

Nevada OIL  
Box 4304  
Stateline NV 89449

1     DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

2  
3     This Declaration is made as of this 15th day of  
4     December, 1980, by Richard Evans,

5  
6                     Anne Evans,

7  
8                     \_\_\_\_\_ ,

9  
10                    \_\_\_\_\_ ,

11 hereinafter collectively referred to as "Declarant."

12                     W I T N E S S E T H:

13     WHEREAS, Declarant is the owner of that certain condominium  
14 lot in the County of Douglas, State of Nevada, on which can  
15 be constructed four (4) condominium units. The said lot is  
16 more particularly described on Exhibit "A", which is attached  
17 hereto and incorporated herein by reference.

18     NOW THEREFORE, Declarant hereby declares that four (4)  
19 condominium units are to be constructed on the above-referenced  
20 real property located in Douglas County, Nevada, and that  
21 said units shall be held, sold and conveyed subject to the  
22 following easements, restrictions, covenants and conditions  
23 which are for the purpose of protecting the value and desirability  
24 of and which shall run with the real property and be binding  
25 on all parties having any right, title, or interest in the  
26 described property or any part thereof, their heirs, successors  
27 and assigns, and shall inure to the benefit of each owner  
28 thereof.

29                     ARTICLE I

30                     DEFINITIONS

31     SECTION 1: "Association" shall mean and refer to the  
32 Lot 122 Tahoe Village No. 1 Homeowners Association, its successor

1 and assigns.

2 SECTION 2: "Owner" shall mean and refer to the record  
3 owner, whether one or more persons or entities, of a fee  
4 simple title to any unit which is part of the property  
5 including contract sellers, but excluding those having such  
6 interest merely as security for the performance of an obligation.

7 SECTION 3: "Property" shall mean and refer to that  
8 certain real property hereinabove described on which shall  
9 be constructed four (4) condominium units, and any such  
10 additions thereto as hereafter may be brought within the  
11 jurisdiction of the Association.

12 SECTION 4: "Common Area" shall mean and refer to the  
13 exterior shell and roof of the physical structure in which  
14 the four (4) units are contained.

15 SECTION 5: "Declarant" shall mean and refer to and  
16 their successors and assigns.

17 ARTICLE II

18 PROPERTY RIGHTS

19 SECTION 1: Owner's easements of enjoyment. Every  
20 Owner shall have a right and easement of enjoyment in and to  
21 the Common Area, which shall be appurtenant to and shall pass  
22 with the title to every unit subject to the following provisions:

23 (a) The right of the Association to install,  
24 maintain, and repair utility services to the units and the  
25 right of the Association to have a reasonable means of  
26 ingress and egress to the said unit for the purpose of  
27 maintaining and repairing the common area;

28 (b) The right of the Association to suspend the  
29 voting rights for a period not to exceed sixty (60) days for  
30 any infraction of its published rules and regulations;

31 (c) The right of the Association to dedicate or  
32 transfer all or any part of the Common Area to any public

1 agency, authority or utility for such purposes, and subject to  
2 such conditions as may be agreed to by the members. No such  
3 dedication or transfer shall be effective unless an instrument  
4 signed by two-thirds (2/3) of each class of members agreeing  
5 to such dedication or transfer has been recorded with the  
6 Douglas County Recorder's office.

7 SECTION 2: Delegation of Use. Any Owner may delegate in  
8 accordance with the By-Laws his right of enjoyment to the Common  
9 Area to the members of his family, his tenants, or contract  
10 purchasers who reside in the unit.

11 ARTICLE III

12 MEMBERSHIP AND VOTING RIGHTS

13 SECTION 1: Every Owner of a unit which is subject to  
14 assessment shall be a member of the Association. Membership  
15 shall be appurtenant to and shall not be separate from ownership  
16 of any unit which is subject to assessment.

17 SECTION 2: The Association shall have two (2) classes of  
18 voting membership, Class A and Class B. Class A members shall be  
19 all Owners, with the exception of the Declarant, and shall be  
20 entitled to one vote for each unit owned. When more than one  
21 person holds an interest in any unit, all such persons shall be  
22 members. The vote for such unit shall be exercised as they among  
23 themselves determine, but in no event shall more than one vote be  
24 cast with respect to any unit. Class B member(s) shall be the  
25 Declarant and shall be entitled to three (3) votes for each lot  
26 owned. The Class B membership shall cease and be converted to  
27 Class A membership on the happening of either of the following  
28 events, whichever occurs earlier:

29 (a) When the total votes outstanding in the Class A  
30 membership equal the votes outstanding in the Class B membership,  
31 or  
32

1 (b) January 1, 19<sup>82</sup>.

