

DEVELOPMENT AGREEMENT  
BETWEEN  
THE CITY OF LAS VEGAS  
AND  
HOWARD HUGHES PROPERTIES, LIMITED PARTNERSHIP  
FOR THE SUMMERLIN WEST AREA

When Recorded Mail To:  
ROBERT S. GENZER, Planning Supervisor  
City of Las Vegas  
Planning and Development Department  
731 South Fourth Street  
Las Vegas, NV 89101

CLARK COUNTY, NEVADA  
JUDITH A. VANDEVER, RECORDER  
RECORDED AT REQUEST OF:  
LAS VEGAS CITY

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**FIRST AMENDMENT TO DEVELOPMENT AGREEMENT FOR THE SUMMERLIN  
WEST AREA**

See end of this document.

DEVELOPMENT AGREEMENT  
BETWEEN  
THE CITY OF LAS VEGAS  
AND  
HOWARD HUGHES PROPERTIES, LIMITED PARTNERSHIP  
FOR THE SUMMERLIN WEST AREA

THIS DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into this 24 day of FEBRUARY, 1997 by and between the CITY OF LAS VEGAS (hereinafter referred to as the "City") and HOWARD HUGHES PROPERTIES, LIMITED PARTNERSHIP, a Delaware limited partnership, the owner of the real property described on Exhibit "A" attached hereto and incorporated herein by reference (hereinafter referred to as the "Owner").

RECITAL OF PREMISES, PURPOSE AND INTENT

A. Howard Hughes Properties, Limited Partnership ("Owner") is the owner of that certain real property described on Exhibit "A" attached hereto (the "Property"), commonly known as "Summerlin West", containing approximately 8318 acres of land, which is the subject of this Agreement. Owner represents that it has fee title ownership of the Property.

B. The Property is being offered by Owner for annexation to the City pursuant to NRS 268.597. Owner is the sole owner of record of all lots or parcels of land within the area being annexed to the City.

C. The City has authority, by NRS Section 278.0201 et seq. and Chapter 19.57 of the Municipal Code of the City, to enter into development agreements with persons having a legal or equitable interest in real property to establish long range plans for the development of such property.

D. All preliminary processing with regard to the Planned Community has been duly completed in conformance with all applicable laws, rules and regulations. The City Council, having given notice as required by law, held a public hearing on Owner's application seeking approval of the form of this Agreement and the execution hereof by the City. At the described meeting, the City Council found that this Agreement is consistent with the City's plans, policies and regulations, including the City General Plan, and that the execution hereof by and on behalf of the City is in the public interest and is lawful in all respects.

E. The Development Agreement Chapter grants to the City the power to enter into and perform development agreements and on 2-24-97, the City Council adopted Ordinance No. 4069 approving this Agreement and authorizing the execution hereof by duly constituted officers of the City. Said ordinance took effect on 2-28, 1997. The City agrees to record a certified copy of the ordinance as required by NRS 278.0207.

F. The City desires to enter into this Agreement in conformity with the requirements of NRS and as otherwise permitted by law and this Agreement to provide for public services, public uses and urban infrastructure, to promote the health, safety and general welfare of the City and its inhabitants, to minimize uncertainty in planning for and securing orderly development of the Planned Community and surrounding areas, to insure attainment of the maximum efficient utilization of resources within the City at the least economic cost to its citizens and otherwise achieve the goals and purposes for which the State statute and City ordinance authorizing development agreements were enacted. As a result of the development of the Property, the City will receive needed residential housing, jobs, sales and other tax revenues, significant increases to the real property tax base and substantial improvements to public infrastructure. The City will additionally receive a greater degree of certainty with respect to the phasing, timing and orderly development of the City infrastructure by a developer with significant economic resources and experience in the development process.

G. In exchange for these and other benefits to the City, and in accordance with the legislative intent evidenced by the state statute authorizing development agreements and the intent of the City in adopting an ordinance allowing development agreements, Owner will receive reasonable assurances that Owner may develop the Planned Community in accordance with the Applicable Rules during the Term and subject to the conditions established in this Agreement. Because of the nature of the Planned Community and the type and extent of the public and private improvements to be provided within the Planned Community, the development of the Planned Community will take a long period of time to complete. Owner's decision to commence the Planned Community is based on expectations of proceeding with the Planned Community to completion.

H. In the absence of this Agreement, Owner believes it would have no assurance that it could complete the Planned Community and would therefore be exposed to significant economic risk. For any number of currently foreseeable and unforeseeable reasons, including, without limitation, regional traffic and related impacts (for example, impacts on air quality) resulting from development outside the jurisdiction of the City and issues relating to water use and availability, pressures on the City could be created to (i) halt the Planned Community at a point short of total build out, (ii) reduce the density of the Planned Community, (iii) defer or delay completion of the Planned Community, or (iv) apply new rules, regulations or official policies to the Planned Community in such a manner as to significantly increase the cost of the Planned Community. The burden of interest carrying cost, the difficulty of obtaining construction and/or permanent financing, the risk of losing existing financing commitments and the potential loss of anticipated revenues associated with these development risks and uncertainties would, in the absence of this Agreement, deter and discourage Owner from making a long term commitment to the implementation of the Planned Community. In addition, the cost of infrastructure improvements to be constructed by Owner will be substantial and will be incurred by Owner well in advance of the completion of the private income producing components of the Planned Community which provide the economic return required to justify and offset the investment of infrastructure improvements. Accordingly, Owner cannot prudently commence the development of the Planned Community and the infrastructure improvements without reasonable assurance that it will be able to complete the Planned Community in accordance with the existing approvals and the Applicable Rules, and it is only the assurance of the ability to complete the private income producing components of the Planned Community in accordance with the approvals and Applicable Rules that provides the inducement to Owner to agree to commit the land and financial resources represented by the various infrastructure improvements.

I. The foregoing recitals shall be deemed true and correct in all respects with respect to this Agreement and shall serve as the basis for the interpretation of this Agreement.

## AGREEMENT

### SECTION 1 DEFINITIONS

1.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the following meanings:

- 1.01(a) "Agreement" has the meaning assigned to it in the first paragraph hereof. "Agreement" at any given time includes all addenda and exhibits incorporated by reference and all amendments which have become effective as of such time.

- 1.01(b) "Applicable Rules" means and refers to the rules, regulations, ordinances, laws, general or specific plans, and official policies promulgated by the City which govern the development of the Planned Community as more fully described in Section 13 below.
- 1.01(c) "Beltway" means the proposed extension of Interstate Highway 515 along the easterly boundary of the Planned Community or any interim facilities constructed within such alignment by the County of Clark or others as described in that certain Development Agreement between Howard Hughes Properties, Limited Partnership and the County of Clark, Nevada, dated as of February 7, 1996, recorded on September 4, 1996 and re-recorded on September 10, 1996 in Book 960910 as Instrument No. 01379.
- 1.01(d) "Code" means the City of Las Vegas Municipal Code, including all rules, regulations, standards, criteria, manuals and other references adopted therein.
- 1.01(e) "Concurrent Approvals" means the following approvals and authorizations, together with applicable conditions, as granted by the City Council substantially concurrently with the authorization and approval of this Agreement:
- (i) the Summerlin West General Plan Amendment;
  - (ii) the Planned Community Zoning Action;
  - (iii) the Gaming Enterprise District Petition,
- 1.01(f) "City" means the City of Las Vegas, together with its successors and assigns.
- 1.01(g) "City General Plan" means the comprehensive plan adopted by the City Council on April 1, 1992 and all amendments thereto including without limitation revisions adopted on December 7, 1994, which together constitute the master plan of the City required by NRS 278.150.
- 1.01(h) "Development Agreement Chapter" means Chapter 19.57 of the Code.
- 1.01(i) "Effective Date" means the date, on or after the adoption by the City of an ordinance approving execution of this Agreement and execution by both parties, and following satisfaction of the conditions set forth in subsections 2.03 (a) through 2.03 (d) inclusive below, that this Agreement is recorded in the Office of the County Clerk of Clark County.
- 1.01(j) "Gaming Enterprise District" means an area that has been approved by the City as suitable for operating an establishment that has been issued a nonrestricted gaming license upon petition of the owner.
- 1.01(k) "Gaming Enterprise District Petition" means Owner's petition, pursuant to NRS 463.194 and Code Section 6.40.160, for approval of two (2) sites in the Planned Community to be part of the City Gaming Enterprise District.
- 1.01(l) "Homeowner's Association" means an association of owners of dwelling units within a "planned community", "condominium" or "cooperative" as such terms are used in NRS Chapter 116.



- 1.01(m) "Master Transportation Plan" means that certain comprehensive multi-modal transportation study prepared by Echelon Industries, Inc. for the Planned Community and adjacent areas dated May 1996.
- 1.01(n) "NRS" means Nevada Revised Statutes.
- 1.01(o) "Owner" means Howard Hughes Properties, Limited Partnership, a Delaware limited partnership, the owner of the land constituting the Property and its successors and assigns, if any.
- 1.01(p) "Planned Community" means the Property and the proposed development of the Property as described in this Agreement.
- 1.01(q) "Planned Community Program" means the development plan and development standards required by Code Section 19.19.010(C) for a PC Planned Community District consisting of the Summerlin West General Development Plan and the Summerlin West Development Standards.
- 1.01(r) "Planned Community Zoning Action" means the action of the City Council to (i) rezone the Property to PC-Planned Community as defined in the Planned Community Zoning Chapter, and (ii) adopt the Summerlin West General Development Plan and the Summerlin West Development Standards as the Planned Community Program.
- 1.01(s) "Planned Community Zoning Chapter" means Chapter 19.19 of the Code.
- 1.01(t) "Predesign Report" means the "Summerlin Parkway Final Predesign Report" dated August 1996, prepared by G. C. Wallace, Inc.
- 1.01(u) "Property" means that certain real property described on Exhibit "A".
- 1.01(v) "RTC" means the Regional Transportation Commission of Clark County, Nevada.
- 1.01(w) "Special Improvement District Guidelines" means the Developer Special Improvement District Guidelines adopted by the City on December 2, 1992 a copy of which is attached hereto as Exhibit "B".
- 1.01(x) "Standard Improvements" means mitigation measures and improvements to intersections and roadways located within the Planned Community and improvements required for intersections and roadways immediately adjacent to the Planned Community.
- 1.01(y) "Summerlin Master Drainage Study" means that certain Summerlin Flood Control Master Plan Update dated July, 1995 prepared by G.C. Wallace, Inc. and approved by the City on November 9, 1995.
- 1.01(z) "Summerlin Parkway Extension" means the roadway extension of the existing Summerlin Parkway from its terminus at Town Center Drive westerly to an interchange with the proposed Beltway.
- 1.01(aa) "Summerlin West Development Standards" means the requirements and standards for residential densities, building heights, bulk and setback requirements, signage, landscaping, parking, open space, site plan review

procedures and procedures for modifying the Planned Community Program, as required by Code Section 19.19.010(C).

- 1.01(bb) "Summerlin West Gaming Enterprise Sites" means the two (2) areas described on Exhibit "C", which the Owner has requested the City designate as part of the City's Gaming Enterprise District.
- 1.01(cc) "Summerlin West General Development Plan" means the plan for development of the Planned Community to be adopted by the City Council as part of the City's General Plan and as the development plan portion of the Planned Community Program, in the form attached hereto as Exhibit "D".
- 1.01(dd) "Summerlin West General Plan Amendment" means the amendment to the City General Plan with respect to the Property further described in Section 4.01 below by which the City General Plan is made to conform to the Summerlin West General Development Plan.
- 1.01(ee) "Term" means the term of this Agreement together with any extension agreed upon pursuant to the terms hereof.
- 1.01(ff) "Village" means a portion of the Planned Community identified by Owner as a phase of development in a Village Development Plan.
- 1.01(gg) "Village Development Plans" means the development plan described in Section 19.19.010 of the Code.
- 1.01(hh) "Village Final Subdivision Map" means a final subdivision map for a Village that contains two or more parcels intended to be further subdivided for residential or commercial development.
- 1.01(ii) "Village Traffic Study" means a comprehensive transportation study prepared for a Village in a manner reasonably acceptable to the City that addresses the specific impacts to the Major Street Segments (hereinafter defined) and Major Intersections (hereinafter defined), the local street network and intersections related to that individual Village development, non-vehicular Village transportation improvements such as pedestrian and bike routes and bus stops, and impacts outside of the Village. Such study shall include a final report and a mitigation plan that will be implemented to address the traffic impacts of the Village.

## SECTION 2 EFFECTIVE DATE AND CONDITIONS PRECEDENT

2.01 Effective Date of Agreement. This Agreement will be effective upon the last to occur of the following:

- 2.01(a) recordation of an ordinance by the City annexing the Property to the City in accordance with the provisions of NRS 268.597 as provided in Section 2.02 below;
- 2.01(b) the approval by the City Council of the Planned Community Zoning Action reclassifying the entire Property as a PC-Planned Community District as defined in the Planned Community Zoning Chapter of the Code and adopting the Summerlin West General Development Plan and the Summerlin West Development Standards as the Planned Community Program;

- 2.01(c) approval by the City of the Summerlin West General Plan Amendment as provided in Section 4.01 below;
- 2.01(d) approval of the Gaming Enterprise District Petition for two (2) Summerlin West Gaming Enterprise Sites as provided in Section 4.05 below; and
- 2.01(e) recordation of this Agreement in accordance with NRS 278.0203.

The City agrees that the ordinance annexing the Property will be effective only upon final approval of items described in subsections 2.01(b), (c) and (d) and that the ordinance will be recorded only after such actions have taken place.

2.02 Annexation. Owner has petitioned the City and requested that the Property be annexed to the City and the City, by its approval of this Agreement, accepts such petition. The City agrees to take all other action as is appropriate to accomplish the annexation.

2.03 Conditions Precedent. It is agreed that the following actions by the City are conditions precedent to this Agreement being effective:

- 2.03(a) All of the Property shall be reclassified by the City as a "Planned Community District" as such term is defined in The Planned Community Zoning Chapter of the Code.
- 2.03(b) The Summerlin West Development Standards shall be adopted in the form attached hereto as Exhibit "E". As so adopted, the Summerlin West Development Standards shall hereafter be amended only in the manner specified in the Summerlin West Development Standards.
- 2.03(c) The Summerlin West General Plan Amendment shall be approved by the City Council without conditions except as stated in this Agreement in order that the City General Plan shall conform to the Summerlin West General Development Plan with respect to the Property.
- 2.03(d) The Gaming Enterprise District Petition for two (3) Summerlin West Gaming Enterprise Sites as provided in Section 4.05 below shall be approved.

2.04 Effectiveness of Actions. It is the mutual intent of the parties that all of the actions specified in subsections 2.03(a) through (d), inclusive, and the formal approval of this Agreement will be taken by the City Council concurrently and that none of such actions will be effective unless and until all such actions are effective.

### SECTION 3 PLANNING AND DEVELOPMENT OF THE PLANNED COMMUNITY

3.01 Permitted Uses, Density, Height and Size of Structures. Pursuant to NRS 278.0201, this Agreement must set forth the maximum height and size of structures to be constructed on the Property, the density of uses and the permitted uses of the land. The City agrees the Planned Community may be developed to the density and with the land uses set forth in Section 3.05 of this Agreement. The maximum height and size of structures to be constructed as part of the Planned Community shall be governed by the Applicable Rules.

3.02 Time for Development of the Planned Community. Subject to the terms of this Agreement, including the duration clause in Section 14.02, and the Applicable Rules, Owner shall have complete discretion as to the time of commencement, construction, phasing, and completion of any and all development of the Planned Community.

3.03 Village Development Plans. The development of the Property will be phased in Villages. Prior to commencement of development of a Village, Owner shall prepare and submit a Village Development Plan as required by the Planned Community Zoning Chapter. The submittal of each Village Development Plan will be accompanied by a Village traffic study and a Village drainage study (collectively, the "Village Plans"). Village Plans will be reviewed in accordance with the procedures set forth in the Summerlin West Development Standards, the terms of this Agreement, and the Applicable Rules. The City will approve each Village Plan if it is consistent with the terms of this Agreement and the Applicable Rules.

