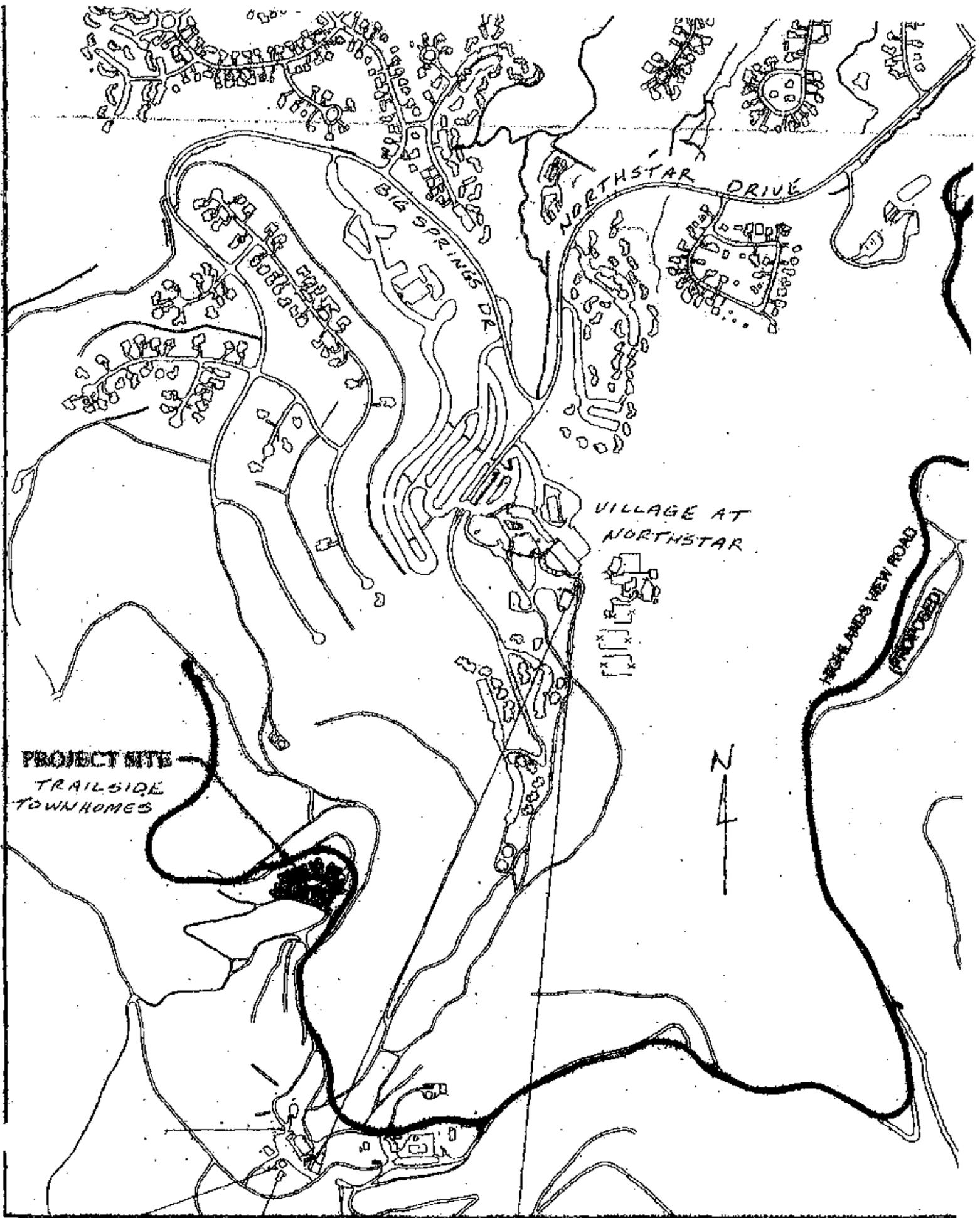


EXHIBIT "A"
VICINITY MAP 144

ADMINISTERING AGENCY
COMMUNITY DEVELOPMENT/RESOURCE AGENCY
ENGINEERING AND SURVEYING DEPARTMENT

Project Name: NORTHSTAR VILLAGE, PHASE 1 AND 2
(BUILDINGS "G", "H", "J" AND "R")
And
NORTHSTAR VILLAGE, PHASE 3 AND 4
(BUILDINGS "D", "E", AND "F")
Entitlement No.: SUB-416/CUP-2938
Developer: NORTHSTAR IRON HORSE, LLC.
Effective Date: OCTOBER 1, 2006
Expiration Date: OCTOBER 15, 2007

DEFERRED IMPROVEMENT AGREEMENT

This DEFERRED IMPROVEMENT AGREEMENT is made and entered into this 6th day of November, 2006, by and between the County of Placer, a political subdivision of the State of California, ("County"), and NORTHSTAR IRON HORSE, LLC a Delaware Limited Liability Corporation ("Developer").

WITNESSETH:

WHEREAS, in October, 2003, the County approved the Tentative Map and Conditional Use Permit - "Northstar Village" (SUB-416/CUP-2938) to allow Developer to proceed with a project commonly referred to as Northstar Village located generally 500 feet southwest of the intersection of Northstar and Big Springs Drives, in the Martis Valley Area of Lake Tahoe (the "Project"), and

WHEREAS, Developer is the owner of the property subject to SUB-416/CUP-2938, properties described as Lot 1 and Lot 6 as shown on that map filed in Book AA at Page 21, Placer County Records (the "Property") and

WHEREAS, on June 23, 2004, the County approved the Improvement Plans for Northstar Village Phase 1 (County Project No. PN-8211) to allow Developer to proceed with the construction of said improvements, and

WHEREAS, on July 22, 2004, the County approved the Improvement Plans for Northstar Village Phase 2 (County Project No. PN-8227) to allow Developer to proceed with the construction of said improvements, and

WHEREAS, on May 18, 2005, the County approved the Improvement Plans for Northstar Village Phase III & IV (County Project No. PN-8323) to allow Developer to proceed with the construction of said improvements, and

EXHIBIT "B" 145
DIA #2006-416-1

~~WHEREAS, Condition of Approval 109 of SUB-416 requires construction of an emergency vehicle access road as part of the Northstar Village project, and~~

WHEREAS, the Developer entered into an Agreement with the Northstar Community Services District ("NCSD") and Placer County Fire ("Fire"), Exhibit "A", to rely on Highlands View Drive to meet the requirement of Condition 109 for emergency vehicle access for Northstar Village, said Agreement requiring construction of Highlands View Drive to be completed by October 15, 2007, and

WHEREAS, the Developer entered into an Agreement with the County on October 26, 2005, DIA No. 2005-416-2, Exhibit "B", to allow issuance of non-occupancy building permits for phases 1 and 2 of the Northstar Village project, in the absence of complete construction of Highlands View Drive, among other required incomplete offsite improvements, said Agreement requiring construction of Highlands View Drive and other identified offsite improvements to be completed by October 1, 2006, and

WHEREAS, on September 19, 2005, the County approved the improvement plans for Segment 1 of Highlands View Road and Ridgeline Drive (County Project No. PN-8313, Exhibit "C"), and on May 12, 2006, the County approved the Improvement plans for Segment 2 of Highlands View Road and Ridgeline Drive (County Project No. PN-8378, Exhibit "D"), collectively constituting Highlands View Drive in it's entirety, and functioning as the emergency vehicle access road required for the Northstar Village project per Condition of Approval 109, and

WHEREAS, the Developer has completed construction of all required offsite improvements identified in the County Agreement with the exception of Highlands View Drive, and has requested an extension of the required completion date for Highlands View Drive, and

WHEREAS, the Developer has requested that Clause 3 of the County Agreement be modified to allow issuance of Temporary Occupancy Building Permits for Phases 3 and 4 of the Northstar Village project, in the absence of completion of Highlands View Drive, and

WHEREAS, the County has agreed to extend the completion date for Highlands View Drive, in reliance upon the Agreement entered into between Developer and NCSD/Fire, and in reliance upon Developer's representation that said improvements for Highlands View Drive are more than 50% complete, and

WHEREAS, the County has agreed to modify Clause 3 of the County Agreement, in reliance upon the Agreement entered into between Developer and NCSD/Fire, and in reliance upon Developer's representation that said improvements for Highlands View Drive are more than 50% complete, and in reliance upon the Developer's representations as set forth herein,

NOW THEREFORE, the parties agree hereby as follows:

1. This Agreement shall supersede in its entirety the prior Agreement between Developer and County, titled Deferred Improvement Plan Agreement, DIA No. 2005-416-2.
2. The County shall retain in full force the Six million, three hundred twenty five thousand dollars (\$6,325,000) security posted by the Developer for DIA No. 2005-416-2, in the form of Two million, two hundred twenty five thousand dollars (\$2,225,000) cash and Four million, one hundred thousand dollars (\$4,100,000) performance bond issued by RLI Surety Division, Bond No. CMS0221413.
3. No later than June 1, 2007, Highlands View Drive shall be surfaced with an all weather driveable surface (minimum 6-inches aggregate baserock) to meet Fire standards for emergency vehicle access for the 2007 fire season.
4. No later than October 1, 2007, Developer shall complete construction of Highlands View Drive as shown on plans titled "Segment 1 for Highlands View Road and Ridgeline Drive" (County Project No. PN-8313) and "Segment 2 of Highlands View Road and Ridgeline Drive" (County Project No. PN-8378), to the satisfaction of the County Community Development Resource Agency ("Agency").

In the event Developer fails to complete the above-referenced work by October 1, 2007, the County shall provide the Developer with written notice of default and allow Developer SIXTY (60) days to cure the default. In the event the Developer fails to cure the default after written notice, the County shall be authorized without additional notice to Developer to take possession of and utilize the security referred to in Section 1 herein, including any accrued interest, to the extent necessary for the County to complete the work. Developer acknowledges that County will construct only the minimum improvements necessary to facilitate public safety. Developer's failure to complete the above-referenced work within SIXTY (60) days of the effective date of the written notice of default shall constitute a material breach of this agreement and shall entitle the County, without additional notice to Developer or providing Developer an opportunity to cure, to take possession of and utilize the security referred to in Section 1 herein, including any accrued interest, to the extent necessary for the County to, at a minimum, complete improvements as necessary to facilitate public safety. In the event the security is insufficient to complete the work, upon written demand of the County, the Developer shall pay to the County any additional sums required.

