FIRST ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE, made and entered into this 7th day of March, 1996, by and between LYON COUNTY, a political subdivision of the State of Nevada, hereinafter referred to as LESSOR, and LAHONTAN AIRPORT DEVELOPMENT ASSOCIATION, a Nevada nonprofit corporation, hereinafter referred to as LESSEE.

WITNESSETH

WHEREAS, LESSOR and LESSEE have entered into a certain lease dated July 2, 1992, regarding real property known as the Silver Springs Airport; and

WHEREAS, the parties desire to add two small adjacent parcels to the area leased, increase the rent payable to Lyon County, and correspondingly reset the lease term;

NOW THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein the parties agree;

1. That Section I of the Agreement is amended to read as follows:

I. PROPERTY LEASED:

Lessor hereby leases to Lessee the Silver Springs Airport which is described below, and referred to therein as "the property" or "the airport", **including the additional parcels 4 and 5.**

Parcel 1:

T 18 N, R 24 E, Mt. Diablo Mer., NV

Sec. 24: S 1/2, SW 1/4
Sec. 26: N 1/2, NE 1/4; SW 1/4, NE 1/4; NE 1/4, NW 1/4; S 1/2 NW 1/4

The area described above aggregates 320 acres.

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Parcel 2:

A parcel of land situated in the N 1/2 of the NW 1/4 of Section 25, T 18 N. R 24 E, and being more particularly described as follows:

Beginning at the section corner common to Sections 23, 24, 25, and 26, T 18, N, R 24 E, thence due east for a distance of 2258.31 feet, thence south 68 degrees, 59' west for a distance of 2419.25 feet, thence due north for a distance of 867.64 feet, to the point of beginning.

The area described above aggregates approximately 22.28 acres.

Parcel 3:

A parcel of land situated in the SE 1/4 of the SE 1/4 of the SE 1/4 of Section 23, T 18 N, R 24 E, and being more particularly described as follows:

Beginning at the section corner common to Sections 23, 24, 25, and 26, T 18 N, R 24 E, thence due north for a distance of 203.64 feet, thence south 68 degrees 59' west for a distance of 583.71 feet, thence north 89 degrees 24' east for a distance of 544.91 feet, to the point of beginning.

The area described above aggregates approximately 1.27 acres.

Parcel 4:

That portion of the NW 1/4 of the NW 1/4 of Section 25, T. 18 N., R. 24 E., M.D.M., lying southerly of the 750 foot right or southerly right-of-way line of the Lahonton Flight Strip No. 4 as described in that certain document and map filed in the Office of the County Recorder of Lyon County, Nevada as Document Number 183356 of Official Records on June 21, 1995; said parcel contains an area of 12.92 acres (562,795 square feet), more or less.

Parcel 5:

That portion of the NW 1/4 of the NW 1/4, Section 25, T. 18 N., R. 24 E., M.D.M. lying northerly of the 750 foot right or southerly right of way line of the Lahonton Flight Strip No. 4 as described in that certain document and map filed in the Office of the County Recorder of Lyon County, Nevada as Document Number 183356 of Official Records on June 21, 1995; said parcel contains an area of 17.23 acre, more or less.

EXCLUDING THEREFROM, the portion overlapping the following:

a) A fraction of the Northeast 1/4 of the Northwest 1/4 of Section 25, beginning at a point 2263 feet North of the center of Section 25, along the East boundary Northwest 1/4 of Section 25 to the point of beginning; thence West 238 feet to a point; thence North 208 feet to a point; thence East 238 feet to a point; thence South 208 feet to the point of beginning.

b) A Fraction of the Northeast 1/4 of the Northwest 1/4 of Section 25, Beginning at a point 2263 feet North of the center of section 25, thence West 461 feet to the point of Beginning; Thence North 208 feet to a point; Thence East 208 feet to a point; Thence South 208 feet to a point; Thence West 208 feet to the point of Beginning.

2. That Section II of the Agreement is amended to read as follows:

It is agreed that LESSEE is granted the aforedescribed premises to have and to hold, for the purpose of developing and operating a public use airport and related businesses, for a term of fifty (50) years, commencing from the date of this Addendum, unless sooner terminated as herein provided and subject to conditions and covenants herein contained.

3. That Section VIII of the Agreement is amended to read as follows:

1. Lessee shall pay to Lessor the sum of $600.00 per year, due on or before the 1st day of July of each year for the first five (5) years of this Lease; and,

2. Thereafter, Lessee shall pay to Lessor annually two percent (2%) of gross annual income from land rental or land sublease which rent shall be set at a fair market value, but not less than $600.00 per year. Gross annual income shall be determined as the average of the last five (5) years rental income.

4. That all other provisions of the Agreement shall remain in force and effect unless specifically changed by this Addendum.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to Lease.

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LESSOR:

LYON COUNTY

By: _____
NANCY DALLAS, Commissioner

By: _____
RICO SACCHINI, Commissioner

By: _____
FRANK ELWELL, Commissioner

By: _____
CHET HILLYARD, Commissioner

By: _____
KATHLEEN JENSEN, Commissioner

ATTEST:

By: _____
MARION PINKERTON, Clerk

LESSEE:

LAHONTAN AIRPORT DEVELOPMENT ASSOCIATION

By: _____
KAY BENNETT, President

ATTEST:

_____
HALE B. BENNETT, Secretary/Treasurer

APPROVED AS TO FORM:

By: _____ Deputy D.A. for
ROBERT ESTES, ESQ.
LYON COUNTY DISTRICT ATTORNEY

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OFFICIAL RECORD
LYON COUNTY, NEV.
RECORD REQUESTED BY
Hale Bennett
96 APR 16 PM 1:41

NANCY M. CARR
COUNTY RECORDER
FEE 10.00 DEP. M.C.

CERTIFIED COPY SEAL AFFIXED
The document to which this certificate is attached is a full, true and correct copy of the original on file and of record in my office.
Date 3/14/96
In and for the Third Judicial District Court of the State of Nevada, In and for Lyon County.
By Deborah Wade
Deputy