3.04 Reliance on Land Use Plan. Owner has petitioned the City, pursuant to Code Section 19.92.030(C), to amend the City General Plan with respect to the Property in order to conform to the Summerlin West General Development Plan. The approval of such petition by the City Council shall be a condition to this Agreement taking effect and to Owner's obligation to annex the Property. The City agrees the Summerlin West General Development Plan will be, upon approval of the Summerlin West General Plan Amendment, part of the City General Plan and that all required approvals for such plan of development have been received. The City agrees that the Property may be used and developed during the Term hereof for the purposes and in the manner set forth in the Summerlin West General Development Plan incorporated herein by reference subject to the terms and conditions of this Agreement. The Summerlin West General Development Plan sets forth broad categories of uses and generally defines densities allowed in the Planned Community. The City agrees it will not decrease the density of the approved uses or alter the regulations, criteria or standards pertaining to development set forth in the Summerlin West General Development Plan without the Owner's consent. The Summerlin West General Development Plan sets forth an agreed upon degree of flexibility but the Owner may not increase the density and types of uses beyond the maximum set forth in the Summerlin West General Development Plan without The City's consent. Within each area described on the Summerlin West General Development Plan, Owner may create one or more parcels with any of the corresponding "Summerlin Land Use Categories" described in Column 3 on the Land Use Category Comparison Table below. For example, in an area described as ML (Medium Low Density Residential) on the Summerlin West General Development Plan, Owner may create one or more parcels on the Village Development Plan for such area with SF-3 (Single Family Detached) or MF-1 (Low Density Multi-family) Summerlin Land Use Categories.

Zoning District Classification	Comparable General Plan Land Use Designation	Summerlin Land Use Categories
R-A (1 Du/Acre) (Ranch Acres) R-E (2 Du-Acre) (Residential Estates) District) R-PD (3.49 Du-Acre) (Res. Planned Development)	R(</=3.50 units/gross acre) (Rural Density Residential)	EQR (Equestrian Residential) ER (Estate Residential) SF-1 (Single Family Detached)

R-1 (4.5 Du/Acre) (Single Family) R-PD (11.49 Du/Acre) (Res. Planned Development) R-CL (7.5 Du/Acre) (Single Family Compact Lot Residential) R-2 (11 DU/Acre) (Two Family Residential) R-MHP (7 DU/Acre) (Residential Mobile Home Park)	ML(<= 11.49 units/gross acre) (Medium Low Density Residential)	EQR (Equestrian Residential) ER (Estate Residential) RR (Retirement Residential) SF-1 (Single Family Detached) SF-2 (Single Family Detached) SF-3 (Single Family Detached) SFA (Single Family Attached to a maximum of 11.49 DU/Acre) SFZL (Single Family Zero Lot Line to a maximum of 11.49 DU/Acre) MF-1 (Low Density Multi- Family to a maximum of 11.49 DU/Acre)
R-3 (20 DU/Acre) (Limited Multiple Residence) R-PD (20.49) DU/Acre) (Res. Planned Development)	M (<= 20.49 units/gross acre) (Medium Density Residential)	EQR (Equestrian Residential) ER (Estate Residential) RR (Retirement Residential) SF-1 (Single Family Detached) SF-2 (Single Family Detached) SF-3 (Single Family Detached) SFA (Single Family Attached) SFZL (Single Family Zero Lot Line) MF-1 (Low Density Multi- family) MF-2 (Medium Density Multi- family) @<=20.49 DU/Acre)
P-R (Professional Offices & Parking) C-D (Designed Commercial) C-1 (Limited Commercial)	SC (Service Commercial)  O/Office	VC (Village Center) NF (Neighborhood Focus) MF-3 (High Density Multi- family) EC (Employment Center)
C-2 (General Commercial)	GC (General Commercial)	CC (Community Center) EC (Employment Center)
C-2 (General Commercial)	TC (Tourist Commercial)	TR (Tourist Resort)
C-V (Civic)	P(Parks/Recreation) S (School) PF(Public Facility)	(COS) (Community Open Space)

Neighborhood Residential areas within a retirement community Village may be designated RR (Retirement Residential) on the Village Development Plan. Prior to or concurrently with the submission of a Tentative Map for a Village, the Owner shall also submit a request to amend the portion of the Summerlin West Development Plan which the Tentative Map encompasses. If the amendment is approved, as provided for in the Planned Community Program Modification procedures, the Summerlin West Development Plan shall be amended to reflect the more specific land use districts shown on the Tentative Map.

3.05 Reliance on Concurrent Approvals. The City agrees that Owner will be permitted to carry out and complete the entire Planned Community in accordance with the uses and densities set forth in the Summerlin West General Development Plan and the Concurrent Approvals, subject to the terms and conditions of this Agreement and the Applicable Rules. Without limiting the foregoing, and subject to the conditions and requirements of the Applicable Rules and the Concurrent Approvals, The City agrees:

- 3.05(a) Pursuant to the Summerlin West General Development Plan and this Agreement, Owner, and Owner's successors and assigns to whom Owner conveys portions of the Property or to whom Owner otherwise grants the right to develop on the Property, shall have the right to develop and construct the following uses on the Property:
- (i) twenty thousand two hundred fifty (20,250) residential dwelling units;
  - (ii) five million eight hundred fifty thousand (5,850,000) square feet of office, retail or industrial uses situated on up to five hundred eight (508) acres of land;
  - (iii) golf courses having up to ninety (90) holes of golf and related facilities; and
  - (iv) such other land uses and facilities as are described in or reasonably inferable from the Summerlin West General Development Plan.

This subsection 3.05(a) is not intended and shall not be construed as requiring Owner or its successors and assigns to develop any of the foregoing uses or prohibiting Owner from developing any lesser number of residential dwelling units

- 3.05(b) Pursuant to the Planned Community Zoning Action and the terms of this Agreement, and upon approval of each Village Development Plan, Owner shall be entitled to develop the respective Village in accordance with such Village Development Plan.
- 3.05(c) Pursuant to the Concurrent Approvals, the Planned Community may contain up to two (2) hotel/casinos with the appropriate zoning classifications.
- 3.05(d) Pursuant to the Concurrent Approvals, Owner may develop or permit development of aggregate processing operations, and concrete and asphaltic concrete plants and sell the products of such operations within and outside the Planned Community as set forth in the Development Standards.

#### SECTION 4 MASTER PLANNING, ZONING AND PERMITTED LAND USES

4.01 City General Plan for Summerlin West. The City agrees to amend the City General Plan with respect to the entire Property to conform to the Summerlin West General Development Plan, and one of the Concurrent Approvals is the adoption of an ordinance to such effect. That portion of the City General Plan which relates to the Property, as in effect on the Effective Date, will not be amended in any manner that would affect the Property without the mutual consent of the parties.

4.02 Planned Community Zoning. Owner has or will petition the City and the City agrees to reclassify the entire Property to a PC Planned Community

District as defined in The Planned Community Zoning Chapter of the Code, and one of the Concurrent Approvals is the adoption of an ordinance to such effect. Following such reclassification, the City will not take any action to change the zoning of the Property from Planned Community without Owner's written consent. Any amendment to The Planned Community Zoning Chapter of the Code (PC Planned Community District) will have no affect on the Property without the mutual consent of the parties.

4.03 Summerlin West Development Plan and Standards. The Planned Community Zoning Chapter provides for a "development plan" and "development standards" (as such terms are defined in Section 19.19.010(A) and (B) of the Code, respectively) to be adopted with respect to any property zoned as a PC Planned Community District. The City agrees that (i) the Summerlin West General Development Plan shall constitute the "development plan" required under the Planned Community Zoning Chapter, and (ii) the development standards for the entire Property shall be as set forth in Exhibit "E" (the "Summerlin West Development Standards"). The Summerlin West Development Standards as of the Effective Date will apply to all of the Property through project completion and no amendment thereto will be effective without the mutual consent of the parties.

4.04 Land Uses. City will permit up to the following land uses within the Property:

- 4.04 (a) 20,250 residential dwelling units.
- 4.04 (b) 5,850,000 square feet of floor space of non-residential uses (inclusive of gaming uses described in Section 4.05 below), situated on up to 508 acres of land.
- 4.04 (c) 90 holes of golf.
- 4.04 (d) such other land uses as are described in the Summerlin West General Development Plan.

4.05 Gaming Enterprise Sites. Owner has petitioned the City to designate two (2) sites as part of the City's Gaming Enterprise District in the locations shown on Exhibit "C" hereto. One of the Concurrent Approvals is the establishment of such sites as part of the Gaming Enterprise District. Following approval of such sites, no action shall be taken to change, amend or interfere with such approval through project completion without the mutual consent of the parties.

4.06 Golf Courses. Any future ordinance limiting the number or location of golf courses shall not apply to the first 90 holes of golf developed in the Planned Community.

4.07 Concrete Plants. Owner will have the right to establish aggregate, concrete and asphaltic concrete plants pursuant to the terms of the Development Standards and subject to the limitations set forth therein.

4.08 Jobs-Housing Balance. Owner will use its best efforts to develop employment creating land uses in conjunction with residential development in an effort to reduce the length of vehicle trips and enhance air quality.

4.09 Streetscapes. City agrees Owner shall have the right to retain title to and install landscaping within street medians of public rights-of-way and adjacent to public rights-of-way. The parties also agree that it shall be Owner's responsibility to maintain all medians in the Planned Community in a reasonably clean and attractive condition, and that the ownership of such medians and the responsibility for landscaping design and maintenance may be assigned by Owner to one or more homeowner associations. City agrees it shall not require removal of landscaping except for health, safety and general welfare reasons. Owner agrees to grant City an easement, at no cost to the City, to construct traffic signals, turn lanes, and similar improvements within such medians as necessary based on future traffic demand.

SECTION 5  
PUBLIC FACILITIES

5.01 City Fire Station. Owner shall, at no cost to the City, dedicate up to one and three-fourths (1.75) acres of land, and construct those Standard Improvements required to serve such land, for a fire station. Owner shall design the station in cooperation with the City and subject to the City's approval of the final design. Owner shall construct the fire station within the Planned Community at a location as described below. City agrees to equip and operate the fire station at City's expense and to have the station in operation within a reasonable time following acceptance of dedication of the property.

If the City determines that an additional fire station is required to serve the Planned Community, Owner shall, at no cost to the City, dedicate up to one and three-fourths (1.75) acres of land, and construct those Standard Improvements required to serve such additional land, for such fire station; provided the City commits to construct, equip and operate the fire station at City's expense and to have the station in operation within a reasonable time following acceptance of dedication of the property. Owner shall not be responsible for the cost of construction of the second fire station.

The locations of the fire stations will be determined by HHP in good faith consultation with the City Fire Department; provided, the locations shall be reasonably acceptable to the City.

In consideration of Owner's obligations under this Section 5.01, City agrees that Owner shall have no obligation to construct, equip or man a fire station within the Property and City shall not prohibit or delay any development within the Property for such reason.

5.02 Satellite Government Facility. Owner will donate up to five (5) acres of land for the development of a satellite government center. The parties contemplate that such center may include a police mini station, a building inspection and permitting office, and administrative offices for the City and other government agencies. City agrees that the land so transferred shall be subject to a restriction in the instrument of conveyance prohibiting the land from being used for any private commercial use and further providing that the land will be used solely for governmental office and administrative purposes, specifically excluding any storage yards, manufacturing or processing or other similar noisy or unsightly uses.

5.03 Planned Community Sports Park. Owner agrees to dedicate up to twenty (20) acres of land to the City if the City agrees to construct a public park with sports and recreation facilities on such land that are reasonably acceptable to Owner. In such event, City and Owner will enter into an agreement by which Owner will identify and reserve the land for such use and City will provide reasonably acceptable assurance that such facilities will be constructed by a date certain and that facilities will be operated by the City in a manner that is reasonably acceptable to Owner. The location and configuration of the land to be dedicated must be acceptable to Owner and the City. Any pool facilities will be operated on a schedule of season and hours that is mutually acceptable.

5.04 Design of Public Facilities. The parties intend that the park and satellite government facility may be contiguous if feasible to maximize the efficiency of land use. City acknowledges Owner shall create and establish uniform design guidelines for all construction and development within the Planned Community by use of recorded restrictive covenants or pursuant to contractual obligations binding on purchasers of property within the Planned Community. Owner shall deliver to City all such design guidelines upon creation and when amended. City agrees to design, construct and maintain all public structures and facilities in accordance with such design guidelines. The parties do not intend that compliance with the design guidelines will substantially increase the cost of construction.



5.05 Trash Transfer Site. City shall not construct a trash transfer site on the Property without Owner's written consent.

## SECTION 6 WATER CONSERVATION AND REUSE

6.01 Water Conservation. Owner agrees to use its best efforts to encourage water conservation in the Planned Community. Owner shall impose design criteria on all development within the Planned Community (by use of recorded restrictive covenants or pursuant to contractual obligations binding on purchasers of property) that will encourage water conservation in all landscaping treatments by incorporating water conservation concepts and proven water conservation equipment, techniques and plant materials. To the extent practical, Owner agrees to use treated effluent for irrigation of common areas within the Planned Community, but other sources of water, including but not limited to ground water recharge, shallow nuisance ground water, and potable water will be used where treated effluent is not available.

6.02 Water Reservation. The parties acknowledge that the City currently has no role in the allocation of water to customers of the Las Vegas Valley Water District. If, however, the City assumes any role in water allocation during the term of this Agreement, City agrees it will allocate or cause to be allocated to the Planned Community a fraction of the City's total capacity in any given year equal to (i) the number of acres of land within the Planned Community without a water commitment at the beginning of such year, divided by (ii) the total number of acres of undeveloped land in the City without a water commitment at the beginning of such year.

6.03 Water Disclaimer. The parties acknowledge and agree that the City's commitment in subsection 3.05(a) regarding golf courses does not constitute a commitment on the part of the City or any water purveyor to supply water for such facilities.

## SECTION 7 SANITATION

7.01 Sewer Capacity. City agrees to reserve a peak hour sewer capacity for the Planned Community of (i) 5 Mgd in the Charleston Boulevard interceptor at Hualapai Way, (ii) 10 Mgd in the Alta Drive interceptor at Hualapai Way, (iii) 5 Mgd in the Cheyenne Avenue interceptor at Lake Mead Boulevard and the Beltway, and (iv) 1 Mgd in the Gowan interceptor at Cheyenne Boulevard. If the City determines it does not have sufficient capacity to serve both the Planned Community and a proposed use outside the Planned Community (a "Proposed Use"), then City agrees it will not grant any Land Use Approval for such Proposed Use outside of the Planned Community if the development authorized by or contemplated under such Land Use Approval would discharge effluent into any of the interceptors referred to above in an amount that would decrease the unused capacity of such line below the capacity set forth in the first sentence of this Section 7.01. For purposes of this Section, the term "Land Use Approval" shall mean the final approval by the City Council, the City Planning Commission or any other agency of the City of (i) an application for a change to the City General Plan, (ii) an application for a zone change or zoning boundary change, or (iii) an application for a conditional use permit or variance.

7.02 Alta Drive Interceptor. City shall obtain and provide to Owner all necessary right-of-way and permission to enter upon such right-of-way, all at no cost to Owner, for the purpose of constructing a sewer interceptor within Alta Drive from the current westerly terminus thereof to the easterly boundary of the Property. The parties acknowledge that the City shall have no responsibility for the cost of construction of such sewer interceptor. It shall be the Owner's sole responsibility to construct the sewer interceptor within Alta Drive from the current westerly terminus to the easterly boundary of the Property, all at no cost to the City.