Should the County be compelled to complete the work because of the failure or refusal of the Developer to do so, the Developer hereby expressly consents and agrees to allow the County access to and entry upon the property owned by Developer consisting of the Project and any other necessary property interest. Said right of entry shall extend to the County's contractors, agents and employees to the full extent necessary to complete the work.

4. Upon execution of this Agreement, the Agency will A) Extend the completion date of Highlands View Drive to October 1, 2007 and at the same time extinguish DIA No. 2005-416-2 and incorporate the outstanding component of that Agreement (completion of Highlands View Drive) into this Agreement, and 2) Approve issuance of Temporary Occupancy Building Permits for Northstar Village Phases III & IV, as follows:

Building D: Five (5) commercial permits
Twenty one (21) residential permits

Building E: Eleven (11) commercial permits
Fifty one (52) residential permits

Building F: Fourteen (14) commercial permits
Forty one (40) residential permits

5. Upon satisfaction of all of the conditions as set forth herein, including Condition 109, and upon successful completion of construction of said improvements, and provided Developer is otherwise in compliance with the conditions of approval of SUB-416/CUP-2938, the County shall release the full security and final occupancy building permits for Northstar Village Phases 1, 2, 3 and 4, and at which time this Agreement shall be terminated and of no further force or effect.

6. This Agreement shall not be construed to modify, amend, waive or supercede any of the conditions of approval of SUB-416/CUP-2938 as approved by the County as of this date, which shall remain unchanged and in full force and effect. Developer shall comply in full with all such conditions. The sole purpose of this Agreement is to set forth the terms upon which County agrees to A) Extend the completion date of Highlands View Drive to October 1, 2007, and B) Issue Temporary Occupancy Building Permits for Northstar Village Phases 3 and 4 prior to completion of improvements required by Condition 109.

7. This Agreement is the result of the joint efforts and negotiations of parties hereto. The parties agree that this Agreement shall be interpreted as though each of the parties participated equally in the composition of this Agreement and each and every part of it. The parties agree that each has been afforded the opportunity to consult with the attorney of its choosing prior to execution hereof. This Agreement constitutes the full written agreement of the parties, and no agreements or understandings not set forth herein shall be recognized. The person(s) signing this Agreement on behalf of Developer each warrants and represents that he or she has the authority to execute this Agreement on behalf of Developer and to bind Developer to the terms and conditions stated herein.

8. This Agreement shall be binding upon the successors-in-interest, the heirs and the assigns of the parties. This Agreement shall constitute a covenant running with the Property and an equitable servitude thereon. Developer agrees to notify any successor-in-interest, heirs or assigns of the existence of this Agreement.

COUNTY OF PLACER

By: W Zicker
Print Name: W ZICKER
Title: DIRECTOR

Address for service of notice:

County of Placer
Wes Zicker, Director
Community Development Resource Agency
Engineering and Surveying Department
3091 County Center Drive, Suite 120
Auburn, CA 95603

DEVELOPER

NORTHSTAR IRON HORSE, LLC
a Delaware Limited Liability Corporation

BY: NORTHSTAR MOUNTAIN PROPERTIES, LLC,
A DELAWARE LIMITED LIABILITY COMPANY,
ITS MEMBER AND MANAGER

BY: NMP HOLDINGS, LLC,
A DELAWARE LIMITED LIABILITY COMPANY,
ITS MANAGER

BY: EAST WEST RESORT DEVELOPMENT V, L P., L.L.P.,
A DELAWARE LIMITED PARTNERSHIP REGISTERED AS A
LIMITED LIABILITY LIMITED PARTNERSHIP,
ITS MEMBER AND MANAGER

BY: HF HOLDING CORP.,
A COLORADO CORPORATION,
ITS GENERAL PARTNER

Bryan Raydon
BY: SIGNATURE

11/3/06
DATE

Bryan Raydon, V.P.
PRINT NAME / TITLE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of NV } ss.

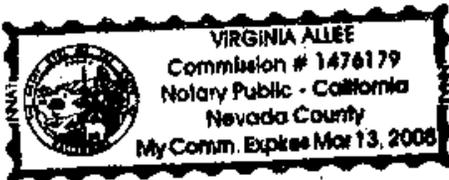
On Nov. 3, 2006 before me, Virginia Allee Notary Public
Name and Title of Officer (e.g., John Doe, Notary Public)
personally appeared Bryan Raydon
Name(s) of Signer(s)

- 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.

Virginia Allee
Signature of Notary Public



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: _____

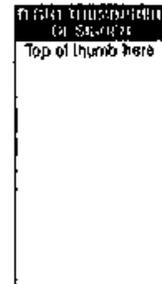
Signer(s) Other Than Named Above: _____

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: _____



150

Address for service of notice:

EAST WEST PARTNERS
PO BOX 2537
TRUCKEE, CA 96160
10164 DONNER PASS ROAD, SUITE 3
TRUCKEE, CA 96161

APPROVAL AS TO FORM:
PLACER COUNTY COUNSEL

By:



County Counsel

Attachments:

- Exhibit A: Agreement Regarding Timing of Construction of Certain Public Facilities
(NCSD/Fire Agreement)
- Exhibit B: Deferred Improvement Plan Agreement, DIA No. 2005-416-2
(County Agreement)
- Exhibit C: Segment 1 of Highlands View Road and Ridgeline Drive
- Exhibit D: Segment 2 of Highlands View Road and Ridgeline Drive

NOTARIAL ACKNOWLEDGEMENT(S) ON FOLLOWING PAGE(S)

EXHIBIT A

AGREEMENT REGARDING TIMING OF CONSTRUCTION OF CERTAIN PUBLIC FACILITIES

This Agreement is made by and between NORTHSTAR COMMUNITY SERVICES DISTRICT (the "District"), NORTHSTAR MOUNTAIN PROPERTIES, LLC (the "Developer"), and the CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION ("CDF").

RECITALS

AS A BASIS AND PREMISE for this Agreement, the parties acknowledge the following:

1. The Developer has applied to the County of Placer (the "County") and received approval for Developer's project known as "Northstar Village" (the "Village"), designated as project SUB-416/CUP-2938. The Developer has also applied to the County and received approval for a project known as Northstar Highlands (the "Highlands"), designated project "PSUB20040898." The County's approval of the Village and of the Highlands shall sometimes collectively be referred to herein as the "County Approvals." The County Approvals are subject to many written conditions.

2. The parties have executed or otherwise exchanged a variety of agreements, and letters, including but not limited to the following:

a. A letter from East West Partners to the Northstar Community Services District Fire Department dated November 21, 2002 regarding expansion of the emergency egress road;

b. *Village at Northstar (SUB-416/CUP-2938) Will Serve – Fire and Rescue, Sewer Service, and Water Service* from the District dated October 4, 2004 (“Will Serve Letter”);

c. *Memorandum of Understanding* dated February 12, 2004 regarding emergency access road mitigation measures for the Village (“Village EAR MOU”);

d. *Memorandum of Understanding Re Formation of Community Facilities District*, dated March 16, 2005 (“Facilities MOU”);

e. *Memorandum of Understanding Re Intercept Parking Facility and Miscellaneous Conveyances*, dated March 16, 2005 (“Intercept Parking MOU”); and

f. *Water Rights and Water Supply Agreement Between Trimont Landholdings, Inc., and Trimont Land Company, dba Northstar at Tahoe, and Northstar Community Services District Providing for the Conveyance of Rights to Water, Facilities and Easements*, dated March 16, 2005 (“Water Rights MOU”).

The agreements and other documents referred to in this Recital 2 shall be referred to herein collectively as the “MOU’s.”

3. Among the conditions of the County Approvals of the Village and the Highlands projects are some that require construction of a variety of facilities including, but not limited to, new roads or improvements to existing roads; employee and visitor parking lots including lots commonly referred to as “intercept lots”; employee housing; an additional fire station; and a range of associated improvements to other public facilities and infrastructure.

4. Several of the MOU's and the conditions of the County Approvals require the construction of portions of the water system referred to in the Water Rights MOU, the intercept parking lots referred to in the Intercept Parking MOU, and the Emergency Access Road ("EAR") prior to the occupancy of residential or commercial improvements currently under construction in the Village.

5. The MOU's and the County Approvals that refer to the EAR, also sometimes referred to as the "emergency egress road," require that the Developer and the District, along with CDF, agree on the alignment and configuration of the EAR. The parties anticipated that the Developer would complete its construction of the EAR, and that certain other facilities would also be completed, before the end of 2005, but for several reasons beyond the Developer's control that is infeasible.

6. The Developer anticipates that one hundred residential units associated with buildings designated as "G," "H" and "J," and commercial space of a total of 75,469 square feet associated with the foregoing buildings and building "R" will be completed and ready for occupancy before the end of 2005. The Developer refers to the construction of buildings "G," "H," "J" and "R" as "Phase I of The Village," and will be referred to herein simply as "Phase I."

7. Construction of most of the public improvements referred to in Recitals 4 and 5, above will not be completed prior to the completion of Phase I referred to in Recital 6, above.

8. The Developer has requested that the District waive completion of certain of the facilities referred to in Recitals 4 and 5, above, as a condition of occupancy of Phase I. The District has determined that its existing infrastructure and water supply are adequate to serve, on a short term basis, Phase I, but that development of additional water supply and infrastructure,

such as that referred to in the Water Rights MOU as "TH2", is necessary before occupancy of any subsequent Phases or other development of the Developer. Subject to the terms and conditions of this Agreement, and strictly as limited herein, the District is willing to allow occupancy of Phase I with the District's existing infrastructure and water supply.