2 ARTICLE IV

3 COVENANT FOR MAINTENANCE ASSESSMENT

4 SECTION 1: Creation of the lien and personal obligation  
5 of assessments. The Declarant for each unit owned that is  
6 constructed on the real property hereinabove described hereby  
7 covenants, and each Owner of any unit, by acceptance of a deed  
8 therefore, whether or not it shall be so expressed in such deed,  
9 is deemed to covenant and agree to pay to the Association (1)  
10 annual assessment or charges and (2) special assessments for  
11 capital improvements, such assessments to be established and  
12 collected as hereinafter provided. The annual and special assess-  
13 ments, together with interest, costs and reasonable attorneys'  
14 fees, shall be a charge on the land and shall be a continuing  
15 lien upon the unit against which each such assessment is made.  
16 Each such assessment, together with interest, costs and reasonable  
17 attorneys' fees shall also be the personal obligation of the  
18 person who was the Owner of such unit at the time when the assess-  
19 ment fell due. The personal obligation for delinquent assessment  
20 shall not pass to his successors in title unless expressly assumed  
21 by them.

22 SECTION 2: Purpose of assessments. The assessments levied  
23 by the Association shall be used exclusively for the maintenance  
24 and repair of the Common Area and to promote the recreation,  
25 health, safety and welfare of the residents in the units. Such  
26 maintenance and repair shall include, but is not limited to:  
27 necessary repairs, maintenance and replacement of the exterior  
28 shell and roof of the property, maintenance and repair of the  
29 Common Area, obtaining insurance covering loss or destruction of  
30 the Common Area, exterior shell and roof of the property, and  
31 payment of premiums therefor. The Association may establish a  
32 reserve fund for the repair or replacement of the exterior shell

1 and roof of the property, and may use annual or special assessments  
2 funds in such reserve. The Association shall not be responsible  
3 for replacement of glazing. Repairs or replacement of glazing  
4 or glass shall be the responsibility of the Owners of the unit  
5 appurtenant to such glazed surface.

6 SECTION 3: Operating funds. The Association shall maintain  
7 an operation fund into which the Board of Directors shall deposit  
8 all funds paid to the Association as maintenance and operation  
9 assessments and special assessments. Said fund shall be held in  
10 trust by the Association for the use and benefit of its individual  
11 members, and shall only be used for and applied to the common  
12 specific purposes of the members as it is herein set forth:

13 (a) Initial Board of Directors. The initial Board of  
14 Directors of the Association shall consist of three (3) directors  
15 and shall be elected by the Declarant upon the incorporation of  
16 the Association. Each director shall hold office until six (6)  
17 months after the transfer and conveyance by Declarant of the  
18 first parcel to a purchaser or until 51% of the units in the  
19 property have been sold and conveyed to purchasers whichever  
20 occurs first, at which time a special meeting of the members  
21 shall be held for the purpose of electing a new Board. At said  
22 special meeting a Board of three (3) directors shall be elected  
23 to serve until the first annual meeting of the Association or  
24 until such later time as their successors may be elected.

25 (b) Board of Directors. At each annual meeting,  
26 subsequent to the special meeting referenced in Subparagraph (a)  
27 above, the membership shall elect a number of directors whose  
28 terms have expired. At the first regular annual meeting, two (2)  
29 directors shall initially serve for two-year terms and one (1)  
30 shall serve for one-year terms. Thereafter as such initial terms  
31 expire, directors shall be elected to serve two-year terms.  
32 Thus, two (2) directorships shall be filled every other year and

1 one directorships shall be filled on the alternating years. If  
2 at any election of the Board, the Class A members of the Association  
3 as herein defined do not have a sufficient percentage of the  
4 voting power of the Association to elect at least one Board  
5 member through the accumulating of all of their votes, one Board  
6 member shall be elected solely by the votes of Class A members.  
7 The Board shall be responsible to undertake all duties and respon-  
8 sibilities of the Association and the management and conduct of  
9 the affairs thereof, except as expressly reserved herein to the  
10 vote of the membership.

11 SECTION 4: Duties of the Association. The Association  
12 shall have the obligations and duties subject to and in accordance  
13 with this Declaration of Restrictions to do and perform the  
14 following acts for the benefit of its members and for the main-  
15 tenance and improvement of the property:

16 (a) Members. The Association shall accept all Owners  
17 as members.

18 (b) Annual membership meeting. The Association shall  
19 hold an annual meeting of the members during the month of July of  
20 each and every year as provided by and in accordance with the By-  
21 Laws of the Association.

22 (c) Rule making. The Association shall have the duty  
23 to make, establish, promulgate, amend and repeal the rules as  
24 provided in Section 4(f) of this Article.

25 (d) Enforcement of restrictions and rules. The  
26 Association shall have the duty to take such other action whether  
27 or not expressly authorized by the restrictions, including the  
28 hiring of legal counsel and undertaking legal action that may be  
29 reasonably necessary to enforce the covenants, conditions and  
30 restrictions contained herein and the rules promulgated by the  
31 Association.