SECTION 8  
PARKS AND OPEN SPACES

8.01 Park Flood Criteria. Owner shall have the right, upon review by the City, to construct parks and recreational facilities within storm water detention basins, drainage channels, and floodways so long as such facilities meet the following design standards and so long as such facilities are in full compliance with all Regional Flood Control District Standards:

- 8.01(a) Park improvements within detention facilities shall be outside of the 10 year reservoir pool elevation.
- 8.01(b) No fences, backstops, gates or walls may be constructed in such a way to significantly reduce the cross-sectional flow requirements of a drainage facility.
- 8.01(c) Park improvements located in detention facilities shall have a maximum standing water duration of 48 hours in a 100 year flood event.
- 8.01(d) The following improvements may not be located within the 48-hour standing water duration zone; skinned portion of ballfields, sand lots or sand volleyball courts, play apparatus, any hard-surfaced sports courts, any parking areas or any ingress/egress drives.
- 8.01(e) The following park improvements may not be located within the 100-year flood zone or the 48 hour standing water duration zone: Community buildings, restrooms, swimming pools, spas, utility vaults (unless weather proofed), ballasts for lights or any other structure prohibited by applicable building codes. In addition, parking specifically designated to serve these facilities must also be located out of the 100-year flood zone.
- 8.01(f) Side slopes of detention facilities containing parks should not be steeper than a 4:1 slope within the 100-year flood zone.

Owner and City agree that the intent of this Section 8.01 is not that Owner will locate all parks in flood facilities but to allow parks in flood facilities where appropriate. City agrees to use its best efforts to enter into an interlocal agreement with the Clark County Regional Flood Control District to permit the construction and use of park facilities within detention facilities owned and/or maintained by the Clark County Regional Flood Control District.

8.02 Ownership and Control. Owner may, from time to time, convey any park to any Homeowner's Association (an "HOA Park"). With respect to any HOA Park, the Homeowner's Association to which Owner conveys title shall have the exclusive right to program and control the use thereof. Owner may also, from time to time, construct and convey parks to the City ("City Parks"), and the City will have the exclusive right to program and control the use thereof.

8.03 Residential Construction Tax Credit. Chapter 8.24 of the Code imposes a "residential construction tax" upon the privilege of constructing apartment houses and residential dwelling units. Owner and any "Designated Builder" (as defined below) shall be entitled to a credit against such tax for any "Qualified Park" as follows:

- 8.03(a) A Qualified Park shall be any City Park or HOA Park which meets the following criteria:
  - (i) The park shall be not more than twenty-five (25) acres nor less than five (5) acres in size and shall include some or all of the following amenities: turf

areas, trees, irrigation, playground apparatus, playing fields, play areas, picnic areas, horseshoe pits and other recreational equipment or appurtenances designed to serve the residences for which the tax is to be credited. Notwithstanding the foregoing, the City will consider in good faith approving credit for a park less than five (5) acres in size if such park serves the needs of residents for a "neighborhood park" as contemplated by NRS 278.4983 et. seq.

- (ii) Landscaped paseos or linear parks connected to other park space or public facilities will be a minimum of ten (10) feet in width at the narrowest point, have an average width of at least fifty (50) feet and contain a path approximately five to eight feet in width.
  - (iii) In the case of an HOA Park, all facilities for which credit against the tax has been granted shall be available for use by the general public on a non-discriminatory basis and such requirement shall be stated in a land use restriction reasonably acceptable to the City and recorded against the land on which such facilities are located.
- 8.03(b) Qualified Parks may be located in a detention facility, drainage channel or floodway subject to the restrictions set forth in Section 8.01. Qualified Parks may be located in wash corridors, mountain or foothill areas improved with trail systems, trailheads and other amenities for active recreational opportunities.
- 8.03(c) With respect to any Qualified Park (City or HOA) constructed by Owner or a Designated Builder the amount of the credit for such Qualified Park shall be as set forth in Section 4.24.100(A) of the Code.
- 8.03(d) For purposes of the foregoing, "Designated Builder" shall mean a merchant homebuilder, apartment developer or other owner of real property within the Planned Community that is constructing any development subject to the residential construction tax if designated by Owner to the City in writing. Owner shall, from time to time, notify the City in writing of the identity and the location of the residential units entitled to such credits. Owner may, in its discretion, limit the maximum amount of credits for which such Designated Builder is entitled pursuant to this Subsection 8.03 (e). Credits will be applied only to building permits which have not yet been issued.
- 8.03(e) The parties agree that the real property and improvements of an HOA Park which are used without charge, excluding areas from which income is derived, are exempt from taxation pursuant to NRS 361.0605.

## SECTION 9 TRANSPORTATION

9.01 Master Transportation Plan. Owner has prepared and submitted and City has approved the Master Transportation Plan for the entire Planned Community.

9.02 Village Traffic Studies. Owner shall be responsible to provide (or agree to provide with adequate assurance of performance in accordance with the City's standard practice), at no cost to City, all Standard Improvements in connection with each Village prior to recordation of each Village Final

Subdivision Map in the manner prescribed by the Code. Impacts to the roadway network within the Planned Community shall be identified by the Owner for the City's approval, and all related mitigation measures necessary shall be displayed within an impact mitigation plan prepared in a manner reasonably acceptable to the City. Village Traffic Studies and all other site specific traffic studies required by the conditional approval of development actions shall be performed in accordance with the Applicable Rules. All Village Traffic Studies shall identify the construction phasing anticipated for any and all phases of the Planned Community together with access mitigation measures reasonably acceptable to the City. The mitigation area for each Village Traffic Study will be established prior to initiation of the Village Traffic Study by agreement between the City and the Owner.

9.03 Mitigation of Off-Site Traffic Impacts. In consideration of Owner's agreement to dedicate land for the Summerlin Parkway and the Beltway and Owner's other obligations herein, Owner shall have no obligation to participate in, pay, contribute or otherwise provide any further exactions to provide for rights-of-way, facilities or improvements for the road and motor vehicular traffic system outside of the Planned Community or for any facilities, equipment or physical improvements outside the Planned Community that are a substitute therefor. Notwithstanding the foregoing, Owner shall remain obligated to participate in, pay, contribute or otherwise provide any further exactions to provide for rights-of-way, facilities or improvements for the road and motor vehicular traffic system outside of the Planned Community or for any facilities, equipment or physical improvements outside the Planned Community that are a substitute therefor if (i) such exaction is applied uniformly and consistently to all development and construction within Clark County, or (ii) if such exaction is applied uniformly and consistently to all owners of real property or real estate within the City of Las Vegas. Notwithstanding the foregoing, in the event any "Major Commercial Development" is proposed within the Planned Community, the developer thereof shall prepare and submit to the City a site specific traffic analysis and shall mitigate off-site impacts to any road or intersection within one mile of the Planned Community to the extent customarily required of commercial developers in the City. For the foregoing purpose, "Major Commercial Development" shall mean a hotel/casino with 500 or more rooms or a regionally significant shopping center of at least 500,000 square feet of total floor area.

9.04 Summerlin Parkway Extension. In December of 1986 Owner annexed approximately 5636 acres of land to the City and the City agreed that extensions of the Summerlin Parkway west of Town Center Drive would be prioritized for public improvement through the Regional Transportation Commission. Owner agrees to dedicate all of the land described as right-of-way in the Predesign Report at no cost to the City as right-of-way for the Summerlin Parkway Extension (to the extent such right-of-way has not already been dedicated) in consideration of City's agreement to design and construct the Summerlin Parkway Extension as provided herein.

9.05 Description of Summerlin Parkway Improvements. The Summerlin Parkway Extension improvements will consist of (i) interim improvements (hereinafter, the "Interim Improvements") to be designed and constructed within the time schedule set forth in Section 9.07 below, and placed in service pending completion of future improvements to the Summerlin Parkway Extension, and (ii) such future improvements (hereinafter, the "Future Improvements") to be designed and constructed at a later date based on the criteria set forth in subsection 9.07(b).

9.05(a) The Interim Improvements consist of the following facilities as more fully described in the Predesign Report including all necessary excavation, embankment, aggregate base, pavement, curb and gutter, bridge structures, modifications to existing improvements, drainage improvements, lighting, signing and striping as described in the Predesign Report:

- (i) 2 paved travel lanes in each direction from Town Center Drive to the Beltway.

- (ii) a full grade separated interchange at the intersection of the Parkway and Town Center Drive.
- (iii) an at-grade intersection at the Parkway and Crestdale Lane.
- (iv) an at-grade intersection at the Parkway and Anasazi Drive.

The Summerlin Parkway Extension Interim Improvements will be designed and constructed in two Phases:

- Phase 1: Town Center Drive to Anasazi Drive.
- Phase 2: Anasazi Drive to Beltway.

9.05(b) The Future Improvements consist of the following facilities as more fully described in the Predesign Report, including all necessary excavation, embankment, aggregate base, pavement, curb and gutter, bridge structures, modifications to existing improvements, drainage improvements, lighting, signing and striping as described in the Predesign Report:

- (i) a bridge structure at Crestdale Lane.
- (ii) a full grade separated interchange at the intersection of the Parkway and Anasazi Drive.

9.06 Summerlin Parkway Extension Design. City agrees to cooperate in the design of the Summerlin Parkway Extension as set forth in this Section.

9.06(a) City will cause the design of the Summerlin Parkway Extension Interim Improvements (both Phases) to be commenced no later than December 31, 1996 and will complete the design of the Interim Improvements not later than December 31, 1997.

9.06(b) City agrees that Owner shall be permitted to participate in the design of the Summerlin Parkway Extension. City shall prepare design criteria for the Summerlin Parkway Extension, subject to Owner's reasonable approval, and City will substantially adhere to the design criteria except where inconsistent with State or Federal requirements. The parties agree that the design of the Summerlin Parkway Extension will be consistent with that of the existing Summerlin Parkway.

9.07 Summerlin Parkway Interim Improvements Construction.

9.07(a) City agrees to construct the Summerlin Parkway Extension Interim Improvements through the Planned Community in accordance with the following schedule:

- Phase 1: December 31, 1998.
- Phase 2: December 31, 1999.

9.07(b) City agrees to commence programming and funding the construction of the Future Improvements promptly following the occurrence of the first to occur of the following events:

- (i) the average daily traffic on the Summerlin Parkway exceeds 50,000 vehicles per day;
- (ii) the volume-to-capacity ratio for any movement at either at-grade intersection exceeds 0.95;

- (iii) five or more reportable accidents occur within a 12-month period which are not susceptible to correction by means other than separation of conflicting traffic flows;
- (iv) pedestrian volumes across the Summerlin Parkway at either Crestdale or Anasazi exceed 50 for each of any four hours during an average day; or
- (v) the completion by the County or others of the "Full Beltway Improvements." For the foregoing purpose, "Full Beltway Improvements" shall mean a complete, controlled access facility consisting of 2 lanes in each direction together with all interchanges and grade separation structures required from Charleston Boulevard to Cheyenne Avenue.

For purposes of the foregoing, "Average Daily Traffic" shall mean the total volume of traffic passing a point or segment of a highway facility in both directions for one year divided by the number of days in a year. For purposes of this Agreement, Average Daily Traffic may be estimated using seasonal and daily variation factors. "Volume to Capacity Ratio" shall mean the ratio of traffic demand flow to capacity for a traffic facility. Capacity shall be as defined in the current edition of the Highway Capacity Manual as published by the Transportation Research Board.

9.07(c) Upon the first to occur of the events described in subsection 9.07(b), City shall:

- (i) promptly submit to RTC an amendment to the Annual Element of the Clark County Transportation Improvement Program (TIP), to include a project or projects to upgrade Crestdale Lane to a grade separation and Anasazi Drive to an interchange;
- (ii) City will rank the Future Improvements on City's list of nominated projects sufficiently high on its list of priorities for the RTC Capital Improvement Program ("CIP") to ensure that at least one-half of the City's good faith estimate of the total cost of such Future Improvements will be funded by the RTC in each of the first two consecutive fiscal years following satisfaction of the conditions set forth in subsection 9.07(b) and thereafter for any unfunded amount in each fiscal year until completion of the Future Improvements;
- (iii) endeavor to allocate necessary funding for such projects from all available sources, including private, local, state and federal funds.

9.08 RTC Funding. City agrees to take the following actions to obtain RTC funding for the Summerlin Parkway Extension:

9.08(a) City will rank the Summerlin Parkway Extension Interim Improvements sufficiently high on its list of priorities for the RTC Capital Improvement Program to ensure that the City's good faith estimate of the total cost of such Interim Improvements will be funded by the RTC in the 1997-1998 fiscal year.

9.08(b) City will use its best efforts to cause RTC to approve funding of the construction of the Summerlin Parkway

Extension Interim Improvements and Future Improvements as set forth herein. Owner acknowledges and agrees that City will receive all funding for the Summerlin Parkway Extension from the RTC (or any successor agency with similar function) and that City shall not be liable for failure to construct any improvements that RTC fails or refuses to fund.

9.08(c) City will use its best efforts to cause the Clark County Board of County Commissioners to approve the Summerlin Parkway Extension for inclusion in the CIP.

9.08(d) City will use its best efforts to enter into an Interlocal Contract with RTC for the design and construction of the Summerlin Parkway Extension.

9.09 Interchanges. Owner will dedicate additional land necessary for interchanges at Town Center Drive and the Summerlin Parkway and at Anasazi Drive and the Summerlin Parkway as described in the Predesign Report as right-of-way, including temporary easements for construction and easements to maintain slopes (if such slopes are necessary beyond the right-of-way described in the Predesign Report and approved by Owner in its reasonable and good faith discretion), at no cost to the City. City agrees to design and build interchanges at such locations in a manner that will minimize the amount of land required to serve such purpose. City agrees that Owner shall be permitted to participate in the design of the interchanges and that the design of the interchanges will be subject to Owner's reasonable approval prior to construction.

9.10 Internal Roadway Network. City has concurrently approved the internal roadway network of the Planned Community as approved in the Summerlin West General Development Plan and agrees to support the inclusion of such internal roadway network as part of the regional transportation plan of the RTC. Should inter-agency conflicts exist with respect to the regional or master transportation plan which would affect development of roadways for the Planned Community, City shall use its best efforts to resolve such conflicts in a manner consistent with Owner's proposed roadway improvements.

9.11 Bus Shelters. Owner shall have the right to maintain and convey bus shelters on any property owned by Owner or by a Homeowner's Association. Except as otherwise agreed to by Owner, City will not construct nor permit to be constructed any bus shelter on any public right-of-way owned by the City within the Planned Community without Owner's written consent.

9.12 Underground Conduit. Subject to the Applicable Rules and federal and state laws and regulations, and existing contractual obligations of the City, Owner shall have the right to install underground conduit under Owner's exclusive ownership and control in all public roadways and rights-of-way in the Planned Community at Owner's sole cost and expense for cable-TV, video, computer, communication, telephone and similar functions and future electronic or communication uses of any kind. City shall recognize a perpetual easement in favor of Owner for such conduit. Owner will be required to remove or relocate the conduit upon forty-five (45) days notice from the City if the City is performing work on roads within which such conduit is located; provided, such removal or relocation shall be at Owner's cost only if other utility service providers with easements in public rights-of-way are required to bear the cost of removal under similar circumstances. Such easement shall be subject to the condition that Owner shall not cut any final lift of pavement for at least five (5) years following completion thereof without consent of the City. Owner agrees to require any user of such conduit, including the Owner, to provide reasonable additional capacity for the City's exclusive use.

9.13 Improvement Standards. The City agrees the Summerlin Revised Improvement Standards dated February 2, 1993, as amended through the Effective Date of this Agreement, shall be the basis for all future approvals of infrastructure design in the Planned Community.

SECTION 10  
FLOOD CONTROL

10.01 Flood Control Facilities and Technical Drainage Studies. Owner shall prepare a technical drainage study, reasonably acceptable to the City and in compliance with the Summerlin Master Drainage Study, for each Village or phase of development prior to recording any final map within that Village or phase of development. Owner shall construct those flood control facilities identified in the technical drainage study which are necessary for the flood protection of the Planned Community or for mitigation of any downstream flood impacts caused by the development of the Planned Community.