AGREEMENT

NOW, THEREFORE, the parties hereto agree as follows:

1. The parties intend that this Agreement be read as a supplement to the MOU's. Only and specifically limited to those instances where this Agreement differs from any of the MOU's shall this Agreement prevail. In all other instances, this Agreement and the MOU's shall be read together. Moreover, except as specifically provided in this Agreement, none of the obligations or rights of any party to this Agreement under the terms of any of the respective MOU's nor under the terms of the County Approvals shall be modified, and all of the terms and conditions of the MOU's and the County Approvals shall continue in full force and effect. The District will cooperate in assuring the County that the District will allow occupancy of Phase I as set forth herein, but the Developer understands and agrees that the County will make its own independent determination regarding occupancy, in accordance with the County Approvals.

2. The District shall issue a confirmation in writing to the County and such other agencies as are necessary and appropriate evidencing the District's consent to the occupancy of Phase I, but only Phase I, upon full satisfaction of the following conditions:

a. The Developer will use its best efforts to construct approximately 1,500 linear feet of underground pipeline across and in the vicinity of the Northstar Golf Course associated with the TH2 water facilities project no later than November 1, 2005.

b. The Developer will use its best efforts to construct 652 new skier parking spaces at the intercept parking lots no later than November 1, 2006. During the 2005-2006 ski season, on days that the Northstar Ski Resort operator declares as "red" skier days, the Developer shall provide (1) on-site traffic monitors during peak morning and afternoon hours at the following two intersections: (a) Basque Road and Northstar Drive; and (b) Big Springs Road and Northstar Drive; and (2) California Highway Patrol traffic control at Northstar Drive and Highway 267. The on-site monitors shall assist the ski resort operator in encouraging resort guests to make the most efficient use of available parking spaces at the resort, and the monitors shall assist in the most efficient movement of traffic at those intersections as possible.

c. The parties recognize that the Developer's ability to construct the pipeline identified in paragraph 2.a and the new parking spaces identified in paragraph 2.b depend in part on timely review and approval of the County of Placer, CDF and other regulatory agencies. The Developer shall use its best efforts to obtain such timely review and approval.

3. Except as provided in Article 4.b with respect to the EAR, in Article 2.a with respect to the pipelines, and in Article 2.b with respect to the new parking spaces, the Developer shall assure that all of the facilities, improvements and other measures that were to be implemented before occupancy of any part of Phase I shall be completed and implemented, along with any other obligations the Developer may have under the MOU's and the County Approvals to be completed in 2006, no later than September 30, 2006.

4. The parties agree as follows regarding the EAR:

a. The preferred alignment and course of the EAR shall be those portions of roads shown on the map attached hereto as Exhibit A entitled "*Northstar Village Emergency Access Road*" that are designated "Big Springs EVA" and "Highlands View Road". The total length of the two roads for purposes of this Agreement and the County Approvals is the EAR as illustrated in Exhibit A.

b. The Developer shall complete construction of the EAR, in its entirety, no later than October 15, 2007.

c. The parties understand and acknowledge that the impacts of constructing a road in this alignment were analyzed in the Highlands Environmental Impact Report certified by Placer County in February 2005. The parties have determined that no further analysis of the impacts of constructing this road is required. The parties have also determined that the construction of the EAR in this alignment will fulfill the requirements of Northstar Village Condition of Approval Number 109, which authorized the construction of the EAR in alternative locations upon approval by the District and CDP.

5. With respect to surety, the parties agree:

a. On or before November 15, 2005, the Developer shall provide Placer County with one or more performance bonds or standby letters of credit in the aggregate amount of \$6,125,000. The purpose of the bonds or letters of credit shall be to secure the Developer's performance under the terms of this Agreement, including, without limitation, Developer's obligations under

Articles 3 and 4 above. In the event Placer County must complete the Developer's performance either itself, or through the use of third parties, Placer County and its agents and assigns shall have access and all other necessary rights in, over and upon Developer's property to do so.

b. If by February 28, 2006 the District's Community Facilities District No. 1 ("CFD") has not issued bonds in the approximate amount of the cost of the improvements referred to in "Exhibits A and B - Facilities, Segments and Acquisition Prices" to the *Acquisition and Disclosure Agreement* for the CFD's Series 2005 bonds as Highlands View Road, and the Water Facilities (the "Bonded Improvements"), Developer shall provide the District with one or more performance bonds or standby letters of credit in the aggregate amount of the cost of the Bonded Improvements. The purpose of the bonds or letters of credit shall be to secure the Developer's performance under the terms of this Agreement, including, without limitation, Developer's obligations under Articles 3 and 4

above. In the event the District must complete the Developer's performance either itself, or through the use of third parties, the District and its agents and assigns shall have access and all other necessary rights in, over and upon Developer's property to do so.

6. The District shall not authorize and will provide no water or sewer services to any part of the Village or the Highlands other than Phase I unless all of the terms and provisions of this Agreement, the MOU's and the County Approvals that are conditions to the occupancy of any other part of the Village or the Highlands are first satisfied. Without limiting the foregoing, the parties acknowledge that it is imperative

that the District have available to it the water supply and delivery capacity represented by the "TH2" project before occupancy of any part of the Village or the Highlands other than Phase I. The District will authorize no occupancy other than of Phase I, as provided in this Agreement, until and unless the District has available to it the water supply and delivery capacity represented by the TH2 Project. If, because of construction delays, regulatory requirements, or other reasons, the specific facilities and water supply referred to as the "TH2" project cannot be developed in a timely manner in 2006, the parties will confer to determine if a substitute water supply and delivery facilities can be made available to the District pending final completion of the "TH2" Project.

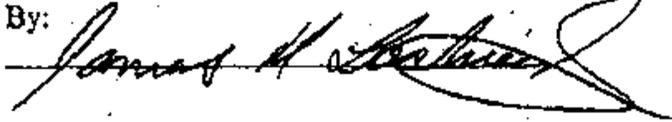
7. As noted above, the parties acknowledge that the occupancy of Phase I will place an additional demand upon the District's existing water and sewer systems, but the District has determined that it can provide the necessary service to Phase I with those existing facilities. In the event of a dry hydrologic year, however, the District's water system and water customers may experience shortages that they would not otherwise have experienced in the absence of early occupancy of Phase I. The Developer releases the District from any damage or loss that the Developer or its successors in interest suffer as a result of water shortages, or any delay in the construction of modifications, extensions or additions to the District's existing water and sewer systems. The Developer also releases the District from any liability for any damage suffered by the Developer or its successors in interest resulting from a delay in construction of the EAR. The Developer will indemnify and defend the District from any and all claims, including attorney's fees, that the District suffers, or brought by any third parties against the District, arising out of or in any manner connected with this

Agreement, including, but not limited to water shortages occurring during calendar years 2006 and 2007, resulting from the delay in construction, modifications, extensions or additions to the District's existing water and sewer systems or claims resulting from the manner or timing of construction of the EAR.

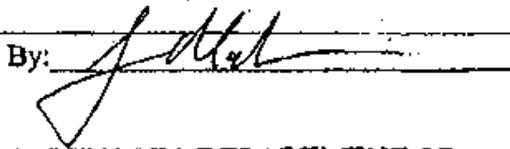
8. Should any litigation be commenced between the parties to this Agreement, arising out of breach thereof, or their rights and duties in relation thereto, the prevailing party in such litigation shall be entitled to attorney's fees, as such may be determined by the Court.

Date: 10/16/05

NORTHSTAR COMMUNITY
SERVICES DISTRICT

By: 

NORTHSTAR MOUNTAIN
PROPERTIES, LLC

By: 

CALIFORNIA DEPARTMENT OF
FORESTRY AND FIRE PROTECTION

By: Bob Eicholtz

50917165.001





northstar-at-tahoe

THE HIGHLANDS

VESTING TENTATIVE MAP

SEPTEMBER, 2003

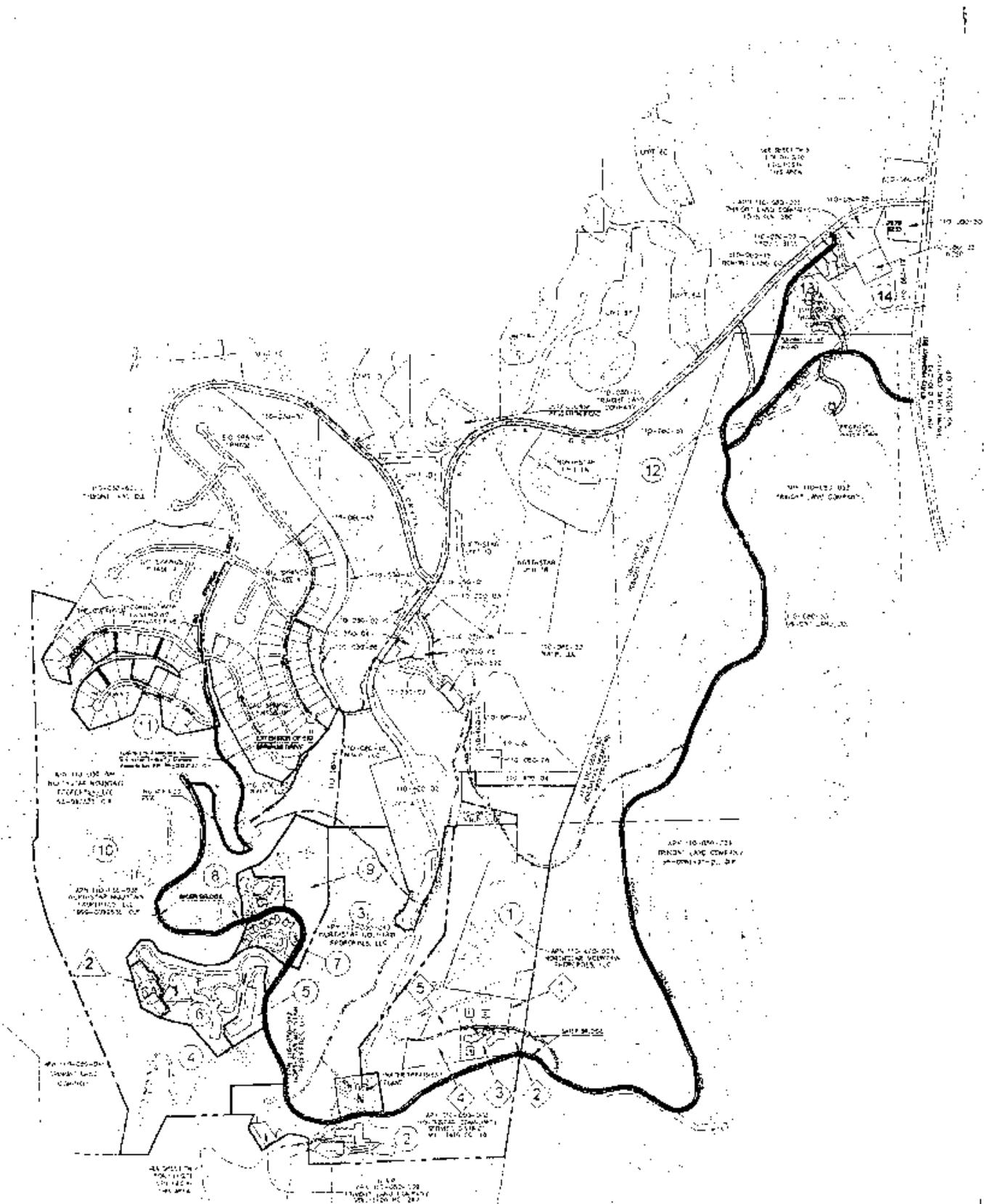


EXHIBIT B

DIA NO. 2005-416-2

ADMINISTERING AGENCY
COMMUNITY DEVELOPMENT/RESOURCE AGENCY
ENGINEERING AND SURVEYING DIVISION

Project Name: NORTHSTAR VILLAGE, PHASE 1 AND 2
(BUILDINGS "G", "H", "J", AND "R")
Entitlement No.: SUB-416/CUP-2938
Developer: NORTHSTAR IRON HORSE, LLC.
Effective Date: NOVEMBER 1, 2005
Expiration Date: OCTOBER 1, 2006

DEFERRED IMPROVEMENT PLAN AGREEMENT

This DEFERRED IMPROVEMENT PLAN AGREEMENT is made and entered into this 26th day of October, 2005, by and between the County of Placer, a political subdivision of the State of California, ("County"), and NORTHSTAR IRON HORSE, LLC a Delaware Limited Liability Corporation ("Developer").

WITNESSETH:

WHEREAS, in October, 2003, the County approved the Tentative Map and Conditional Use Permit - "Northstar Village" (SUB-416/CUP-2938) to allow Developer to proceed with a project commonly referred to as Northstar Village located generally 500 feet southwest of the intersection of Northstar and Big Springs Drives, in the Martis Valley Area of Lake Tahoe (the "Project"), and

WHEREAS, Developer is the owner of the property subject to SUB-416/CUP-2938, properties described as Lots 1, 5, 6, D and E as shown on that map filed in Book AA at Page 21, Placer County Records (the "Property") and

WHEREAS, on June 23, 2004, the County approved the Improvement Plans for Northstar Village Phase 1 (County Project No. PN-8211) to allow Developer to proceed with the construction of improvements, excluding design work required by Conditions of Approval 38, 45, AND 109, and

WHEREAS, on July 22, 2004, the County approved the Improvement Plans for Northstar Village Phase 2 (County Project No. PN-8227) to allow Developer to proceed with the construction of improvements, excluding design work required by Conditions of Approval 38, 45, AND 109, and

WHEREAS, on July 26, 2005, the County approved the Improvement Plans to address Condition 38, titled "Project Improvement Plans for Construction of State Highway in Placer County near Truckee from PM 3.7 TO 4.0 on Route 267 and Northstar Drive" (County Project No. PN-8265), and on May 31, 2005, the County approved Improvement Plans to address Condition 45, titled "Street Improvement plans for Basque Road at Northstar Drive Intersection" (County Project No. PN-8231), and

WHEREAS, the Developer has not completed the construction of those improvements identified as required per Conditions 38 and 45, and

WHEREAS, the Developer has not completed the design nor the construction of those improvements identified as required per Condition 109, titled "Improvement Plans for Highlands Drive, Sawmill Flat Road, and Big Springs Drive" (County Project No. PN-8313), also known as Highlands View Drive, as shown on and generally set forth in the attached Engineer's Estimates, Conditions of Approval, and Exhibits, attached hereto and incorporated herein by reference (collectively, the "Deferred Improvement Plans"), and

WHEREAS, the Developer has entered into an Agreement with the Northstar Community Services District ("NCSD") to rely on Highlands View Drive to meet the requirement of Condition 109 for emergency access for Northstar Village, and

WHEREAS, the same Agreement between Developer and NCSD allows occupancy of Northstar Village Phases 1 and 2 (Buildings "G", "H", "J", and "R", referred to as "Phase 1" in the NCSD Agreement) prior to construction of Highlands View Drive, and

WHEREAS, the Developer has requested that the County issue occupancy permits for Northstar Village Phase 1 and 2, and the County has agreed to defer construction of improvements required per Conditions 38 and 45, and the County has agreed to defer design and construction of improvements required per Condition 109, and in reliance upon the Agreement entered into between the Developer and NCSD, and in reliance upon the Developer's representations as set forth herein,

NOW THEREFORE, the parties agree hereby as follows:

1. Concurrently with the execution of this Agreement by the County, the Developer shall submit to the County financial security in the amount of Two million, two hundred twenty five thousand dollars (\$2,225,000), in the form of a liquid security such as cash, a certificate of deposit naming the County of Placer as the holder in a form approved by the County, or a letter of credit issued by a financial institution in a form approved by the County. The balance of the final security in the sum of Four million, one hundred thousand dollars (\$4,100,000) shall be submitted to the County concurrently with the execution of the agreement and may be either a liquid security or a performance bond issued by a bonding surety approved by the County. Prior to execution of this Agreement by the County, the Developer shall have submitted for approval by the County the proposed form of the security.

2. Not later than October 1, 2006, Developer shall complete construction of the Deferred Improvements as shown on Exhibits "A", "B", and "C", and as shown on plans titled "Project Improvement Plans for Construction of State Highway in Placer County near Truckee from PM 3.7 TO 4.0 on Route 267 and Northstar Drive" (County Project No. PN-8265), and "Street Improvement plans for Basque Road at Northstar Drive Intersection" (County Project No. PN-8231), and "Improvement Plans for Highlands Drive, Sawmill Flat Road, and Big Springs Drive (County Project No. PN-8313), to the satisfaction of the County Community Development/Resource Agency ("Agency").

In the event Developer fails to complete the above-referenced work by October 1, 2006, the County shall provide the Developer with written notice of default and allow Developer SIXTY (60) days to cure the default. In the event the Developer fails to cure the default after written notice, the County shall be authorized without additional notice to Developer to take possession of and utilize the security referred to in Section 1 herein, including any accrued interest, to the extent necessary for the County to complete the work. Developer acknowledges that County will construct only the minimum improvements necessary to facilitate public safety. Developer's failure to complete the above-referenced work within SIXTY (60) days of the effective date of the written notice of default shall constitute a material breach of this agreement and shall entitle the County, without additional notice to Developer or providing Developer an opportunity to cure, to take possession of and utilize the security referred to in Section 1 herein, including any accrued interest, to the extent necessary for the County to complete minimum improvements as necessary to facilitate public safety. In the event the security is insufficient to complete the work, upon written demand of the County, the Developer shall pay to the County any additional sums required.

Should the County be compelled to complete the work because of the failure or refusal of the Developer to do so, the Developer hereby expressly consents and agrees to allow the County access to and entry upon the property owned by Developer consisting of the Project and any other necessary property interest. Said right of entry shall extend to the County's contractors, agents and employees to the full extent necessary to complete the work.

3. Upon receipt of the security referred to in paragraph 1, above, and provided all improvements related to accessibility and safety have been completed to the satisfaction of the County, the Agency will approve issuance of temporary occupancy building permits for Northstar Village Phase 1 and 2, both commercial and residential components.

No further occupancy (temporary or final) will be issued for any Northstar Village project building permit until the improvements required by Conditions 38, 45, and 109 have been constructed and accepted by the County as complete.

~~4. Upon satisfaction of all of the conditions as set forth herein, including Conditions 38, 45, AND 109, and upon successful completion of construction of said improvements, and provided Developer is otherwise in compliance with the conditions of approval of SUB-416/CUP-2938, the County shall release the full security and final occupancy building permits for Northstar Village Phase 1 and 2 and at which time this Agreement shall be terminated and of no further force or effect.~~

5. This Agreement shall not be construed to modify, amend, waive or supercede any of the conditions of approval of SUB-416/CUP-2938 as approved by the County as of this date, which shall remain unchanged and in full force and effect. Developer shall comply in full with all such conditions. The sole purpose of this Agreement is to set forth the terms upon which County agrees to issue temporary occupancy building permits for Northstar Village Phase 1 and 2 prior to construction of improvements required by Conditions 38, 45, AND 109.

6. This Agreement is the result of the joint efforts and negotiations of parties hereto. The parties agree that this Agreement shall be interpreted as though each of the parties participated equally in the composition of this Agreement and each and every part of it. The parties agree that each has been afforded the opportunity to consult with the attorney of its choosing prior to execution hereof. This Agreement constitutes the full written agreement of the parties, and no agreements or understandings not set forth herein shall be recognized. The person(s) signing this Agreement on behalf of Developer each warrants and represents that he or she has the authority to execute this Agreement on behalf of Developer and to bind Developer to the terms and conditions stated herein.

7. This Agreement shall be binding upon the successors-in-interest, the heirs and the assigns of the parties. This Agreement shall constitute a covenant running with the Property and an equitable servitude thereon. Developer agrees to notify any successor-in-interest, heirs or assigns of the existence of this Agreement.