10.02 CCRFCD Priority. Owner shall prepare on an annual basis a three (3) year projection of capital improvement needs regarding flood control improvements for the Planned Community. Provided such projection is reasonably acceptable to the City, the City shall use its best efforts to (i) have the Regional Flood Control District (the "CCRFCD") include Owner's requirements as part of the approved capital improvements list of the CCRFCD and (ii) have such improvements scheduled for completion in a manner required by Owner's projection to serve the Planned Community in a timely manner. City agrees to use its best efforts to continue to support inclusion of flood control projects within the Planned Community or necessary for the development of the Planned Community on the capital improvement projects of the CCRFCD in a manner consistent with Owner's three (3) year projection. Should inter-agency conflicts exist with respect to the regional or master drainage plan which would affect development of flood control improvements for the Planned Community, City shall use its best efforts to resolve such conflicts in a manner consistent with Owner's proposed flood control improvements.

City agrees to use its best efforts to cause the Clark County Regional Flood Control District and the U.S. Army Corps of Engineers to prioritize the following improvements to be completed on a timely basis in order to serve the development of the Planned Community: Detention Basin #4, Detention Basin #5, Detention Basin #26, the major diversion channels along the Beltway, the major diversion channel from Detention Basin #4 to Detention Basin #5 and the major diversion channel along Alta Drive, all as shown on Exhibit F attached hereto. Owner recognizes that the construction of the improvements is primarily under the control of the U. S. Army Corps of Engineers and is subject to federal appropriation of sufficient funds to complete the improvements.

SECTION 11  
REVIEW AND DEFAULT

11.01 Frequency of Reviews. As required by NRS 278.0205 and the Development Agreement Chapter, at least once every twenty-four (24) months during the term of this Agreement, Owner shall provide and City shall review in good faith a report submitted by Owner documenting the extent of Owner's and City's material compliance with the terms of this Agreement during the preceding twenty-four (24) months. City shall not charge any expense, fee or cost with respect to such review. If at the time of review an issue not previously identified in writing is required to be addressed, the review at the request of either party shall be continued to afford reasonable time for response.

11.02 Opportunity to be Heard. City and Owner shall each be permitted an opportunity to be heard orally and in writing before the City Council regarding performance of the parties under this Agreement in the manner set forth in Development Agreement Chapter.

11.03 General Provisions-Default. In the event of any noncompliance with any provision of this Agreement, the party alleging such noncompliance shall deliver to the other in writing not less than thirty (30) days' notice of default. The time of notice shall be measured from the date of certified mailing. The notice of default shall specify the nature of the alleged



default and, where appropriate, the manner and period of time in which it may be satisfactorily corrected, during which period the party alleged to be in default shall not be considered in default for the purposes of termination or institution of legal proceedings. If the default is corrected, then no default shall exist and the noticing party shall take no further action. If the default is not corrected, the party charging noncompliance may elect any one or more of the following courses:

11.03(a) Option to Terminate. After proper notice and the expiration of the above-referenced period for correcting the alleged default, the party alleging the default may give notice of intent to amend or terminate this Agreement as authorized by NRS 278.0205. Following any such notice of intent to amend or terminate, the matter shall be scheduled and noticed as required by law for consideration and review by the City Council.

11.03(b) Amendment or Termination by City. Following consideration of the evidence presented before the City Council and a finding that a default has occurred by Owner and remains uncorrected, City may amend or terminate this Agreement. Termination shall not in any manner rescind, modify, or terminate any vested right in favor of Owner existing or received as of the date of the termination. Owner shall have sixty (60) days after receipt of written notice of termination to institute legal action pursuant to Section 11.06 hereof to determine whether a default existed and whether City was entitled to terminate this Agreement.

11.03(c) Waiver. Failure or delay in giving notice of default shall not constitute a waiver of any default. Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies in respect of any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any of its rights or remedies.

11.04 Default by City. In the event City substantially defaults under this Agreement, Owner shall have the right to terminate this Agreement as set forth in Section 11.03. Owner shall have the option, in its discretion, to maintain this Agreement in effect, and seek to enforce all of City's obligations hereunder under the procedures set forth in Section 11.06.

11.05 Unavoidable Delay, Extension of Time. Neither party hereunder shall be deemed to be in default, and performance shall be excused, where delays or defaults are caused by war, insurrection, strikes, walkouts, riots, floods, earthquakes, fires, casualties, acts of God, restrictions imposed or mandated by governmental entities, failure of governmental agencies (other than City) to perform acts or deeds necessary for the performance of this Agreement, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulations, litigation, or similar matters beyond the control of the parties. If written notice of any such delay is given to City within thirty (30) days after the commencement thereof, an automatic extension of time, unless otherwise objected to by City within ten (10) days of such written notice, shall be granted coextensive with the period of the enforced delay, or longer as may be required by circumstances or as may be subsequently agreed to between City and Owner.

11.06 Legal Action. The City and the Owner agree that they would not have entered into this Agreement if either were to be liable for damages under or with respect to this Agreement. Accordingly, the City and the Owner may pursue any remedy at law or equity available for breach, except that neither party shall be liable to the other or to any other person for any monetary damages whatsoever. Prior to the institution of any legal action, the party

seeking legal action must give the thirty (30) day notice of default as set forth in Section 10.03. Following such notice, a public hearing must be held by the City Council where the allegations will be considered and a decision regarding their merits will be reached. Any judicial review of this decision or any legal action taken pursuant to this Agreement will be heard by the court under the standard of review appropriate to Court review of zoning actions and the decision of the City Council shall only be overturned or overruled if their decision is clearly arbitrary and capricious. Judicial review of the decision of the City Council shall be limited to the evidence presented to the City Council at the public hearing. If a party desires to present new or additional evidence to the court, they may petition the court to remand the matter to the City Council to consider the additional or new evidence. Jurisdiction for judicial review or any judicial action under this Agreement shall rest exclusively with the Eighth Judicial District Court, State of Nevada or the Federal District Court in Nevada.

**11.07 Institution of Legal Action.** In addition to any other rights or remedies available to it, either party may institute legal action to cure, correct or remedy any default, to enforce any covenants or agreements herein or to enjoin any threatened or attempted violation hereof or to obtain any other relief. Any such legal actions must be commenced in a state or federal court in Clark County, Nevada.

**11.08 Applicable Laws; Attorneys' Fees.** This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada. The prevailing party in any action brought under this Agreement in a court of competent jurisdiction shall be entitled to recover all attorneys' fees, court costs, and necessary expenses in connection with such litigation.

## SECTION 12 FINANCING

**12.01 City Cooperation in Financing.** City expressly acknowledges and agrees that Owner may be required to finance a part of its obligations through private financing in addition to the financing and reimbursement provisions contemplated by this Agreement. City agrees to cooperate with Owner with respect to financing. City will execute and deliver to any lender or other interested person such documents as may be reasonably requested to acknowledge (a) that City has no lien on the Property as a direct result of this Agreement, and (b) that City shall recognize and allow a lender which has foreclosed or acquired a portion of the Planned Community from Owner to inure to the rights and benefits of this Agreement as to such property. Nothing herein shall be deemed to relieve Owner of its obligations under this Agreement or its liability for failure to perform its obligations under this Agreement.

**12.02 Special Improvement Districts.** One of the Applicable Rules relates to the creation of special improvement districts pursuant to the Special Improvement District Guidelines. City agrees to process any application for a special improvement district with due diligence in accordance with the guidelines set forth in Exhibit "B". Owner's share of traffic signal costs may be included in such a special improvement district if they otherwise comply with all requirements of law.

## SECTION 13 APPLICABLE RULES AND CONFLICTING LAWS

**13.01 Enforcement and Binding Effect.** Subject to the limitations of NRS 278, this Agreement is enforceable by either party in accordance with its terms notwithstanding any change (which, except for this Agreement, would otherwise be applicable) in any of the Applicable Rules. Nothing in this Agreement shall prevent the City from increasing "cost based fees" which are deemed to be fees for issuance of building permits, plan checks, or inspections which are based upon actual costs to the City and which are uniformly applied to all development and construction subject to the City's jurisdiction.

13.02 Applicable Rules. The Applicable Rules are the rules, regulations, ordinances, laws, general or specific plans, and official policies promulgated by the City which govern the development of the Planned Community, including, without limitation, the following:

- (i) The Planned Community Zoning Action and the Planned Community Zoning Chapter;
- (ii) The City General Plan as of the Effective Date subject to the Summerlin West General Plan Amendment;
- (iii) The Summerlin West General Development Plan;
- (iv) The Summerlin West Development Standards;
- (v) The Concurrent Approvals;
- (vi) The Special Improvement District Guidelines;
- (vii) The Village Development Plans; and
- (viii) The Code, ordinances, rules, regulations and official policies of the City as of the Effective Date.

The Applicable Rules as in effect on the Effective Date shall apply to the development of the Planned Community. City and Owner acknowledge and agree the Applicable Rules, and the Concurrent Approvals, are peculiar to the Planned Community and may not be amended, modified or changed without the express written consent of Owner except as otherwise explicitly provided in this Agreement except that the Applicable Rules may be amended or modified by the City in the future or new ordinances, rules or regulations may be added, but without impact on Owner or development of the Planned Community except in those limited circumstances provided in Section 13.04 below, and Owner shall have the option, in its sole discretion, of accepting such new or amended matters by giving City written notice of such acceptance. City agrees it will not adopt any ordinance, rule, regulation, policy or guideline that would have the effect of violating or abrogating any provision of this Agreement or evading or frustrating the clear intent of this Agreement. The Applicable Rules for purposes of this Agreement shall be those in force and effect upon the Effective Date in the manner and form originally adopted, with the exceptions provided in Sections 13.03, 13.04 and 13.05 below, as permitted only to the extent required by NRS 278.0201.

13.03 Application of Subsequently Enacted Rules. Except as provided in Section 13.04 below, no standard or regulation regarding subdivision, land use, zoning, growth management, timing and phasing of construction, or construction methods shall be imposed upon the development of the Planned Community, except those in effect on the Effective Date. City may hereafter, during the term of this Agreement, apply only those rules, regulations, ordinances, laws, general or specific plans, and official policies promulgated or enacted after the Effective Date that

- 13.03(a) are not in conflict with those in effect on the Effective Date,
- 13.03(b) are not in conflict with this Agreement,
- 13.03(c) are not in conflict with the Applicable Rules, and
- 13.03(d) the application of which would not prevent or materially impede, hinder or delay development in accordance with this Agreement or materially increase the cost of such development.

13.04 Limitation on Imposition of New Fees or Standards. Notwithstanding the terms of Section 13.03 above:

- 13.04(a) City may increase cost-based fees that apply uniformly to all development in the City.
- 13.04(b) development of the Planned Community shall be subject to the Uniform Building Code in effect at the time of issuance of the permit or authorization for such development;
- 13.04(c) City may apply other construction standards applicable to all other developers if such changed or additional standards are required to prevent a condition dangerous to the health or safety of City residents.
- 13.04(d) nothing in this Agreement shall preclude the application to the Planned Community of new or changed City ordinances, regulations, plans or policies specifically mandated and required by changes in state or federal laws or regulations, in the event of which the provisions of Sections 13.05 and 13.06 of this Agreement are applicable.

13.05 Conflicting Federal or State Rules. In the event that any conflicting federal or state laws or regulations enacted after the Effective Date prevent or preclude compliance with one or more provisions of this Agreement or require changes in plans, maps or permits approved by the City, this Agreement shall remain in full force and effect as to those provisions not affected, and:

- 13.05(a) Notice and Copies. Either party, upon learning of any such matter, will provide the other party with written notice thereof and provide a copy of any such law, regulation or policy or an account of any such action or inaction together with a statement of how any such matter conflicts with the provisions of this Agreement; and
- 13.05(b) Modification Conferences. The parties shall, within thirty (30) days of the notice referred to in the preceding subsection, meet and confer in good faith and attempt to modify this Agreement to bring it into compliance with any such federal or state law or regulation, or accommodate any such action or inaction.

13.06 City Council Hearings. In the event the City believes that an amendment to this Agreement is necessary pursuant to this Section 13 due to the effect of any federal or state law or regulation, the proposed amendment shall be scheduled for hearing before the City Council. The City Council shall determine the exact nature of the amendment or suspension necessitated by such federal or state law or regulation or action or inaction. Owner shall have the right to offer oral and written testimony at the hearing. Any suspension or modification ordered by the City Council pursuant to such hearing is subject to judicial review as set forth in Section 11.06. The parties agree that any matter submitted for judicial review shall be subject to expedited review in accordance with Rule 2.15 of the Eighth Judicial District Court of the State of Nevada.

13.07 Cooperation in Securing Permits. The City shall cooperate with Owner in securing any City permits, licenses or other authorizations which may be required as a result of any amendment or suspension resulting from actions initiated under this Section 13. Owner will be responsible to pay all applicable fees in connection with securing of the permits.

SECTION 14  
GENERAL PROVISIONS

14.01 Duration of Agreement. The Term of this Agreement shall commence upon the Effective Date and shall expire on the thirtieth (30th) anniversary of the Effective Date, unless extended by written agreement executed by City and Owner.

14.02 Assignment.

14.02(a) To an Affiliate of Owner. The rights of Owner under this Agreement may be freely transferred or assigned to any entity, partnership or corporation which Owner controls or in which Owner has a controlling interest or which controls Owner; provided, such entity shall assume in writing all obligations of Owner hereunder.

14.02(b) To a Third Party. If Owner shall sell or transfer more than fifty percent (50%) of the Planned Community then owned by Owner to a party not affiliated with Owner (as defined in Subsection 14.02(a)), Owner shall be relieved of its obligations hereunder; provided such transferee shall assume all obligations of Owner then unsatisfied.

14.02(c) Transfer Not to Relieve Owner of its Obligation. Except as expressly provided herein, no assignee or transferee of any portion of the Planned Community within a recorded subdivision map shall be subject to the obligations of Owner as to the portion of the Planned Community so assigned or transferred nor be deemed to have assumed all such obligations, and such assignment or transfer shall not relieve Owner of its obligation as to the assigned or transferred portion of the Planned Community.

14.02(d) In Connection with Financing Transactions. Owner has full discretion and authority to transfer, assign or encumber the Planned Community or portions thereof in connection with financing transactions, without limitation on the size or nature of any such transaction, the amount of land involved or the use of the proceeds therefrom, and may enter into such transactions at any time and from time to time without permission of or notice to City.

14.03 Amendment or Cancellation of Agreement. Except as otherwise permitted by NRS 278.0205 and Section 11 of this Agreement, this Agreement may be amended from time to time or canceled but only upon the mutual written consent of the parties hereto.

14.04 Indemnity; Hold Harmless. Except as expressly provided in this Agreement, Owner shall hold City, its officers, agents, employees, and representatives harmless from liability for damage or claims for damage for personal injury, including death and claims for property damage which may arise from the direct or indirect operations of Owner or those of its contractors, subcontractors, agents, employees, or other persons acting on Owner's behalf which relate to the development of the Planned Community. Owner agrees to and shall defend City and its officers, agents, employees, and representatives from actions for damages caused or alleged to have been caused by reason of Owner's activities in connection with the development of the Planned Community. Owner agrees to indemnify, hold harmless, and provide and pay all costs and attorneys fees for a defense for City in any legal action filed in a court of competent jurisdiction by a third party challenging the validity of this Agreement. The provisions of this Section shall not apply to the extent such damage, liability, or claim is proximately caused by the intentional or negligent act of City, its officers, agents, employees, or representatives.

14.05 Binding Effect of Agreement. Subject to Section 14.03 hereof, the burdens of this Agreement bind, and the benefits of this Agreement inure to, the parties' respective successors in interest.

14.06 Relationship of Parties. It is understood that the contractual relationship between City and Owner is such that Owner is an independent contractor and not an agent of City for any purpose.