COUNTY OF PLACER

By: 
Print Name: WESLEY K. ZICKER
Title: DIRECTOR EPS

Address for service of notice:

County of Placer
Wes Zicker, Director
Community Development/Resource Agency
Engineering and Surveying Division
11444 B Street
Auburn, CA 95603

DEVELOPER

NORTHSTAR IRON HORSE, LLC
a Delaware Limited Liability Corporation

BY: NORTHSTAR MOUNTAIN PROPERTIES, LLC,
A DELAWARE LIMITED LIABILITY COMPANY,
ITS MEMBER AND MANAGER

BY: NMP HOLDINGS, LLC,
A DELAWARE LIMITED LIABILITY COMPANY,
ITS MANAGER

BY: EAST WEST RESORT DEVELOPMENT V, L. P., L.L.L.P.,
A DELAWARE LIMITED PARTNERSHIP REGISTERED AS A
LIMITED LIABILITY LIMITED PARTNERSHIP,
ITS MEMBER AND MANAGER

BY: HF HOLDING CORP.,
A COLORADO CORPORATION,
ITS GENERAL PARTNER


BY: SIGNATURE

10/26/05
DATE

Bryan T. Raydon, Vice President
PRINT NAME / TITLE

Address for service of notice:

EAST WEST PARTNERS
PO BOX 2537
TRUCKEE, CA 96160
10164 DONNER PASS ROAD, SUITE 3
TRUCKEE, CA 96161

APPROVAL AS TO FORM:
PLACER COUNTY COUNSEL

By: 
County Counsel

Attachments:

- Exhibit A: Construction Estimate, Conditions of Approval #38 and #45 (Hwy 267 Intersection and Basque Road Intersection), and Site Improvements
- Exhibit B: Construction Estimate, Condition of Approval #109 (Highlands View Drive, Emergency Vehicle Access)
- Exhibit C: Hwy 267 at Northstar Drive Intersection Improvements
- Exhibit D: Basque Road at Northstar Drive Intersection Improvements
- Exhibit E: Highlands Drive, Sawmill Flat Road, and Big Springs Drive

NOTARIAL ACKNOWLEDGEMENT(S) ON FOLLOWING PAGE(S)

State of California)
County of Placer)

On October 26, 2007 before me, Nancy A. Stewart, a Notary Public, personally appeared Bryan Randall, 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.

Nancy A. Stewart
Notary Public





East West Partners

October 17, 2005

Mr. Phil Prantz
Placer County
11444 B Avenue
Auburn, CA 95603

RE: Northstar Village - SUB-416/CUP-2938
DIA - Conditions of Approval #38 and #45
DIA - Site Improvements, Village at Northstar, per SIA Agreement

Dear Phil,

Attached please find estimates of incomplete work related to the above-captioned conditions of approval. These estimates were developed following a site visit by Matt Bartholomew on 10/12/05 and are based upon the level of completion as of 10/15/05. The worksheets are derived from exhibits prepared by Psomas for the preceding DIA and SIA Agreements that were executed in the Summer of 2004. In summary, the incomplete work totals are as follows:

1. COA #38 - Hwy 267 & Northstar Drive:	\$ 150,200	
2. COA#45 - Basque Road & Northstar Drive:	\$ 13,060	
3. Site Improvements - Phase I:	\$ 751,100	0
4. Site Improvements - Phase II:	\$ 579,440	0
TOTAL	\$ 1,493,800	#163,260
	20% CONTINGENCY: 300,000	32,052
	\$ 1,800,000	# 195,912

*PGR 10/24/05
CONFERENCE
CALL WITH
EAST WE*

Very truly yours,

BTR
Bryan T. Raydon

SAY \$ 200,000



East West Partners

October 10, 2005

Mr. Phil Frantz
Placer County
11444 B Avenue
Auburn, CA 95603

RE: Condition of Approval #109 -- Northstar Village -- SUB-416/CUP-2938
Emergency Access Road

Dear Phil,

As mentioned in my letter dated October 7, 2005, I have attached an estimate to complete Highlands View Road to County Emergency Access Road standards. Those standards, as detailed in Northstar Village Conditional Use Permit, are:

The Emergency Access Road shall be designed to meet the criteria of NCSD, North Fire Department and CDF and includes, but is not limited to, the following:

- A) 20' paved width with 2' gravel shoulders.
- B) The road design shall have a 40,000 pound load capacity.
- C) Bridge crossings shall be either 24' wide or 20' wide with turnouts at both ends of the bridge.
- D) Gates and signage shall be constructed at both ends of the road to the satisfaction of NCSD/CDF/NFD.
- E) Snow removal maintenance shall occur per Placer County standards.

As you can see, the estimated cost is considerable... about \$6 million.

Very truly yours,

Bryan T. Raydon

Est Description	Unit	Quantity	Unit	Unit Price	Est Total
MOBILIZATION					
MOBILIZATION	Contract	1.00	LS	3,000.00	3,000.00
MOBILIZATION SUBTOTAL					3,000.00
EARTHWORK					
GRUB & GRUB	Road 1	1.00	AC	1,000.00	1,000.00
CONSTRUCTION STAKING	City/County	1.00	LS	150,000.00	150,000.00
DRAINAGE BANKING	Road 1	1.00	EA	2,500.00	2,500.00
EXCAVATE & BACKFILL	Road 1	30,000.00	CY	5.50	1,650,000.00
STUMP REMOVAL	Road 1	300.00	EA	4,000.00	1,200,000.00
READY ROCK WALL	Road 1	15,000.00	LF	15.00	225,000.00
EARTHWORK SUBTOTAL					1,832,500.00
SWPP					
VEHICLE TRACKING TACK	Contract	1.00	EA	6,000.00	6,000.00
GRAV DIRT BASKET	Contract	10,000.00	EA	2.00	20,000.00
WATER PROTECTION	Contract	1.00	EA	10,000.00	10,000.00
W/C WASHOUT	Road 1	1.00	EA	500,000.00	500,000.00
FUELING CONTRACTOR/LOW ALU/A	Contract	1.00	EA	5,000.00	5,000.00
TRUCK PROTECTION	Contract	1.00	EA	2,000.00	2,000.00
SURVEILLANCE	Contract	1.00	LS	25,000.00	25,000.00
CRANE SAFETY FENCE	Contract	10,000.00	EA	2.00	20,000.00
SWPP SUBTOTAL					578,000.00
STORM DRAIN					
Storm Drain	Road 1	1.00	LS	2,000,000.00	2,000,000.00
STORM DRAIN SUBTOTAL					2,000,000.00
WATER					
BASE & PAVING					
1" ROAD BASE	Road 1	400,000.00	SF	1.25	500,000.00
1" AC (1 1/2" MIN)	Road 1	400,000.00	SF	1.25	500,000.00
TYPICAL CURB	Road 1	15,000.00	LF	1.00	15,000.00
BASE & PAVING SUBTOTAL					1,015,000.00
SIGNS, STRIPING, GUARDRAIL SUBTOTAL					
MISC. WORK					
WOODS RUN TUNNEL DEMO	Road 1	20.00	LF	40,000.00	800,000.00
ALASKA	Road 1	250.00	LF	1.00	250.00
MISC. WORK SUBTOTAL					800,250.00
REVEGETATION					
REVEGETATION	Road 1	5.00	AC	2,000,000.00	10,000,000.00
REVEGETATION SUBTOTAL					10,000,000.00
CONSPAN					
WEST FORK CREEK - Tunnel	Road 1	1.00	LS	120,000.00	120,000.00
WINDY FORK CREEK - Tunnel	Road 1	1.00	LS	400,000.00	400,000.00
WOODS RUN TUNNEL - Tunnel	Road 1	1.00	LS	2,000,000.00	2,000,000.00
WOODS RUN TUNNEL - Structure	Road 1	0.00	LS	200,000.00	200,000.00
VILLAGE RUN TUNNEL - Tunnel	Road 1	1.00	LS	2,100,000.00	2,100,000.00
VILLAGE RUN TUNNEL - Structure	Road 1	1.00	LS	200,000.00	200,000.00
VILLAGE RUN TUNNEL - Structure	Road 1	1.00	LS	1,000,000.00	1,000,000.00
VILLAGE RUN TUNNEL - Structure	Road 1	1.00	LS	1,000,000.00	1,000,000.00
HOME RUN TUNNEL - Tunnel	Road 1	1.00	LS	2,000,000.00	2,000,000.00
HOME RUN TUNNEL - Structure	Road 1	1.00	LS	1,000,000.00	1,000,000.00
HOME RUN TUNNEL - Structure	Road 1	1.00	LS	1,000,000.00	1,000,000.00
HOME RUN TUNNEL - Structure	Road 1	1.00	LS	1,000,000.00	1,000,000.00
CONSPAN SUBTOTALS					10,000,000.00
JOB CLEANUP					
JOB CLEANUP	Contract	1.00	LS	20,000.00	20,000.00
JOB CLEANUP SUBTOTAL					20,000.00
TOTAL					5,915,500.00

2 OF 2

+ 20% CONTINGENCY 1,183,000

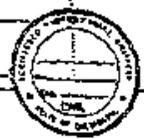
\$7,100,000

EXHIBIT "C"

1 OF 2

NO.	COUNTY	ROUTE	TRUCKLE POST TOTAL PROJECT	SHEET NO.	TOTAL SHEETS
04	PLA	PLA	3.7/4.0		16

REGISTERED CIVIL ENGINEER

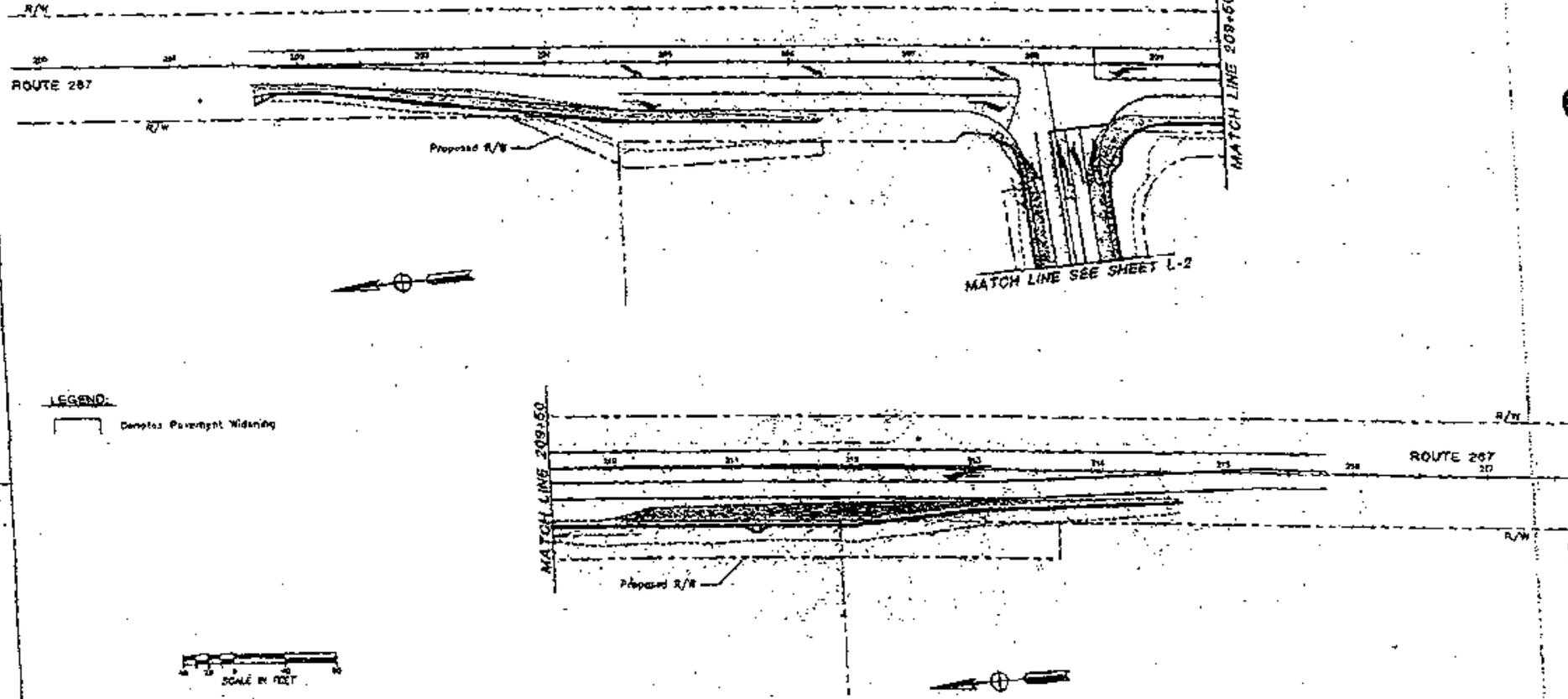


PLEASE APPROVAL DATE

FORNAPS
1236 Coleridge Oaks Dr., Ste 250
Sacramento, CA 95833

The State of California or its officers or agents shall not be responsible for the accuracy or completeness of information supplied on this plan sheet.

DATE REVISION BY CHECKED BY



HIGHWAY 267 AT NORTHSTAR DRIVE INTERSECTION IMPROVEMENTS

TRUCKEE, PLACER COUNTY, CALIFORNIA

June 25, 2004

172

EXHIBIT "C"

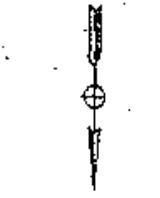
2 OF 2

DIST	COUNTY	ROUTE	EXPLANATION PROJECT NO. PROJECT	SHEET NO.	TOTAL SHEETS
04	PLA	PLA	37/ALD	3	15
REGISTERED CIVIL ENGINEER					
					
PSIDALE 2295 Gateway Drive Dr., Ste 256 Sacramento, CA 95833					
The State of California or its officers or agents shall not be responsible for the accuracy or completeness of any data or information on this plan sheet.					

DESIGNED BY
CHECKED BY
DATE REVISED

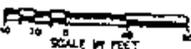
PLACER COUNTY DEPARTMENT OF PUBLIC WORKS

MATCH LINE SEE SHEET I-1



Proposed R/W

Proposed R/W



LEGEND

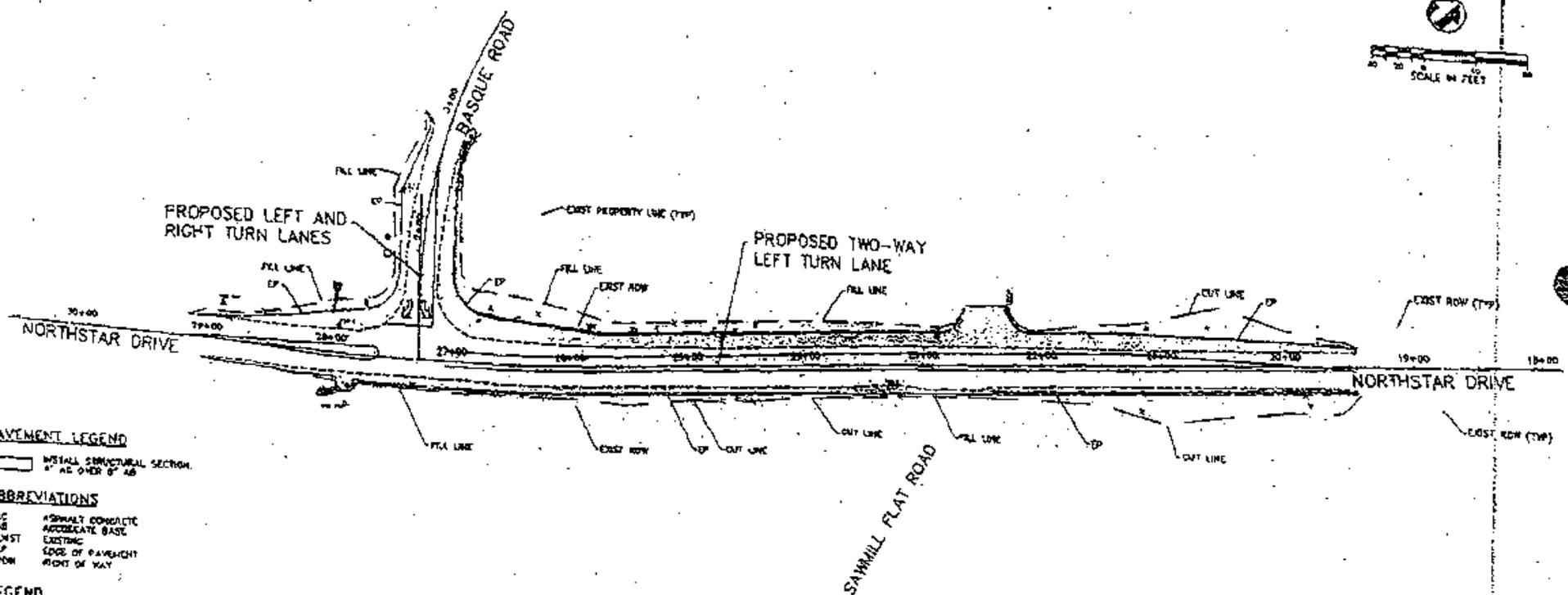
 Denotes Proposed Widening

HIGHWAY 267 AT NORTHSTAR DRIVE INTERSECTION IMPROVEMENTS

TRUCKEE, PLACER COUNTY, CALIFORNIA

June 25, 2004

173



PAVEMENT LEGEND
 [Symbol] INSTALL STRUCTURAL SECTION
 4" AS OVER 6" AS

ABBREVIATIONS
 AC ASPHALT CONCRETE
 AB ADOBE BASE
 EXST EXISTING
 EP EDGE OF PAVEMENT
 ROW FRONT OF WAY

LEGEND

- GAS
- ELECTRIC
- TELEPHONE
- CABLE TELEVISION
- ⊙ TELEPHONE POLE
- ⊕ LIGHT POLE
- ⊖ POLESIDE SIGN
- ⊕ VALVE
- ⊖ FIRE HYDRANT
- ⊙ MANHOLE (SWR. SO. CI)
- ⊙ VALVE
- ⊙ MANHOLE
- X REMOVE TREE (27 TOTAL)

EXHIBIT "D"

PSOMAS

BASQUE ROAD AT NORTHSTAR DRIVE INTERSECTION IMPROVEMENTS

TRUCKEE, PLACER COUNTY, CALIFORNIA
 June 25, 2004

174

IMPROVEMENT PLANS FOR
**HIGHLANDS DRIVE, SAWMILL FLAT ROAD,
 and BIG SPRINGS DRIVE**
 PLACER COUNTY
 CALIFORNIA

PROJECT LOCATION



INDEX

1. TITLE SM
2. NOTES &
3. LEGEND
4. PLAN &
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8. PLAN & I
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10. PLAN & I
11. PLAN & I
12. PLAN & I
13. PL & F
14. P & F
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27. SIGNING AN
28. SIGNING AN
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30. SIGNING AN
31. ROAD RIGHT
32. ROAD RIGHT
33. ROAD RIGHT
34. ROAD RIGHT
35. WATER QUAL
36. WATER QUAL
37. WATER QUAL
38. WATER QUAL
39. WATER QUAL
40. DETAILS
41. DETAILS
42. DETAILS
43. DETAILS
44. DETAILS
- 44A. RETAINING 1
- 44B. RETAINING 1
45. VILLAGE RUN
46. HOME RUN B
47. HOME RUN C
48. WEST WOODS
49. WOODS
50. WOODS
51. WEST WOODS
52. BODYDOCKS F

RECEIVED
 MAY 26 2005

PLACER COUNTY
 DEPT OF PUBLIC WORKS

SITE PLAN
 SCALE = 1"=600'