14.07 Notices. All notices, demands and correspondence required or provided for under this Agreement shall be in writing and delivered in person or mailed by certified mail postage prepaid, return receipt requested. Notices shall be addressed as follows:

To City:

CITY OF LAS VEGAS  
400 Stewart Avenue  
Las Vegas, Nevada 89101  
Attention: City Clerk

To Owner:

HOWARD HUGHES PROPERTIES, LIMITED  
PARTNERSHIP  
1645 Village Center Circle, Suite 200  
Las Vegas, Nevada 89134  
Attention: Jeffery S. Geen

Either party may change its address by giving notice in writing to the other and thereafter notices, demands and other correspondence shall be addressed and transmitted to the new address. Notices given in the manner described shall be deemed delivered on the day of personal delivery or the date delivery of mail is first attempted.

14.08 Entire Agreement. This Agreement constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

14.09 Waivers. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate officers of City or Owner, as the case may be.

14.10 Recording; Amendments. Promptly after the Effective Date, an executed original of this Agreement shall be recorded in the Official Records of Clark County, Nevada. All amendments hereto must be in writing signed by the appropriate officers of City and Owner in a form suitable for recordation in the Official Records of Clark County, Nevada. Upon the completion of performance of this Agreement or its earlier revocation or termination, a statement evidencing said completion or revocation signed by appropriate officers of City and Owner shall be recorded in the Official Records of Clark County, Nevada.

14.11 Headings; Exhibits; Cross References. The headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand or limit the terms of this Agreement. All exhibits attached to this Agreement and the recitals at the front of this Agreement are incorporated herein by the references thereto contained herein. Any term used in an exhibit hereto shall have the same meaning as in this Agreement unless otherwise defined in such exhibit. All references in this Agreement to sections and exhibits shall be to sections and exhibits of or to this Agreement, unless otherwise specified.

IN WITNESS WHEREOF, this Agreement has been executed by the parties on the day and year first above written.

CITY:

CITY COUNCIL, CITY OF LAS VEGAS

By: *[Signature]*

JAN LAVERTY JONES,  
MAYOR

ATTEST:

*[Signature]*  
BARBARA JO ROMEMUS, City Clerk

OWNER:

HOWARD HUGHES PROPERTIES, LIMITED  
PARTNERSHIP, a Delaware limited  
partnership

By its sole general partner: THE  
HOWARD HUGHES CORPORATION, a Delaware  
corporation

By: *[Signature]*

DANIEL VAN EPP,  
EXECUTIVE VICE PRESIDENT

APPROVED AS TO FORM:

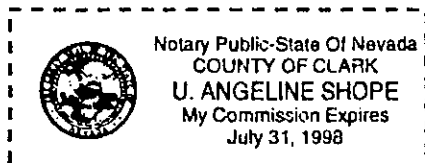
*[Signature]* 2/21/97  
Date

STATE OF NEVADA )

COUNTY OF CLARK )

) ss.

This instrument was acknowledged before me on February 13, 1997, by  
DANIEL VAN EPP, as EXECUTIVE VICE PRESIDENT of THE HOWARD HUGHES CORPORATION,  
a Delaware corporation.



*[Signature]*  
Notary Public

EXHIBIT A  
DESCRIPTION OF PROPERTY

SECTIONS 15, 21, 22, 27, 28, 29 AND 33, AND THAT PORTION OF SECTIONS 14, 16, 17, 20, 23, 26, 32, 34 AND 35, TOWNSHIP 20 SOUTH, RANGE 59 EAST, AND THAT PORTION OF SECTIONS 3 AND 4, TOWNSHIP 21 SOUTH, RANGE 59 EAST, M.D.M., CLARK COUNTY, NEVADA, AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF PARCEL 1 AS SHOWN BY MAP THEREOF ON FILE IN FILE 84, PAGE 70 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA; THENCE ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD THE FOLLOWING SEVEN (7) COURSES: SOUTH 89°48'28" WEST, 5653.85 FEET; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 1575.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 47°52'51", AN ARC LENGTH OF 1316.19 FEET; THENCE SOUTH 41°55'37" WEST, 243.07 FEET; THENCE NORTH 82°46'06" WEST, 464.52 FEET; THENCE SOUTH 07°13'54" WEST, 100.00 FEET; THENCE SOUTH 82°46'06" EAST, 395.29 FEET; THENCE SOUTH 41°55'37" WEST, 742.92 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF GOVERNMENT LOT 3 OF SECTION 3, TOWNSHIP 21 SOUTH, RANGE 59 EAST; THENCE ALONG THE SOUTH LINE OF GOVERNMENT LOT 3 AND ALONG THE SOUTH LINE OF GOVERNMENT LOT 4 OF SAID SECTION 3, NORTH 89°40'23" WEST, 2004.86 FEET TO THE SOUTHEAST CORNER OF GOVERNMENT LOT 1 OF SECTION 4, TOWNSHIP 21 SOUTH, RANGE 59 EAST; THENCE ALONG THE SOUTH LINE OF GOVERNMENT LOT 1 AND ALONG THE SOUTH LINE OF GOVERNMENT LOT 2 OF SAID SECTION 4, SOUTH 89°17'20" WEST, 2672.22 FEET TO THE SOUTHWEST CORNER OF SAID GOVERNMENT LOT 1; THENCE NORTH 60°16'18" WEST, 2513.04 FEET TO THE SOUTHWEST CORNER OF SECTION 33, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE NORTH 58°20'20" WEST, 2584.21 FEET TO AN ANGLE POINT ESTABLISHED BY THE BUREAU OF LAND MANAGEMENT; THENCE NORTH 66°34'14" WEST, 3713.62 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SECTION 32, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 32, NORTH 05°28'00" WEST, 2847.56 FEET TO THE SOUTHWEST CORNER OF SECTION 29, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 29, NORTH 02°16'41" EAST, 2632.06 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SAID SECTION 29; THENCE CONTINUING ALONG SAID WEST LINE, NORTH 02°38'27" EAST, 2633.34 FEET TO THE SOUTHWEST CORNER OF SECTION 20, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 20, NORTH 02°24'39" WEST, 2631.68 FEET TO THE WEST QUARTER (W 1/4) CORNER THEREOF; THENCE ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER (SW 1/4) OF SAID SECTION 20, SOUTH 89°33'03" EAST, 2605.65 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST (NE 1/4) QUARTER OF SAID SECTION 20; THENCE ALONG THE WEST LINE THEREOF, NORTH 02°30'48" WEST, 2629.25 FEET TO THE SOUTH QUARTER (S 1/4) CORNER OF SECTION 17, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF THE SOUTHEAST QUARTER (SE 1/4) OF SAID SECTION 17, NORTH 00°22'56" WEST, 2633.39 FEET TO THE NORTHWEST CORNER THEREOF; THENCE ALONG THE NORTH LINE OF SAID SOUTHEAST QUARTER (SE 1/4), SOUTH 89°34'11" EAST, 2628.84 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SECTION 16, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE NORTH LINE OF THE SOUTH (S 1/2) HALF OF SAID SECTION 16, NORTH 88°43'13" EAST, 5356.98 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SECTION 15, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 15, NORTH 00°42'42" EAST, 2718.82 FEET TO THE NORTHWEST CORNER OF SAID SECTION 15; THENCE ALONG THE NORTH LINE OF SAID SECTION 15, NORTH 89°48'42" EAST, 5353.83 FEET TO THE NORTHWEST CORNER OF SECTION 14, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE NORTH LINE OF SAID SECTION 14, NORTH 89°05'14" EAST, 1415.89 FEET TO THE NORTHWEST CORNER OF THE AFOREMENTIONED PARCEL 1 (FILE 84, PAGE 70 OF PARCEL MAPS); THENCE ALONG THE WESTERLY LINE OF SAID PARCEL 1 THE FOLLOWING EIGHT (8) COURSES: SOUTH 00°03'30" WEST, 4049.20 FEET; THENCE SOUTH 74°00'00" EAST, 1978.63 FEET; THENCE FROM A TANGENT BEARING SOUTH 13°47'28" WEST CURVING TO THE LEFT ALONG THE ARC OF A 4275.00 FOOT RADIUS CURVE, CONCAVE EASTERLY, THROUGH A CENTRAL ANGLE OF 07°51'12", AN ARC LENGTH OF 585.96 FEET; THENCE SOUTH 05°56'16" WEST, 5027.29 FEET; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 6675.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 25°51'36", AN ARC LENGTH OF 3012.71 FEET; THENCE SOUTH 19°55'20" EAST, 2219.26 FEET; THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 6325.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 17°56'51", AN ARC LENGTH OF 1981.26 FEET; THENCE SOUTH 01°58'29" EAST, 4356.77 FEET TO THE POINT OF BEGINNING.



CONTAINING 8350.27 ACRES.

EXCEPTING THEREFROM PARCEL 2 AS SHOWN BY MAP THEREOF ON FILE IN FILE 82, PAGE 01 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

ALSO EXCEPTING THEREFROM PARCEL 2 AS SHOWN BY MAP THEREOF ON FILE IN FILE 84, PAGE 71 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

TOTAL ANNEXATION AREA CONTAINS 8318.64 ACRES.

## FIRST AMENDMENT TO DEVELOPMENT AGREEMENT FOR THE SUMMERLIN WEST AREA

This First Amendment to Development Agreement For the Summerlin West Area ("First Amendment") is made as of the 14 day of November, 2003 by and between **THE CITY OF LAS VEGAS** (the "City") and **THE HOWARD HUGHES CORPORATION**, a Nevada corporation ("Owner"), as successor in interest to Howard Hughes Properties, Limited Partnership ("HHPLP"), for the purpose of amending the terms of that certain Development Agreement between the City and HHPLP, recorded on November 21, 1997 in Book 971121 as Instrument No. 00839 (the "Development Agreement"), concerning the Property described therein and as set forth in Exhibit A attached hereto.

The parties agree to supplement and amend the Development Agreement as set forth herein.

1. Recreational Space. Owner agrees that the Property will, upon completion of development, include a minimum of 2 acres of "programmable space" per 1000 residents and 0.5 acres of "passive space" per 1000 residents. "Programmable space" shall be defined as the gross area of any park or open space area that contains turf areas for active play, playground equipment, play fields (such as baseball, softball, soccer or football), picnic areas, bocce, basketball, tennis or shuffleboard courts, horseshoe pits, swimming pools and other recreational equipment or facilities (the Programmable Space and Passive Space are hereinafter referred to collectively as the "Recreational Space"). "Passive space" shall be defined as the gross area of any pedestrian and bicycle trails and parks that do not contain any of the foregoing recreational elements. Bicycle lanes that are attached to public streets and sidewalks that are included as part of a typical street cross section will not be considered as Recreational Space. For purposes of determining the amount of Recreational Space required by this Section, it will be presumed that the resident population of the Property equals 2.5 people per residential dwelling unit. Age-restricted communities will be excluded from the population count, provided they include self-contained recreational amenities. Recreational Space may be located within regional or community parks that may be dedicated to the City, so long as the City consents to such dedication.

2. Neighborhood Pool: Owner agrees to construct a swimming pool (the "Neighborhood Pool") and dedicate the Neighborhood Pool to the Summerlin Council for use by all members of the Summerlin Council. The Neighborhood Pool will include at least the land area that is fenced or walled off for public safety and security and adequate parking area or easements for adequate parking to serve the reasonable vehicle parking requirements of the Neighborhood Pool, together with means of access for ingress and egress to the Neighborhood Pool. The Summerlin Council may, in its discretion, charge reasonable user fees to offset the costs of ownership, maintenance, and reserves for repair and replacement of the Neighborhood Pool.

3. Community Center. Owner agrees to design and construct, at its sole cost and expense (subject to Special Improvement District funding as described below in Section 19), a community center of approximately 25,000 square feet that is similar in design and finish to the Veteran's Memorial Center in the Arbors Village (the "Community Center"), together with off-site improvements installed pursuant to the City's standard Offsite Improvements Agreement, and to offer to dedicate the Community Center to the City free of all liens, encumbrances, SID assessments, and any covenants, conditions and restrictions other than those currently of record and as set forth in Section 23 below. Owner shall take all measures necessary to create a separate parcel for the Community Center site prior to obtaining a building permit therefor; provided, the City will cooperate in good faith. The programming concept for the Community Center will be developed by the parties and mutually agreed to prior to commencement of construction of the Community Center. The City agrees (i) to accept dedication of the Community Center and appurtenant facilities subject to adherence to design and construction standards that are mutually acceptable to the parties as established prior to the commencement of construction, and (ii) to maintain the Community Center in accordance with a written maintenance standard that is mutually acceptable to the parties. The location of the Community Center may be adjacent to the Neighborhood Pool described above. Owner shall have no obligation to furnish or equip the Community Center, or, following completion and dedication to the City, to operate or pay any portion of the operational costs of the Community Center.

4. Police Substation. Owner will design and construct, at its sole cost and expense (subject to Special Improvement District funding as described below in Section 19), a police substation with a helicopter landing pad, together with off-site improvements installed pursuant to the City's standard Offsite Improvements Agreement, within an area of approximately 5 acres of land within the Property, and dedicate the land and facilities (collectively, the "Substation") to the City, free of all liens, encumbrances, SID assessments and any covenants, conditions and restrictions other than those currently of record and as set forth in Section 23 below, for the exclusive use of the Las Vegas Metropolitan Police Department ("LVMPD"). Any portion of the 5 acres that is not used by the LVMPD will nevertheless be dedicated to the City for use by the City for any public governmental purpose. The City agrees to accept dedication of the Police Substation and appurtenant facilities subject to adherence to design and construction standards that are mutually acceptable to the parties and LVMPD as established prior to commencement of construction. The Substation will satisfy Owner's obligation to donate 5 acres to the City for a satellite Government Center under Section 5.02 of the Development Agreement. The Substation will be similar in design, finish and functional characteristics to the existing Bolden Area Command Substation. Owner shall not be required to construct the Substation earlier than seven (7) years from the date of this First Amendment, unless the parties agree to build and operate the Substation earlier. City agrees that Owner shall have no obligation to furnish or equip the station, or, following completion and dedication to the City, to operate or pay any portion of the operational costs of the Substation.

5. Third Fire Station. Owner and City have agreed on locations for two fire stations, designated as Station 47 (near the intersection of Desert Foothills Drive and Far Hills Avenue) and Station 46 (near the intersection of Lake Mead Boulevard and the Beltway). If the City determines that an additional (third) fire station is required to serve the Planned Community, Owner shall, at its sole cost and expense, dedicate one and three-fourths (1.75) acres of land with the same net minimum dimensions as for Stations 46 and 47, and construct those Standard Improvements required to serve such additional land, for such fire station; provided the City commits to construct, equip and operate the fire station at City's expense and to have the station in operation within a reasonable time following acceptance of dedication of the property.

Owner shall dedicate the Third Fire Station site to the City free of all liens and encumbrances, and shall execute the City's standard form of Off-site Improvements Agreement and pursuant thereto shall install the off-site improvements related to such Station, including stubbing all utilities necessary to operate the Station to the property line. The City shall construct, equip and operate Station 46 in coordination with Owner's installation of the off-site improvements. Owner will not be responsible for dedication of the site until at least such time as Owner begins development of residential units within the area west of the line shown on Exhibit "A" hereto (being the westerly boundary of proposed Villages 24, 30, 29 and 28). Other than as set forth in this paragraph, Owner shall not be responsible for the costs of construction or operation of the third fire station.

Paragraphs 6 through 15 below apply to the Community Center and Police Substation (collectively referred to hereinafter as the Projects, or singly as a Project).

6. Plans and Specifications. Owner shall design each Project, and shall submit such plans and specifications in stages of 50%, 90% and 100% plan sets to the City's Architectural Services Section and obtain final approval thereof prior to proceeding with other necessary approvals and documentation required by the development process through the regulatory authorities referred to below. Owner does hereby acknowledge and agree that the City's Architectural Services Section does not have any control, authority or influence over the decisions or requirements of other regulatory authorities which are separate from the City, or which may be departments of the City acting in a regulatory manner including, but not limited to, the Building Department, Fire Department, Planning Department or divisions within the Department of Public Works. Owner is responsible for complying with the requirements imposed by the regulatory authorities (including complying with the departments of the City acting in a regulatory manner--i.e. it shall be the responsibility of Owner to obtain any inspections required for the Projects through the City, State of Nevada or other local agencies, provided the City's Architectural Services Section shall act in good faith to resolve any dispute between conflicting departments of the City). Owner shall secure the necessary permits including, but not limited to, building permit, dust control permit, sanitation or sewer discharge permit, water permit or other applicable permits, and pay the required license and inspection fees associated therewith, which are necessary for the proper execution and completion of the Projects. The duties of Owner to the Architectural Services Section and the Section's Project Manager pursuant to this Agreement, are in addition to and independent of any requirements of the above-referenced regulatory authorities.

7. Notification and Inspections.

(A) Owner agrees to notify the Architectural Services Section's Project Manager ("Project Manager"), as so designated from time to time by the Architectural Services Section, in writing not less than seven (7) days in advance of the time when site design, permitting and construction work is anticipated to commence on a Project.

(B) If, after such notice has been given, conditions develop that delay the commencement or continuation of such work for more than one week, Owner agrees to notify the Project Manager in writing of such delay.

8. Project Access. The City shall have the right to enter and access the Project site at any time to review field conditions and verify compliance with the Project plans and specifications. If items are found to be in non-compliance with the Project plans or

specifications, the Project Manager shall notify Owner in writing of items in need of correction, repair or replacement, and Owner shall diligently comply therewith; provided, however, that the inspection of any phase of the work shall not relieve Owner of its responsibility for the proper construction, installation and maintenance of the work, materials and equipment, in accordance with the standards that are set forth in Paragraphs 6 and 14 hereof, or abridge the right of the City to require the correction of faulty workmanship or the replacement of defective materials at any time during the course, or subsequent to the completion, of the work. Should subsurface conditions, including without limitation excess water, clay salts, voids or similar defects, subsequently be discovered, the City may require Owner, at Owner's sole cost and expense, to alter the plans and specifications for any further construction or to correct, change or reconstruct the area that is affected by such conditions, or to take both of such actions. Only the Project Manager shall have the authority to direct, approve or accept deviations from the design, specifications or other requirements of this Agreement.

9. Utilities. Owner agrees, at its sole cost and expense, to make any adjustment in the construction of the project which is necessary in order to accommodate the location of all existing utilities or, in the alternative and with the approval of the utility company that owns such utilities, to adjust such utilities in order to avoid any conflict between them and the Project requirements. Owner shall install, and pay the costs for, all utility fees and hook-ups required for the final operation of the Project.

10. As-built drawings and specifications. Owner shall keep a marked-up, up-to-date set of drawings showing as-built conditions of the work during the course of construction as an accurate record of the deviations between the work as shown on the drawings and specifications and the work as installed. Upon completion of the work, Owner shall furnish to City a complete set of as-built drawings, in both Mylar hardcopy format and AutoCAD 2000 electronic format, neatly and accurately revised to reflect the as-built conditions of the work, and the word "Record" shall be clearly printed on each sheet and showing the City of Las Vegas Planroom number and sheet numbers. The record specifications shall be prepared in the format of Microsoft Word, and a hardcopy signed and dated shall be provided to the City at the completion of the Project.

11. Schedule of values. Owner shall provide to the City a Schedule of Values allocated to various portions of the work. The Schedule of Values shall be formed and supported by such data and information acceptable to the City. Each line item of the Schedule of Values shall contain no more than reasonable and attributable costs applicable to the line item. Owner shall warrant the Schedule of Values to be reliable and accurate, and documents used in the preparation thereof shall be available for review by the City. All overhead costs shall be proportionately distributed across all line items in the Schedule of Values.

12. Maps, Plans And Other Documents. Owner agrees to furnish the City, upon the completion of the Project, a paper copy of the following information with respect to the Project:

Building Permit Card Final Signatures obtained  
 Certificate of Occupancy or Certificate of Completion  
 Punch List signed off as completed by the Project Manager  
 Documentation of the following utilities confirmed:

Service Accounts established, fees paid, & utility operating for:

Water

Sewer

- Power
- Phone for station
- Phone for fire alarm
- Phone for irrigation controls
- Water "Turn On" application completed
- Water "Bill of Sale" completed
- Affidavit of Release of Debts and Claims
- Affidavit of Release of Liens
- Operation and maintenance manuals
- Product warranties and bonds
- Testing reports
- Water Audit Report showing the irrigation system meets the City approved specifications
- Material overages, spare parts, maintenance products, repair kits
- Record Drawings on mylar clearly detailing all construction revisions include all survey, topographic and utility agency/company design drawings for each utility constructed.
- Geo-technical Report
- Geo-technical Data Report
- Survey Report
- Environmental Assessment Report
- Biological Assessment / Mitigation Report (if any)
- Project cost breakdown (Schedule of Values)
- Construction project progress photographs, taken on a regular basis, labeled and dated
- Contractor's daily reports

### 13. Project Approval.

(A) The City shall not approve or accept a Project as completed, notwithstanding any prior approval pursuant to Paragraph 8 above of any phase of the construction, until a final inspection has been made by the Project Manager or his designated representative, and he is reasonably satisfied that all of the work thereon has been performed in a satisfactory manner. The City hereby reserves the right to require the correction by Owner of any portion of the work that does not comply with the standards that are set forth in Paragraphs 6 and 14 hereof. Minimum requirement for project approval include but are not limited to a complete and functional facility.

(B) It is expressly understood and agreed by Owner that final inspection and approval by the City of the work does not relieve Owner of its responsibility for latent defects in the work.

(C) Upon acceptance of the work, Owner shall promptly transfer all active utility accounts to the City.

14. Standards Of Design, Construction And Installation. Owner agrees that the construction and installation of a Project shall be in accordance with all applicable codes, ordinances and regulations of the City, including without limitation the Uniform Standard Drawings for Public Works Construction, Clark County Area, and the Uniform Standard Specifications for Public Works Construction, Clark County Area, OAS (Office of Architectural Services) Design Standards, that are in effect on the date of the execution of this Agreement.

15. Schedule Of Completion. The design and permitting phase of the Police Substation shall be completed within 180 calendar days of the date the City notifies the Owner to proceed with the Police Substation pursuant to the terms of this Agreement, provided that Owner shall not be required to complete the design and permitting therefor any earlier than reasonably required to meet the construction completion date set forth in Section 4 above and provided that Owner shall not be obligated to commence design of the Police Substation until the City has committed in writing to fund the furnishing, equipment and operation thereof. The construction of the Police Substation shall commence within 120 calendar days after the date of approval of the plans and specifications required in paragraph 6 hereof and shall be completed, and all rubbish, trash, debris, surplus material and equipment removed from the Project site, within a two year period from the start of construction.

The design and permitting phase of the Community Center shall be completed within 540 calendar days of the date the City notifies the Owner to proceed with the Community Center pursuant to the terms of this Agreement; provided that Owner shall not be obligated to commence design of the Community Center until the City has committed in writing to fund the furnishing, equipment and operation thereof. The construction of the Community Center shall commence within 120 calendar days after the date of approval of the plans and specifications required in paragraph 6 hereof and shall be completed, and all rubbish, trash, debris, surplus material and equipment removed from the Project site, within a two year period from the start of construction.

The Project Manager may approve adjustments to the Project schedule if documentation is provided that demonstrates justifiable non-compliance with stated milestones. Final acceptance of the Project will be via letter after all provisions of the Agreement have been met and final documentation for the Project has been received by the City. All of Owner's obligations with respect to a Project shall cease upon final inspection and dedication of the Project to the City as provided herein.

16. Responsibility For The Worksite. Owner is responsible at all times for securing the work and the Project Site and furnishing all utility services until the Project is completed and dedicated to the City. Owner shall conduct its operations in a manner as to avoid the risk of damage, injury, loss or theft by any means (including acts of God, vandalism or sabotage) to the work or to the property of Owner, the City or any other person. Owner shall promptly take such reasonable precautions, which are necessary and adequate against any and all conditions involving such risk of damage, injury, loss or theft. Owner shall continuously inspect the work (including the materials and equipment used in connection therewith) to discover and determine if any such conditions exists and shall be solely responsible for correcting such conditions.

17. Indemnification.

(A) Owner hereby agrees to protect, indemnify and hold the City, its officers, agents and employees, harmless from and against any and all claims, liens, damages, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees and court costs which the City, its officers, employees or agents, may suffer, or which may be sought against, or are recovered or obtainable from, the City, its officers, employees or agents, as a result of, or by reason of, or arising out of or in consequence of any act or omission, negligent or otherwise, of Owner or its contractor, subcontractors, agents or anyone who is directly or indirectly employed by, or is acting in concert with, Owner, its contractor, subcontractors or agents in the construction or installation of a Project or the performance of this Agreement.

(B) In this connection, Owner expressly agrees, at its sole cost and expense, to defend the City, its officers, employees and agents, in any claim, suit or action that may be asserted, or brought against it or them, or any of them, by reason of any act or omission, negligent or otherwise, against which Owner has agreed to indemnify the City, its officers, employees and agents. If Owner fails so to do, the City shall have the right, but not the obligation to defend same and to charge all of the direct and incidental costs of such defense, including attorneys' fees and court costs, to Owner, and the City may recover such costs.

18. Disclosure Of Principals. Pursuant to Resolution R-105-99 adopted by the City Council on November 17, 1999, Owner warrants that it has disclosed, on the disclosure form attached hereto as Exhibit B, all principals, including partners, of Owner, as well as all persons and entities holding more than a 1% interest in Owner, or any principal of Owner. If Owner or its principals or partners described above are required to provide disclosure under federal law (such as disclosure required by the Securities and Exchange Commission (SEC) or the Employee Retirement Income Act (ERISA)), and attaches current copies of such federal disclosures to Exhibit A, the requirement of this Section shall be satisfied. Throughout the term hereof, Owner shall within fifteen (15) days notify City in writing of any material change in the above disclosure. Copies of new federal disclosure filings shall also be sent to the City within fifteen (15) days of any such filing.

19. Special Improvement District Funding. The City agrees to cooperate in securing special improvement district funding for the design and construction of the Regional Parks which will be dedicated to the City, the Community Center and the Police Substation, including seeking an amendment to the Special Improvement District Guidelines, if necessary, to permit such funding under NRS Chapter 271. Funding of improvements shall be subject to the availability of funds for such purposes in any existing or future special improvement districts created within the Property. All improvement district funding will be in compliance with the Special Improvement District Guidelines.

20. Transportation Master Plan Update. Owner agrees to reimburse City for its reasonable costs incurred to update the Transportation Master Plan; provided the maximum reimbursement shall not exceed \$180,000. The parties agree that the update will address the impact of increasing the number of residential units on the Property from 20,250 to 30,000 and will include the major street segments and intersections south of Cheyenne Avenue, north of Sahara Avenue and west of Rainbow Boulevard. In consideration, City agrees that, except as provided in Section 9.03 of the Development Agreement, Owner, shall have no obligation to participate in, pay, contribute or otherwise provide any further exactions to provide for rights-of-way, facilities or improvements for the road and motor vehicular traffic system outside of the Planned Community or for any facilities, equipment or physical improvements outside the Planned Community that are a substitute therefor.

21. Maximum Residential Units. The number of residential dwelling units that may be developed by right on the Property is hereby increased from 20,250 to 30,000.

22. Term of Development Agreement. The Term of the Development Agreement shall expire on the thirtieth (30th) anniversary of the date this First Amendment is approved by the City Council, unless extended by written agreement executed by City and Owner.



23. Public Land Use Restriction. Any land dedicated by Owner to the City pursuant to the terms of this Agreement will be restricted by deed restriction to the intended uses as described herein.

24. Continuing Effect. Except as explicitly modified by this First Amendment, the Development Agreement shall remain in full force and effect. Any capitalized term used herein shall have the same meaning as in the Development Agreement unless otherwise specified.

In witness whereof the parties have executed and acknowledged this instrument as of the day and year set forth above.

THE HOWARD HUGHES CORPORATION,  
a Delaware CORPORATION

By: 

Print Name: DANIEL C. VAN EPP

Title: PRESIDENT

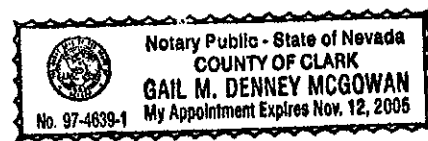
STATE OF NEVADA     )  
                                  ) ss.  
COUNTY OF CLARK    )

On NOVEMBER 26, 2003, before me, the undersigned, personally appeared DANIEL C. VAN EPP personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument to be the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State

(SEAL)



CITY OF LAS VEGAS, NEVADA

By: [Signature]  
Print Name: Oscar B. Goodman  
Title: Mayor

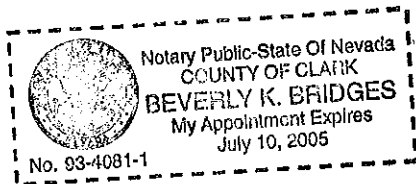
ATTEST:

[Signature]  
Barbara Jo Ronemus, City Clerk

Approved As To Form:  
[Signature] 11-10-03  
Deputy City Attorney Date

STATE OF NEVADA     )  
                                  ) ss.  
COUNTY OF CLARK    )

This instrument was acknowledged before me on this 16<sup>th</sup> day of December 2003 by  
Oscar B Goodman as Mayor of the City Of Las Vegas, Nevada.



[Signature]  
Notary Public  
(My commission expires: 7/10/2005)