RECORD DRAWINGS

DATE _____ ENGINEER INITIAL _____

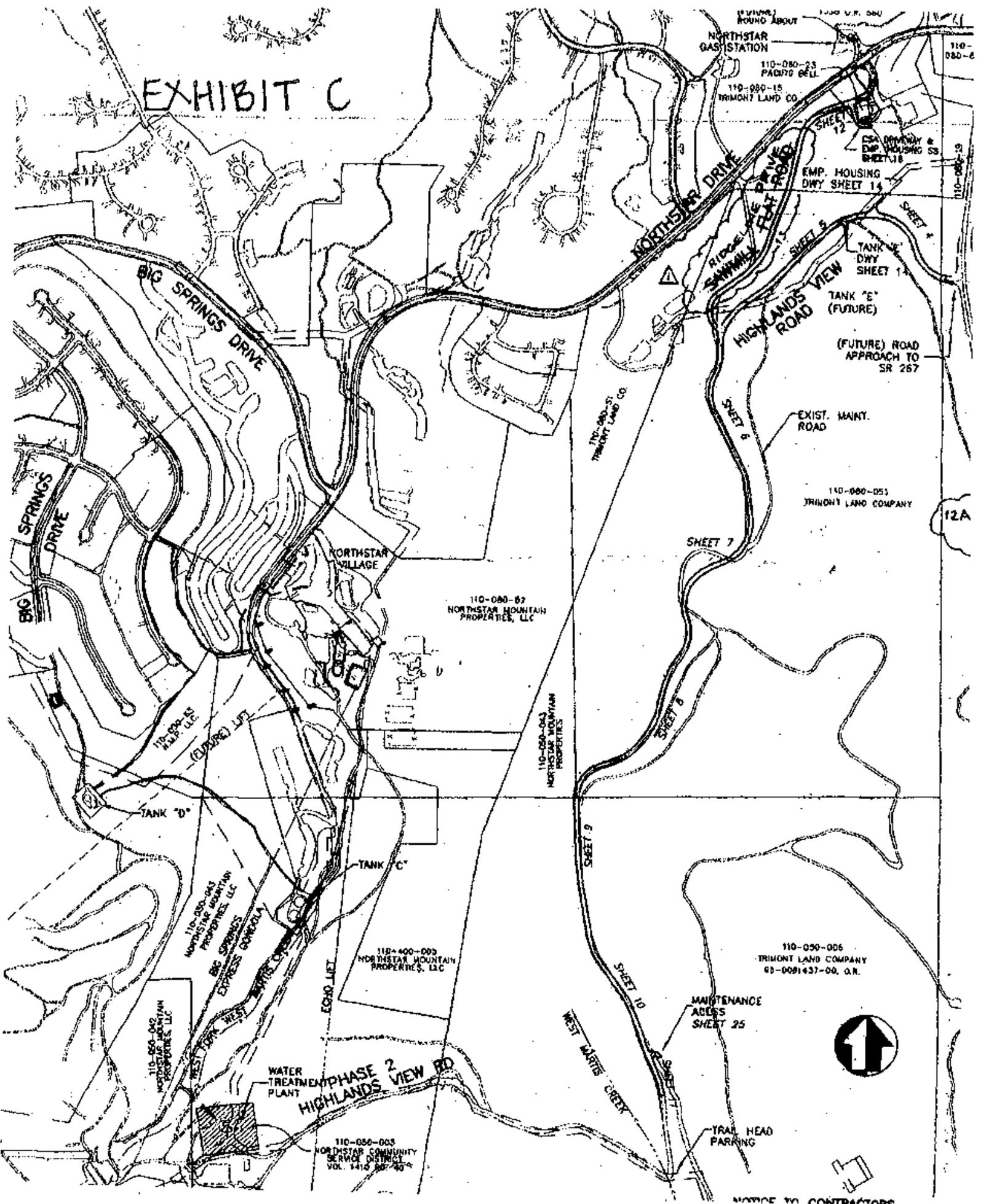
DATE: _____
 THE ELEVATIONS SHOWN HEREON ARE BASED ON A LOCAL BENCHMARK BEING AN EXISTING BRASS CAP LOCATED IN A CONCRETE FOUNDATION AT THE INTERSECTION OF BIG SPRINGS DRIVE AND SILVER FOX COURT. THE ELEVATION BEING 6550.34. A TEMPORARY BENCHMARK HAS BEEN ESTABLISHED FOR CONSTRUCTION PURPOSES, AT CONTROL POINT NUMBER 13 (P-17), TOP OF 400 HALL, T.B.M. ELEVATION BEING 6576.03.

AS BEARING: _____
 THE PLAN OF THIS SURVEY IS BASED ON GRID BEARINGS, USING THE CALIFORNIA COORDINATE SYSTEM OF 1927, ZONE 2, NAD 83, AND BASED UPON THE RECORD LINE BETWEEN POINTS 637-38, AND 637-40.

EAST WEST PARTNERS
 IMPROVEMENT PLANS FOR HIGHLANDS DRIVE, SAWMILL FLAT ROAD, and BIG SPRINGS DRIVE
 TITLE SHEET

175

EXHIBIT C



NOTICE TO CONTRACTORS

**Placer County Community Development/Resource Agency
Plan Check and Inspection Fee Spreadsheet**

**Project: Northstar Townhomes
Submitted By: Nichols Consulting Engineers**

Date: 7/13/07

ENR Index: 7422, July 2005

	ITEM	UNIT	Current Unit Price	Quantity	Total
A	EARTHWORK				
	Roadway excavation	CY	\$5.75	0.0	\$0.00
	Earthwork - Import	CY	\$8.85		\$0.00
	Site grading and compaction	SF	\$0.55	0.0	\$0.00
	Export material	CY	\$6.75		\$0.00
	Clear and grub	AC	\$1,040.00	0.0	\$0.00
	Sawcut and remove existing AC	SF	\$1.05		\$0.00
				Subtotal	\$0.00
B	STORM DRAINAGE				
	Storm Drain Drop Inlet	EA	\$1,300.00	0.0	\$0.00
	Storm Drain Manhole - 24"	EA	\$1,650.00		\$0.00
	Storm Drain Manhole - 36"	EA	\$1,825.00		\$0.00
	Storm Drain Manhole - 48"	EA	\$2,100.00	0.0	\$0.00
	Storm Drain Manhole - 60"	EA	\$3,125.00		\$0.00
	Storm Drain Manhole - 72"	EA	\$4,175.00		\$0.00
	Storm Drain Manhole With Trap - 36"	EA	\$2,250.00		\$0.00
	Storm Drain Manhole With Trap - 72"	EA	\$4,475.00		\$0.00
	Drain Pipe - 6" and Under	LF	\$17.00	0.0	\$0.00
	Drain Pipe - 8"	LF	\$20.00		\$0.00
	Drain Pipe - 10"	LF	\$22.50		\$0.00
	Drain Pipe - 12"	LF	\$24.50	0.0	\$0.00
	Drain Pipe - 16"	LF	\$28.00		\$0.00
	Drain Pipe - 18"	LF	\$32.50		\$0.00
	Drain Pipe - 21"	LF	\$36.50		\$0.00
	Drain Pipe - 24"	LF	\$40.00		\$0.00
	Drain Pipe - 30"	LF	\$44.50		\$0.00
	Drain Pipe - 36"	LF	\$52.00		\$0.00
	Drain Pipe - 42"	LF	\$60.00		\$0.00
	Drain Pipe - 48"	LF	\$69.50		\$0.00
	Drain Pipe - 54"	LF	\$75.00		\$0.00
	Drain Pipe - 60"	LF	\$80.50		\$0.00
	Drain Pipe - 72"	LF	\$92.50		\$0.00
	Flared End Section - 18" & Under	EA	\$280.00		\$0.00
	Flared End Section - 21" to 36"	EA	\$340.00		\$0.00
	Flared End Section - 42" and Over	EA	\$620.00		\$0.00
	Drain Pipe - 21"x15" Arch Pipe	LF	\$46.50		\$0.00
	Drain Pipe - 24"x18" Arch Pipe	LF	\$52.00		\$0.00
	Drain Pipe - 28"x20" Arch Pipe	LF	\$58.00		\$0.00
	Drain Pipe - 35"x24" Arch Pipe	LF	\$63.50		\$0.00
	Drain Pipe - 42"x29" Arch Pipe	LF	\$69.00		\$0.00
	Drain Pipe - 49"x33" Arch Pipe	LF	\$75.00		\$0.00
	Drain Pipe - 57"x38" Arch Pipe	LF	\$81.00		\$0.00
	Drain Pipe - 64"x43" Arch Pipe	LF	\$83.00		\$0.00
	Drain Pipe - 71"x47" Arch Pipe	LF	\$104.00		\$0.00
	Concrete Box Culvert - 2'x4'	LF	\$62.00		\$0.00
	Concrete Box Culvert - 3'x6'	LF	\$86.00		\$0.00
	Concrete Box Culvert - 4'x8'	LF	\$127.00		\$0.00

**Placer County Community Development/Resource Agency
Plan Check and Inspection Fee Spreadsheet**

	Concrete Box Culvert - 5'x10'	LF	\$156.00		\$0.00
	Headwall/wingwall	SF	\$16.00		\$0.00
	Catchbasin	EA	\$780.00		\$0.00
	Roadside drainage ditch	LF	\$8.50		\$0.00
	Drainage swale	LF	\$8.25	360.0	\$2,250.00
	Ditch - paved	LF	\$11.50		\$0.00
	Ditch - rock lined	LF	\$11.00		\$0.00
	No. 2 Caltrans ditch backing	CY	\$86.00		\$0.00
	Rock Inlet/outlet protection	SF	\$12.50		\$0.00
	Paved apron/overside drain	EA	\$365.00		\$0.00
	AC dike/ditch transition	EA	\$365.00		\$0.00
	Channel lining	SF	\$2.60		\$0.00
	Sediment Trap	EA	\$3,450.00		\$0.00
	Detention facility, per acre of shed area	EA	\$5,200.00		\$0.00
				Subtotal	\$2,250.00
C	UTILITIES				
	Utility trench and backfill	LF	\$17.00	0.0	\$0.00
	Trench road crossings and stubs	EA	1,150.00		\$0.00
	Relocate valve	EA	\$365.00		\$0.00
	Trench paving (3" AC / 8" AB)	SF	\$3.10		\$0.00
				Subtotal	\$0.00
D	RETAINING WALLS				
	Retaining Wall	SF	\$15.50	600.0	\$9,300.00
	Sound Wall	SF	\$12.50		\$0.00
				Subtotal	\$9,300.00
E.	ROADWAYS				
	2" AC	SF	\$1.05		\$0.00
	3" AC	SF	\$1.30	0.0	\$0.00
	4" AC	SF	\$1.60		\$0.00
	6" AC	SF	\$2.50		\$0.00
	4" AB	SF	\$1.05		\$0.00
	6" AB	SF	\$1.60		\$0.00
	8" AB	SF	\$1.80	0.0	\$0.00
	10" AB	SF	\$2.10		\$0.00
	12" AB	SF	\$2.35		\$0.00
	Slurry seal	SF	\$0.40		\$0.00
	Chip seal	SF	\$0.45		\$0.00
	Double chip seal	SF	\$0.55		\$0.00
	2" AC overlay	SF	\$1.05		\$0.00
	3" AC overlay	SF	\$1.30		\$0.00
	AC dike	LF	\$3.10	0.0	\$0.00
	AB shoulder	SF	\$1.05		\$0.00
	PCC paving - 6"	SF	\$3.65		\$0.00
	Concrete curb	LF	\$10.50		\$0.00
	Concrete curb and gutter	LF	\$15.50	0.0	\$0.00
	Concrete V-gutter	SF	\$3.10	0.0	\$0.00
	Sidewalk (6" Thick)	SF	\$3.10		\$0.00
	Driveway (Plate 22)	EA	\$1,550.00	10.0	\$15,500.00
	Pedestrian/Equestrian Path	SF	\$0.55	725.0	\$398.75
				Subtotal	\$15,898.75