EXHIBIT A  
DESCRIPTION OF PROPERTY

SECTIONS 15, 21, 22, 27, 28, 29 AND 33, AND THAT PORTION OF SECTIONS 14, 16, 17, 20, 23, 26, 32, 34 AND 35, TOWNSHIP 20 SOUTH, RANGE 59 EAST, AND THAT PORTION OF SECTIONS 3 AND 4, TOWNSHIP 21 SOUTH, RANGE 59 EAST, M.D.M., CLARK COUNTY, NEVADA, AND DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE SOUTHWEST CORNER OF PARCEL 1 AS SHOWN BY MAP THEREOF ON FILE IN FILE 84, PAGE 70 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA; THENCE ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD THE FOLLOWING SEVEN (7) COURSES: SOUTH 89 48'28" WEST, 5653.85 FEET; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 1575.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 47 52'51", AN ARC LENGTH OF 1316.19 FEET; THENCE SOUTH 41 55'37" WEST, 243.07 FEET; THENCE NORTH 82 46'06" WEST, 464.52 FEET; THENCE SOUTH 07 13'54" WEST, 100.00 FEET; THENCE SOUTH 82 46'06" EAST, 395.29 FEET; THENCE SOUTH 41 55'37" WEST, 742.92 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF GOVERNMENT LOT 3 OF SECTION 3, TOWNSHIP 21 SOUTH, RANGE 59 EAST; THENCE ALONG THE SOUTH LINE OF GOVERNMENT LOT 3 AND ALONG THE SOUTH LINE OF GOVERNMENT LOT 4 OF SAID SECTION 3, NORTH 89 40'23" WEST, 2004.86 FEET TO THE SOUTHEAST CORNER OF GOVERNMENT LOT 1 OF SECTION 4, TOWNSHIP 21 SOUTH, RANGE 59 EAST; THENCE ALONG THE SOUTH LINE OF GOVERNMENT LOT 1 AND ALONG THE SOUTH LINE OF GOVERNMENT LOT 2 OF SAID SECTION 4, SOUTH 89 17'20" WEST, 2672.22 FEET TO THE SOUTHWEST CORNER OF SAID GOVERNMENT LOT 1; THENCE NORTH 60 16'18" WEST, 2513.04 FEET TO THE SOUTHWEST CORNER OF SECTION 33, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE NORTH 58 20'20" WEST, 2584.21 FEET TO AN ANGLE POINT ESTABLISHED BY THE BUREAU OF LAND MANAGEMENT; THENCE NORTH 66 34'14" WEST, 3713.62 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SECTION 32, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 32, NORTH 05 28'00" WEST, 2847.56 FEET TO THE SOUTHWEST CORNER OF SECTION 29, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 29, NORTH 02 16'41" EAST, 2632.06 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SAID SECTION 29; THENCE CONTINUING ALONG SAID WEST LINE, NORTH 02 38'27" EAST, 2633.34 FEET TO THE SOUTHWEST CORNER OF SECTION 20, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 20, NORTH 02 24'39" WEST, 2631.68 FEET TO THE WEST QUARTER (W 1/4) CORNER THEREOF; THENCE ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER (SW 1/4) OF SAID SECTION 20, SOUTH 89 33'03" EAST, 2605.65 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST (NE 1/4) QUARTER OF SAID SECTION 20; THENCE ALONG THE WEST LINE THEREOF, NORTH 02 30'48" WEST, 2629.25 FEET TO THE SOUTH QUARTER (S 1/4) CORNER OF SECTION 17, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF THE SOUTHEAST QUARTER (SE 1/4) OF SAID SECTION 17, NORTH 00 22'56" WEST, 2633.39 FEET TO THE NORTHWEST CORNER THEREOF; THENCE ALONG THE NORTH LINE OF SAID SOUTHEAST QUARTER (SE 1/4), SOUTH 89 34'11" EAST, 2628.84 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SECTION 16, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE NORTH LINE OF THE SOUTH (S 1/2) HALF OF SAID SECTION 16, NORTH 88 43'13" EAST, 5356.98 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SECTION 15, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 15, NORTH 00 42'42" EAST, 2718.82 FEET TO THE NORTHWEST CORNER OF SAID SECTION 15; THENCE ALONG THE NORTH LINE OF SAID SECTION 15, NORTH 89 48'42" EAST, 5353.83 FEET TO THE NORTHWEST CORNER OF SECTION 14, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE NORTH LINE OF SAID SECTION 14, NORTH 89 05'14" EAST, 1415.89 FEET TO THE NORTHWEST CORNER OF THE AFOREMENTIONED PARCEL 1 (FILE 84, PAGE 70 OF PARCEL MAPS); THENCE ALONG THE WESTERLY LINE OF SAID PARCEL 1 THE FOLLOWING EIGHT (8) COURSES: SOUTH 00 03'30" WEST, 4049.20 FEET; THENCE SOUTH 74 00'00" EAST, 1978.63 FEET; THENCE FROM A TANGENT BEARING SOUTH 13 47'28" WEST CURVING TO THE LEFT ALONG THE ARC OF A 4275.00 FOOT RADIUS CURVE, CONCAVE EASTERLY, THROUGH A CENTRAL ANGLE OF

07 51'12", AN ARC LENGTH OF 585.96 FEET; THENCE SOUTH 05 56'16" WEST, 5027.29 FEET; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 6675.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 25 51'36", AN ARC LENGTH OF 3012.71 FEET; THENCE SOUTH 19 55'20" EAST, 2219.26 FEET; THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 6325.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 17 56'51", AN ARC LENGTH OF 1981.26 FEET; THENCE SOUTH 01 58'29" EAST, 4356.77 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 8350.27 ACRES.

EXCEPTING THEREFROM PARCEL 2 AS SHOWN BY MAP THEREOF ON FILE IN FILE 82, PAGE 01 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

ALSO EXCEPTING THEREFROM PARCEL 2 AS SHOWN BY MAP THEREOF ON FILE IN FILE 84, PAGE 71 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

TOTAL AREA CONTAINS APPROXIMATELY 8318.64 ACRES.

EXHIBIT "B"

DISCLOSURE OF PRINCIPALS

In compliance with City of Las Vegas Resolution R-105-99, the undersigned certifies that THHC, is wholly owned by The Rouse Company, a public corporation required to provide ownership disclosure under federal law, and that a current copy of such federal disclosure is submitted herewith.

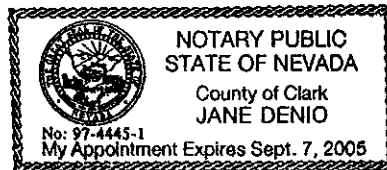
THE HOWARD HUGHES CORPORATION:

By: *Jeffrey B. Green*  
Authorized Signatory

State of Nevada                    )  
  )ss.  
County of Clark                 )

Subscribed and sworn to before me this  
6<sup>th</sup> day of October 2003.

*Jane Denio*  
Notary Public



FIRST AMENDMENT TO DEVELOPMENT AGREEMENT  
FOR THE SUMMERLIN WEST AREA

This First Amendment to Development Agreement For the Summerlin West Area ("First Amendment") is made as of the 14 day of November, 2003 by and between **THE CITY OF LAS VEGAS** (the "City") and **THE HOWARD HUGHES CORPORATION**, a Nevada corporation ("Owner"), as successor in interest to Howard Hughes Properties, Limited Partnership ("HHPLP"), for the purpose of amending the terms of that certain Development Agreement between the City and HHPLP, recorded on November 21, 1997 in Book 971121 as Instrument No. 00839 (the "Development Agreement"), concerning the Property described therein and as set forth in Exhibit A attached hereto.

The parties agree to supplement and amend the Development Agreement as set forth herein.

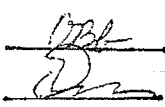
1. Recreational Space. Owner agrees that the Property will, upon completion of development, include a minimum of 2 acres of "programmable space" per 1000 residents and 0.5 acres of "passive space" per 1000 residents. "Programmable space" shall be defined as the gross area of any park or open space area that contains turf areas for active play, playground equipment, play fields (such as baseball, softball, soccer or football), picnic areas, bocce, basketball, tennis or shuffleboard courts, horseshoe pits, swimming pools and other recreational equipment or facilities (the Programmable Space and Passive Space are hereinafter referred to collectively as the "Recreational Space"). "Passive space" shall be defined as the gross area of any pedestrian and bicycle trails and parks that do not contain any of the foregoing recreational elements. Bicycle lanes that are attached to public streets and sidewalks that are included as part of a typical street cross section will not be considered as Recreational Space. For purposes of determining the amount of Recreational Space required by this Section, it will be presumed that the resident population of the Property equals 2.5 people per residential dwelling unit. Age-restricted communities will be excluded from the population count, provided they include self-contained recreational amenities. Recreational Space may be located within regional or community parks that may be dedicated to the City, so long as the City consents to such dedication.

2. Neighborhood Pool: Owner agrees to construct a swimming pool (the "Neighborhood Pool") and dedicate the Neighborhood Pool to the Summerlin Council for use by all members of the Summerlin Council. The Neighborhood Pool will include at least the land area that is fenced or walled off for public safety and security and adequate parking area or easements for adequate parking to serve the reasonable vehicle parking requirements of the Neighborhood Pool, together with means of access for ingress and egress to the Neighborhood Pool. The Summerlin Council may, in its discretion, charge reasonable user fees to offset the costs of ownership, maintenance, and reserves for repair and replacement of the Neighborhood Pool.

3. Community Center. Owner agrees to design and construct, at its sole cost and expense (subject to Special Improvement District funding as described below in Section 19), a community center of approximately 25,000 square feet that is similar in design and finish to the Veteran's Memorial Center in the Arbors Village (the "Community Center"), together with off-site improvements installed pursuant to the City's standard Offsite Improvements Agreement, and to offer to dedicate the Community Center to the City free of all liens, encumbrances, SID assessments, and any covenants, conditions and restrictions other than those currently of record and as set forth in Section 23 below. Owner shall take all measures necessary to create a separate parcel for the Community Center site prior to obtaining a building permit therefor; provided, the City will cooperate in good faith. The programming concept for the Community Center will be developed by the parties and mutually agreed to prior to commencement of construction of the Community Center. The City agrees (i) to accept dedication of the Community Center and appurtenant facilities subject to adherence to design and construction standards that are mutually acceptable to the parties as established prior to the commencement of construction, and (ii) to maintain the Community Center in accordance with a written maintenance standard that is mutually acceptable to the parties. The location of the Community Center may be adjacent to the Neighborhood Pool described above. Owner shall have no obligation to furnish or equip the Community Center, or, following completion and dedication to the City, to operate or pay any portion of the operational costs of the Community Center.

4. Police Substation. Owner will design and construct, at its sole cost and expense (subject to Special Improvement District funding as described below in Section 19), a police substation with a helicopter landing pad, together with off-site improvements installed pursuant to the City's standard Offsite Improvements Agreement, within an area of approximately 5 acres of land within the Property, and dedicate the land and facilities (collectively, the "Substation") to the City, free of all liens, encumbrances, SID assessments and any covenants, conditions and restrictions other than those currently of record and as set forth in Section 23 below, for the exclusive use of the Las Vegas Metropolitan Police Department ("LVMPD"). Any portion of the 5 acres that is not used by the LVMPD will nevertheless be dedicated to the City for use by the City for any public governmental purpose. The City agrees to accept dedication of the Police Substation and appurtenant facilities subject to adherence to design and construction standards that are mutually acceptable to the parties and LVMPD as established prior to commencement of construction. The Substation will satisfy Owner's obligation to donate 5 acres to the City for a satellite Government Center under Section 5.02 of the Development Agreement. The Substation will be similar in design, finish and functional characteristics to the existing Bolden Area Command Substation. Owner shall not be required to construct the Substation earlier than seven (7) years from the date of this First Amendment, unless the parties agree to build and operate the Substation earlier. City agrees that Owner shall have no obligation to furnish or equip the station, or, following completion and dedication to the City, to operate or pay any portion of the operational costs of the Substation.

5. Third Fire Station. Owner and City have agreed on locations for two fire stations, designated as Station 47 (near the intersection of Desert Foothills Drive and Far Hills Avenue) and Station 46 (near the intersection of Lake Mead Boulevard and the Beltway). If the City determines that an additional (third) fire station is required to serve the Planned Community, Owner shall, at its sole cost and expense, dedicate one and three-fourths (1.75) acres of land with the same net minimum dimensions as for Stations 46 and 47, and construct those Standard Improvements required to serve such additional land, for such fire station; provided the City commits to construct, equip and operate the fire station at City's expense and to have the station in operation within a reasonable time following acceptance of dedication of the property.

 Owner shall dedicate the Third Fire Station site to the City free of all liens and encumbrances, and shall execute the City's standard form of Off-site Improvements Agreement and pursuant thereto shall install the off-site improvements related to such Station, including stubbing all utilities necessary to operate the Station to the property line. The City shall construct, equip and operate ~~Station 46~~ <sup>THE THIRD STATION</sup> in coordination with Owner's installation of the off-site improvements. Owner will not be responsible for dedication of the site until at least such time as Owner begins development of residential units within the area west of the line shown on Exhibit "A" hereto (being the westerly boundary of proposed Villages 24, 30, 29 and 28). Other than as set forth in this paragraph, Owner shall not be responsible for the costs of construction or operation of the third fire station.

Paragraphs 6 through 15 below apply to the Community Center and Police Substation (collectively referred to hereinafter as the Projects, or singly as a Project).

6. Plans and Specifications. Owner shall design each Project, and shall submit such plans and specifications in stages of 50%, 90% and 100% plan sets to the City's Architectural Services Section and obtain final approval thereof prior to proceeding with other necessary approvals and documentation required by the development process through the regulatory authorities referred to below. Owner does hereby acknowledge and agree that the City's Architectural Services Section does not have any control, authority or influence over the decisions or requirements of other regulatory authorities which are separate from the City, or which may be departments of the City acting in a regulatory manner including, but not limited to, the Building Department, Fire Department, Planning Department or divisions within the Department of Public Works. Owner is responsible for complying with the requirements imposed by the regulatory authorities (including complying with the departments of the City acting in a regulatory manner--i.e. it shall be the responsibility of Owner to obtain any inspections required for the Projects through the City, State of Nevada or other local agencies, provided the City's Architectural Services Section shall act in good faith to resolve any dispute between conflicting departments of the City). Owner shall secure the necessary permits including, but not limited to, building permit, dust control permit, sanitation or sewer discharge permit, water permit or other applicable permits, and pay the required license and inspection fees associated therewith, which are necessary for the proper execution and completion of the Projects. The duties of Owner to the Architectural Services Section and the Section's Project Manager pursuant to this Agreement, are in addition to and independent of any requirements of the above-referenced regulatory authorities.

7. Notification and Inspections.

(A) Owner agrees to notify the Architectural Services Section's Project Manager ("Project Manager"), as so designated from time to time by the Architectural Services Section, in writing not less than seven (7) days in advance of the time when site design, permitting and construction work is anticipated to commence on a Project.

(B) If, after such notice has been given, conditions develop that delay the commencement or continuation of such work for more than one week, Owner agrees to notify the Project Manager in writing of such delay.

8. Project Access. The City shall have the right to enter and access the Project site at any time to review field conditions and verify compliance with the Project plans and specifications. If items are found to be in non-compliance with the Project plans or



specifications, the Project Manager shall notify Owner in writing of items in need of correction, repair or replacement, and Owner shall diligently comply therewith; provided, however, that the inspection of any phase of the work shall not relieve Owner of its responsibility for the proper construction, installation and maintenance of the work, materials and equipment, in accordance with the standards that are set forth in Paragraphs 6 and 14 hereof, or abridge the right of the City to require the correction of faulty workmanship or the replacement of defective materials at any time during the course, or subsequent to the completion, of the work. Should subsurface conditions, including without limitation excess water, clay salts, voids or similar defects, subsequently be discovered, the City may require Owner, at Owner's sole cost and expense, to alter the plans and specifications for any further construction or to correct, change or reconstruct the area that is affected by such conditions, or to take both of such actions. Only the Project Manager shall have the authority to direct, approve or accept deviations from the design, specifications or other requirements of this Agreement.

9. Utilities. Owner agrees, at its sole cost and expense, to make any adjustment in the construction of the project which is necessary in order to accommodate the location of all existing utilities or, in the alternative and with the approval of the utility company that owns such utilities, to adjust such utilities in order to avoid any conflict between them and the Project requirements. Owner shall install, and pay the costs for, all utility fees and hook-ups required for the final operation of the Project.

10. As-built drawings and specifications. Owner shall keep a marked-up, up-to-date set of drawings showing as-built conditions of the work during the course of construction as an accurate record of the deviations between the work as shown on the drawings and specifications and the work as installed. Upon completion of the work, Owner shall furnish to City a complete set of as-built drawings, in both Mylar hardcopy format and AutoCAD 2000 electronic format, neatly and accurately revised to reflect the as-built conditions of the work, and the word "Record" shall be clearly printed on each sheet and showing the City of Las Vegas Planroom number and sheet numbers. The record specifications shall be prepared in the format of Microsoft Word, and a hardcopy signed and dated shall be provided to the City at the completion of the Project.

11. Schedule of values. Owner shall provide to the City a Schedule of Values allocated to various portions of the work. The Schedule of Values shall be formed and supported by such data and information acceptable to the City. Each line item of the Schedule of Values shall contain no more than reasonable and attributable costs applicable to the line item. Owner shall warrant the Schedule of Values to be reliable and accurate, and documents used in the preparation thereof shall be available for review by the City. All overhead costs shall be proportionately distributed across all line items in the Schedule of Values.

12. Maps, Plans And Other Documents. Owner agrees to furnish the City, upon the completion of the Project, a paper copy of the following information with respect to the Project:

Building Permit Card Final Signatures obtained  
Certificate of Occupancy or Certificate of Completion  
Punch List signed off as completed by the Project Manager  
Documentation of the following utilities confirmed:

Service Accounts established, fees paid, & utility operating for:

Water

Sewer

- Power
- Phone for station
- Phone for fire alarm
- Phone for irrigation controls
- Water "Turn On" application completed
- Water "Bill of Sale" completed
- Affidavit of Release of Debts and Claims
- Affidavit of Release of Liens
- Operation and maintenance manuals
- Product warranties and bonds
- Testing reports
- Water Audit Report showing the irrigation system meets the City approved specifications
- Material overages, spare parts, maintenance products, repair kits
- Record Drawings on mylar clearly detailing all construction revisions include all survey, topographic and utility agency/company design drawings for each utility constructed.
- Geo-technical Report
- Geo-technical Data Report
- Survey Report
- Environmental Assessment Report
- Biological Assessment / Mitigation Report (if any)
- Project cost breakdown (Schedule of Values)
- Construction project progress photographs, taken on a regular basis, labeled and dated
- Contractor's daily reports

13. Project Approval.

(A) The City shall not approve or accept a Project as completed, notwithstanding any prior approval pursuant to Paragraph 8 above of any phase of the construction, until a final inspection has been made by the Project Manager or his designated representative, and he is reasonably satisfied that all of the work thereon has been performed in a satisfactory manner. The City hereby reserves the right to require the correction by Owner of any portion of the work that does not comply with the standards that are set forth in Paragraphs 6 and 14 hereof. Minimum requirement for project approval include but are not limited to a complete and functional facility.

(B) It is expressly understood and agreed by Owner that final inspection and approval by the City of the work does not relieve Owner of its responsibility for latent defects in the work.

(C) Upon acceptance of the work, Owner shall promptly transfer all active utility accounts to the City.

14. Standards Of Design, Construction And Installation. Owner agrees that the construction and installation of a Project shall be in accordance with all applicable codes, ordinances and regulations of the City, including without limitation the Uniform Standard Drawings for Public Works Construction, Clark County Area, and the Uniform Standard Specifications for Public Works Construction, Clark County Area, OAS (Office of Architectural Services) Design Standards, that are in effect on the date of the execution of this Agreement.

15. Schedule Of Completion. The design and permitting phase of the Police Substation shall be completed within 180 calendar days of the date the City notifies the Owner to proceed with the Police Substation pursuant to the terms of this Agreement, provided that Owner shall not be required to complete the design and permitting therefor any earlier than reasonably required to meet the construction completion date set forth in Section 4 above and provided that Owner shall not be obligated to commence design of the Police Substation until the City has committed in writing to fund the furnishing, equipment and operation thereof. The construction of the Police Substation shall commence within 120 calendar days after the date of approval of the plans and specifications required in paragraph 6 hereof and shall be completed, and all rubbish, trash, debris, surplus material and equipment removed from the Project site, within a two year period from the start of construction.

The design and permitting phase of the Community Center shall be completed within 540 calendar days of the date the City notifies the Owner to proceed with the Community Center pursuant to the terms of this Agreement; provided that Owner shall not be obligated to commence design of the Community Center until the City has committed in writing to fund the furnishing, equipment and operation thereof. The construction of the Community Center shall commence within 120 calendar days after the date of approval of the plans and specifications required in paragraph 6 hereof and shall be completed, and all rubbish, trash, debris, surplus material and equipment removed from the Project site, within a two year period from the start of construction.

The Project Manager may approve adjustments to the Project schedule if documentation is provided that demonstrates justifiable non-compliance with stated milestones. Final acceptance of the Project will be via letter after all provisions of the Agreement have been met and final documentation for the Project has been received by the City. All of Owner's obligations with respect to a Project shall cease upon final inspection and dedication of the Project to the City as provided herein.

16. Responsibility For The Worksite. Owner is responsible at all times for securing the work and the Project Site and furnishing all utility services until the Project is completed and dedicated to the City. Owner shall conduct its operations in a manner as to avoid the risk of damage, injury, loss or theft by any means (including acts of God, vandalism or sabotage) to the work or to the property of Owner, the City or any other person. Owner shall promptly take such reasonable precautions, which are necessary and adequate against any and all conditions involving such risk of damage, injury, loss or theft. Owner shall continuously inspect the work (including the materials and equipment used in connection therewith) to discover and determine if any such conditions exists and shall be solely responsible for correcting such conditions.

17. Indemnification.

(A) Owner hereby agrees to protect, indemnify and hold the City, its officers, agents and employees, harmless from and against any and all claims, liens, damages, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees and court costs which the City, its officers, employees or agents, may suffer, or which may be sought against, or are recovered or obtainable from, the City, its officers, employees or agents, as a result of, or by reason of, or arising out of or in consequence of any act or omission, negligent or otherwise, of Owner or its contractor, subcontractors, agents or anyone who is directly or indirectly employed by, or is acting in concert with, Owner, its contractor, subcontractors or agents in the construction or installation of a Project or the performance of this Agreement.

(B) In this connection, Owner expressly agrees, at its sole cost and expense, to defend the City, its officers, employees and agents, in any claim, suit or action that may be asserted, or brought against it or them, or any of them, by reason of any act or omission, negligent or otherwise, against which Owner has agreed to indemnify the City, its officers, employees and agents. If Owner fails so to do, the City shall have the right, but not the obligation to defend same and to charge all of the direct and incidental costs of such defense, including attorneys' fees and court costs, to Owner, and the City may recover such costs.

18. Disclosure Of Principals. Pursuant to Resolution R-105-99 adopted by the City Council on November 17, 1999, Owner warrants that it has disclosed, on the disclosure form attached hereto as Exhibit B, all principals, including partners, of Owner, as well as all persons and entities holding more than a 1% interest in Owner, or any principal of Owner. If Owner or its principals or partners described above are required to provide disclosure under federal law (such as disclosure required by the Securities and Exchange Commission (SEC) or the Employee Retirement Income Act (ERISA)), and attaches current copies of such federal disclosures to Exhibit A, the requirement of this Section shall be satisfied. Throughout the term hereof, Owner shall within fifteen (15) days notify City in writing of any material change in the above disclosure. Copies of new federal disclosure filings shall also be sent to the City within fifteen (15) days of any such filing.

19. Special Improvement District Funding. The City agrees to cooperate in securing special improvement district funding for the design and construction of the Regional Parks which will be dedicated to the City, the Community Center and the Police Substation, including seeking an amendment to the Special Improvement District Guidelines, if necessary, to permit such funding under NRS Chapter 271. Funding of improvements shall be subject to the availability of funds for such purposes in any existing or future special improvement districts created within the Property. All improvement district funding will be in compliance with the Special Improvement District Guidelines.

20. Transportation Master Plan Update. Owner agrees to reimburse City for its reasonable costs incurred to update the Transportation Master Plan; provided the maximum reimbursement shall not exceed \$180,000. The parties agree that the update will address the impact of increasing the number of residential units on the Property from 20,250 to 30,000 and will include the major street segments and intersections south of Cheyenne Avenue, north of Sahara Avenue and west of Rainbow Boulevard. In consideration, City agrees that, except as provided in Section 9.03 of the Development Agreement, Owner, shall have no obligation to participate in, pay, contribute or otherwise provide any further exactions to provide for rights-of-way, facilities or improvements for the road and motor vehicular traffic system outside of the Planned Community or for any facilities, equipment or physical improvements outside the Planned Community that are a substitute therefor.

21. Maximum Residential Units. The number of residential dwelling units that may be developed by right on the Property is hereby increased from 20,250 to 30,000.

22. Term of Development Agreement. The Term of the Development Agreement shall expire on the thirtieth (30th) anniversary of the date this First Amendment is approved by the City Council, unless extended by written agreement executed by City and Owner.

23. Public Land Use Restriction. Any land dedicated by Owner to the City pursuant to the terms of this Agreement will be restricted by deed restriction to the intended uses as described herein.

24. Continuing Effect. Except as explicitly modified by this First Amendment, the Development Agreement shall remain in full force and effect. Any capitalized term used herein shall have the same meaning as in the Development Agreement unless otherwise specified.

In witness whereof the parties have executed and acknowledged this instrument as of the day and year set forth above.

THE HOWARD HUGHES CORPORATION,  
a Delaware CORPORATION

By: *[Signature]*

Print Name: DANIEL C. VAN EPP

Title: PRESIDENT

STATE OF NEVADA     )  
                                  ) ss.  
COUNTY OF CLARK    )

On November 26, 2003, before me, the undersigned, personally appeared DANIEL C. VAN EPP personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument to be the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State

(SEAL)



CITY OF LAS VEGAS, NEVADA

By: *Oscar B. Goodman*  
 Print Name: Oscar B. Goodman  
 Title: Mayor

ATTEST:

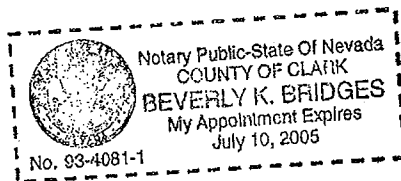
*Barbara Jo Ronemus*  
 Barbara Jo Ronemus, City Clerk

Approved As To Form:

*Thomas R. Green* 11-10-03  
 Deputy City Attorney Date

STATE OF NEVADA     )  
                                   ) ss.  
 COUNTY OF CLARK    )

This instrument was acknowledged before me on this 16<sup>th</sup> day of December 2003 by  
Oscar B Goodman as Mayor of the City Of Las Vegas, Nevada.



*Beverly K. Bridges*  
 Notary Public  
 (My commission expires: 7/10/2005)

EXHIBIT A  
DESCRIPTION OF PROPERTY

SECTIONS 15, 21, 22, 27, 28, 29 AND 33, AND THAT PORTION OF SECTIONS 14, 16, 17, 20, 23, 26, 32, 34 AND 35, TOWNSHIP 20 SOUTH, RANGE 59 EAST, AND THAT PORTION OF SECTIONS 3 AND 4, TOWNSHIP 21 SOUTH, RANGE 59 EAST, M.D.M., CLARK COUNTY, NEVADA, AND DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE SOUTHWEST CORNER OF PARCEL 1 AS SHOWN BY MAP THEREOF ON FILE IN FILE 84, PAGE 70 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA; THENCE ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF CHARLESTON BOULEVARD THE FOLLOWING SEVEN (7) COURSES: SOUTH 89 48'28" WEST, 5653.85 FEET; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 1575.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 47 52'51", AN ARC LENGTH OF 1316.19 FEET; THENCE SOUTH 41 55'37" WEST, 243.07 FEET; THENCE NORTH 82 46'06" WEST, 464.52 FEET; THENCE SOUTH 07 13'54" WEST, 100.00 FEET; THENCE SOUTH 82 46'06" EAST, 395.29 FEET; THENCE SOUTH 41 55'37" WEST, 742.92 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF GOVERNMENT LOT 3 OF SECTION 3, TOWNSHIP 21 SOUTH, RANGE 59 EAST; THENCE ALONG THE SOUTH LINE OF GOVERNMENT LOT 3 AND ALONG THE SOUTH LINE OF GOVERNMENT LOT 4 OF SAID SECTION 3, NORTH 89 40'23" WEST, 2004.86 FEET TO THE SOUTHEAST CORNER OF GOVERNMENT LOT 1 OF SECTION 4, TOWNSHIP 21 SOUTH, RANGE 59 EAST; THENCE ALONG THE SOUTH LINE OF GOVERNMENT LOT 1 AND ALONG THE SOUTH LINE OF GOVERNMENT LOT 2 OF SAID SECTION 4, SOUTH 89 17'20" WEST, 2672.22 FEET TO THE SOUTHWEST CORNER OF SAID GOVERNMENT LOT 1; THENCE NORTH 60 16'18" WEST, 2513.04 FEET TO THE SOUTHWEST CORNER OF SECTION 33, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE NORTH 58 20'20" WEST, 2584.21 FEET TO AN ANGLE POINT ESTABLISHED BY THE BUREAU OF LAND MANAGEMENT; THENCE NORTH 66 34'14" WEST, 3713.62 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SECTION 32, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 32, NORTH 05 28'00" WEST, 2847.56 FEET TO THE SOUTHWEST CORNER OF SECTION 29, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 29, NORTH 02 16'41" EAST, 2632.06 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SAID SECTION 29; THENCE CONTINUING ALONG SAID WEST LINE, NORTH 02 38'27" EAST, 2633.34 FEET TO THE SOUTHWEST CORNER OF SECTION 20, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 20, NORTH 02 24'39" WEST, 2631.68 FEET TO THE WEST QUARTER (W 1/4) CORNER THEREOF; THENCE ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER (SW 1/4) OF SAID SECTION 20, SOUTH 89 33'03" EAST, 2605.65 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST (NE 1/4) QUARTER OF SAID SECTION 20; THENCE ALONG THE WEST LINE THEREOF, NORTH 02 30'48" WEST, 2629.25 FEET TO THE SOUTH QUARTER (S 1/4) CORNER OF SECTION 17, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF THE SOUTHEAST QUARTER (SE 1/4) OF SAID SECTION 17, NORTH 00 22'56" WEST, 2633.39 FEET TO THE NORTHWEST CORNER THEREOF; THENCE ALONG THE NORTH LINE OF SAID SOUTHEAST QUARTER (SE 1/4), SOUTH 89 34'11" EAST, 2628.84 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SECTION 16, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE NORTH LINE OF THE SOUTH (S 1/2) HALF OF SAID SECTION 16, NORTH 88 43'13" EAST, 5356.98 FEET TO THE WEST QUARTER (W 1/4) CORNER OF SECTION 15, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE WEST LINE OF SAID SECTION 15, NORTH 00 42'42" EAST, 2718.82 FEET TO THE NORTHWEST CORNER OF SAID SECTION 15; THENCE ALONG THE NORTH LINE OF SAID SECTION 15, NORTH 89 48'42" EAST, 5353.83 FEET TO THE NORTHWEST CORNER OF SECTION 14, TOWNSHIP 20 SOUTH, RANGE 59 EAST; THENCE ALONG THE NORTH LINE OF SAID SECTION 14, NORTH 89 05'14" EAST, 1415.89 FEET TO THE NORTHWEST CORNER OF THE AFOREMENTIONED PARCEL 1 (FILE 84, PAGE 70 OF PARCEL MAPS); THENCE ALONG THE WESTERLY LINE OF SAID PARCEL 1 THE FOLLOWING EIGHT (8) COURSES: SOUTH 00 03'30" WEST, 4049.20 FEET; THENCE SOUTH 74 00'00" EAST, 1978.63 FEET; THENCE FROM A TANGENT BEARING SOUTH 13 47'28" WEST CURVING TO THE LEFT ALONG THE ARC OF A 4275.00 FOOT RADIUS CURVE, CONCAVE EASTERLY, THROUGH A CENTRAL ANGLE OF

07 51'12", AN ARC LENGTH OF 585.96 FEET; THENCE SOUTH 05 56'16" WEST, 5027.29 FEET; THENCE CURVING TO THE LEFT ALONG THE ARC OF A 6675.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 25 51'36", AN ARC LENGTH OF 3012.71 FEET; THENCE SOUTH 19 55'20" EAST, 2219.26 FEET; THENCE CURVING TO THE RIGHT ALONG THE ARC OF A 6325.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 17 56'51", AN ARC LENGTH OF 1981.26 FEET; THENCE SOUTH 01 58'29" EAST, 4356.77 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 8350.27 ACRES.

EXCEPTING THEREFROM PARCEL 2 AS SHOWN BY MAP THEREOF ON FILE IN FILE 82, PAGE 01 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

ALSO EXCEPTING THEREFROM PARCEL 2 AS SHOWN BY MAP THEREOF ON FILE IN FILE 84, PAGE 71 OF PARCEL MAPS IN THE CLARK COUNTY RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

TOTAL AREA CONTAINS APPROXIMATELY 8318.64 ACRES.



## EXHIBIT "B"

## DISCLOSURE OF PRINCIPALS

In compliance with City of Las Vegas Resolution R-105-99, the undersigned certifies that THHC, is wholly owned by The Rouse Company, a public corporation required to provide ownership disclosure under federal law, and that a current copy of such federal disclosure is submitted herewith.

THE HOWARD HUGHES CORPORATION:

By: *Jeffrey B. Beene*  
Authorized Signatory

State of Nevada           )  
                                  )ss.  
County of Clark         )

Subscribed and sworn to before me this  
6<sup>th</sup> day of October 2003.

*Jane Denio*  
Notary Public