**Placer County Community Development/Resource Agency
Plan Check and Inspection Fee Spreadsheet**

F.	AMENITIES				
	Street light	EA	\$2,330.00		\$0.00
	Street name sign	EA	\$260.00		\$0.00
	Traffic sign	EA	\$260.00		\$0.00
	Barricade (Plate 45)	EA	\$860.00		\$0.00
	Barricade, pedestrian (mod. Plate 45)	EA	\$465.00		\$0.00
	Guide posts	EA	\$115.00		\$0.00
	Emergency vehicle gate	EA	\$1,050.00		\$0.00
	Fence - post & cable	LF	\$8.50		\$0.00
	Fence - open iron/ornamental	LF	\$15.50		\$0.00
	Fence - split rail	LF	\$10.50	440.0	\$4,620.00
	Pavement marking	LF	\$1.05		\$0.00
	Fire tank - 10,000 gal, w/ hydrant	EA	\$10,500.00		\$0.00
	Trash enclosure	EA	\$2,550.00		\$0.00
	Guardrail	LF	\$105.00		\$0.00
	Guardrail - end section	EA	\$575.00		\$0.00
	Survey monument & well (incl brass caps)	EA	\$525.00		\$0.00
	Landscaping	SF	\$2.10	30000.0	\$63,000.00
	Traffic signal	EA	\$260,500.00		\$0.00
				Subtotal	\$67,620.00
G.	WINTERIZATION AND EROSION CONTROL				
	Construction fencing	LF	\$2.10	0.0	\$0.00
	Silt fencing	LF	\$3.10	0.0	\$0.00
	Inlet protection	EA	\$105.00	5.0	\$525.00
	Check dams	EA	\$210.00		\$0.00
	Straw bale dike	LF	\$2.80		\$0.00
	Hydroseed	AC	\$2,000.00		\$0.00
	Fiber blanket	SF	\$0.40		\$0.00
	Construction entrance	EA	\$520.00	0.0	\$0.00
	Sediment Trap	EA	\$575.00		\$0.00
				Subtotal	\$525.00
H.	BANITARY SEWER FACILITIES				
	Sewer MH - 48"	EA	\$2,300.00	0.0	\$0.00
	Sewer MH - 60"	EA	\$3,500.00		\$0.00
	Sewer Drop Connection - 6"	EA	\$415.00		\$0.00
	Sewer Drop Connection - 8"	EA	\$575.00		\$0.00
	Sewer Flushing Branch	EA	\$415.00		\$0.00
	Sewer Pipe - 4"	LF	\$20.00		\$0.00
	Sewer Pipe - 6"	LF	\$29.00	0.0	\$0.00
	Sewer Pipe - 8"	LF	\$32.00		\$0.00
	Sewer Pipe - 10"	LF	\$34.00		\$0.00
	Sewer Pipe - 12"	LF	\$37.00		\$0.00
	Sewer Service - 4"	EA	\$625.00		\$0.00
	Sewer Service - 6"	EA	\$730.00		\$0.00
	Sewer Service - 8"	EA	\$860.00		\$0.00
	Sewer Force Main - 1 1/2"	LF	\$9.50		\$0.00
	Sewer Force Main - 2"	LF	\$11.50		\$0.00
	Sewer Force Main - 4"	LF	\$15.50		\$0.00
	Sewer Force Main - 8"	LF	\$18.75		\$0.00
	4" flexible double ball expansion joint	EA	\$140.00		\$0.00
	6" flexible double ball expansion joint	EA	\$170.00		\$0.00

**Placer County Community Development/Resource Agency
Plan Check and Inspection Fee Spreadsheet**

4" check valve assembly	EA	\$625.00		\$0.00
4" single bypass port assembly	EA	\$625.00		\$0.00
Sewer lift station	EA	\$210,000.00		\$0.00
Metering manhole	EA	\$5,725.00		\$0.00
Sewer release valve assembly	EA	\$870.00		\$0.00
Sewer Clean Out	EA	\$340.00	0.0	\$0.00
Sewer - Adjust MH to Grade	EA	\$400.00		\$0.00
Sewer - Connect to Existing	EA	\$860.00	0.0	\$0.00
			Subtotal	\$0.00
I	ADDITIONAL COSTS (List)			
Fire Hydrant & Assembly	EA	\$2,500.00	0.0	\$0.00
Water Quality Structure				
			Subtotal	\$0.00

SUMMARY OF COSTS & FEES

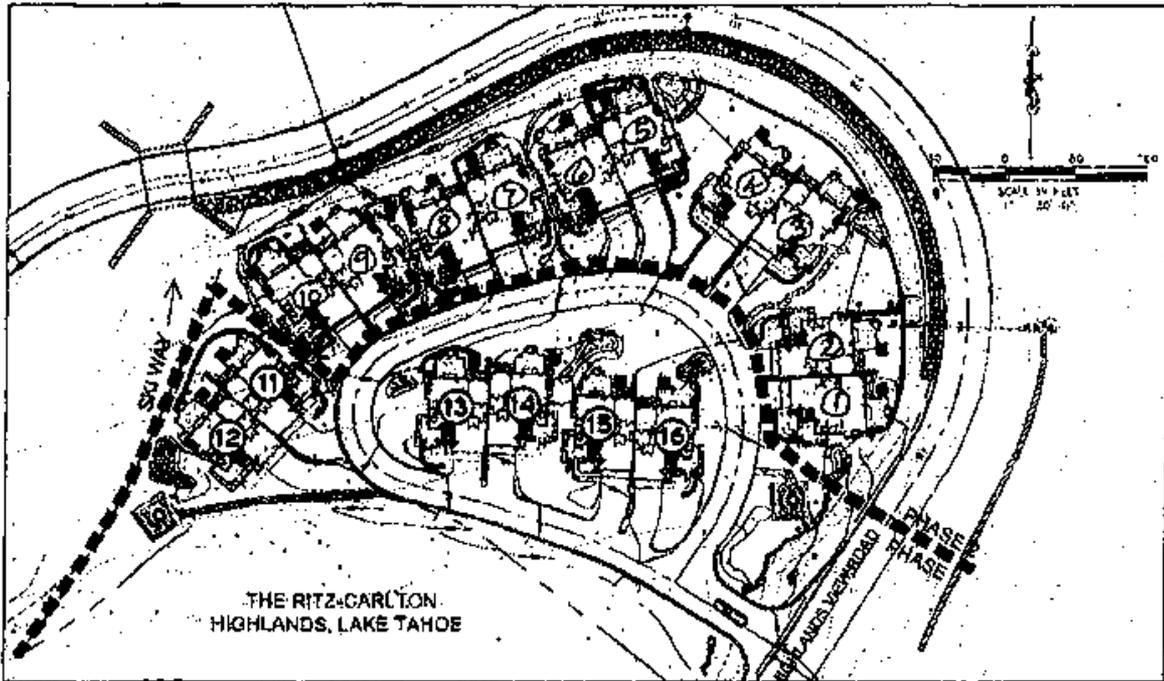
A	EARTHWORK		\$0.00
B	STORM DRAINAGE		\$2,250.00
C	UTILITIES		\$0.00
D	RETAINING WALLS		\$9,300.00
E	ROADWAYS		\$15,898.75
F	IMPLEMENTS		\$87,620.00
G	WINTERIZATION AND EROSION CONTROL		\$625.00
H	SEWERY SEWER FACILITIES		\$0.00
I	ADDITIONAL COSTS		\$0.00
	SUBTOTAL ENGINEER'S ESTIMATE		\$98,693.75
	10% CONTINGENCY		\$9,869.38
	TOTAL		\$108,563.13
	TOTAL FEE (See Schedule of Fees)	→	\$3,680.41
	FIRST SUBMITTAL PLAN CHECK FEE (40%)		\$1,472.16
	BALANCE DUE - INSPECTION FEE (60%)		\$2,208.25

\$ 105,153.13
 + 25% \$ 26,288.28

 \$ 131,441.41

SAY \$ 130,000 ←

Exhibit D
Site Map



NORTHSTAR TRILSIDE TOWNHOMES AT THE HIGHLANDS

Exhibit "E"

Dan Dottai

From: Mark Shadowens [northstarfire@sbcglobal.net]
Sent: Thursday, June 14, 2007 2:04 PM
To: Dan Dottai
Subject: RE: Trallside

Dan

Just so you have my e-mail mshadowens@northstarfire31.com

Dan

To date East West has done what they said they would do, which is maintain fire department access and have all fire hydrants associated with the Trallside active. I am ok to let them proceed with the additional 10 permits with the following condition.

1. Foundation only permits for the next 10 Trallside units until Highlands Drive is paved to Placer County standard to the entrance of Trallside Town homes.

Just for your information paving is scheduled for July 16th for this roadway.

Good luck Dan talk with you soon let me know if you require anything further from me.

Mark Shadowens
Fire Chief