32 (e) Powers and authority of the Association. The

1 subsequent Fiscal Year, the Board shall estimate the total charges  
2 to be paid out of the maintenance fund during such year (including  
3 a reasonable reserve for contingencies and replacement, and less  
4 any expected surplus from the prior year). The Board shall  
5 allocate and assess said estimate of total charges to each Owner,  
6 allocating said estimate equally among all of the units. All  
7 funds of the Association shall be budgeted, allocated, assessed  
8 and collected for current maintenance and operation of the units,  
9 for contingencies, for deferred maintenance and for replacement  
10 of capital improvements. Said funds shall be used for the specific  
11 purposes for which said funds have been designated; however, in  
12 the event a surplus appears in one budget account, such surplus  
13 may be transferred to another budget account so long as the  
14 overall budgeted amount is not exceeded. Prior to ninety (90)  
15 days following the end of each Fiscal Year, each Owner shall  
16 receive an accounting of assessment receipts and disbursements  
17 for such Fiscal Year. If such accounting shows that a surplus of  
18 cash results in the current maintenance and operation account,  
19 the Board shall vote as to whether to refund all or a part of  
20 such surplus or as to whether such surplus shall be carried over  
21 to future assessment periods to reduce future assessments.

22 (b) Additional Assessments. If at any time during any  
23 Fiscal Year, the maintenance assessment proves inadequate for any  
24 reason, including non-payment of any Owner's share thereof, the  
25 Board may levy a further assessment in the amount of such actual  
26 or estimated inadequacy, which amount should be assessed to the  
27 Owners individually in the manner set forth in subparagraph (a)  
28 above. Such additional assessment shall not exceed twenty percent  
29 (20%) in the aggregate of the budgeted gross expenses of the  
30 Association for the Fiscal Year without the vote or written  
31 assent of a majority of each class of membership.

32 (c) Increase in Regular Assessments. From and after

1 July 1st of the year immediately following the conveyance of the  
2 first unit to a Public Purchaser, the maximum annual Regular  
3 Assessment may be increased each Fiscal Year not more than twenty  
4 percent (20%) above the maximum assessment for the previous  
5 Fiscal Year without approval of a majority of each class of  
6 members by vote or written assent. The Association may change  
7 the maximum amount of the Regular Assessment prospectively for  
8 any period in excess of twenty percent (20%), provided that any  
9 such changes shall have the assent of a majority of each class of  
10 Members entitled to vote; such votes shall be cast in person or  
11 by proxy, at a meeting duly called for this purpose pursuant to  
12 written notice given to all voting members at least thirty (30)  
13 days in advance, which notice shall set forth the purpose of the  
14 meeting. In the event that a majority of the Class B membership  
15 are not present in person or by proxy at any such meeting as  
16 hereinabove provided, members not present may give their written  
17 assent to the action taken, as long as such writings are executed  
18 and delivered to the Secretary of the Association within five (5)  
19 days after said meeting.

20 (d) Time and Manner of Payment of Assessments.

21 Assessments shall be due and payable by the Owners to the Associa-  
22 tion during the Fiscal Year in equal quarterly installments, in  
23 advance, on or before the first day of each first, fourth,  
24 seventh, and tenth month of each Fiscal Year, or in such other  
25 manner as the Board shall designate. If not paid within thirty  
26 (30) days after its due date, the Board may declare the entire  
27 assessment for such Fiscal Year immediately due and payable in  
28 full. If any suit or action is brought to collect any such  
29 charge, there shall be added to the amount thereof costs of suit  
30 and a reasonable amount of attorneys' fees to be fixed by the  
31 Court and included in any judgment of any such suit or action.

32 SECTION 3: Reimbursement Assessment. The Board shall levy



1 an assessment against any Owner as a result of whose failure to  
2 comply with these Restrictions and/or the Rules promulgated by  
3 the Association, monies were expended by the Association from the  
4 Operating Fund in performing its functions under these Restriction-  
5 tions. Such assessments shall be for the purpose of reimbursing  
6 the Association, shall be limited to the amount so expended and  
7 shall be due and payable to the Association when levied.

8 SECTION 4: Capital Improvement Fund. The Board shall  
9 maintain a Capital Improvement Fund, into which it shall deposit  
10 all monies paid to it as Capital Improvement Assessments. Said  
11 funds shall be deemed to be contributions to the capital account  
12 of the Association by the members and shall be so reflected on  
13 its books.

14 The Board shall make disbursements from said Capital Improve-  
15 ment Fund as required in the performance of the functions for  
16 which the Capital Improvement Assessments are levied.

17 SECTION 5: Capital Improvement Assessments.

18 (a) Upon approval by two-thirds (2/3) of each class of  
19 its voting members of a proposed capital improvement, the estimated  
20 cost of said improvement shall be assessed to all Members in  
21 equal amounts as a Capital Improvement Assessment.

22 (b) If at any time and from time to time a Capital  
23 Improvement Assessment proves or appears likely to prove inadequate  
24 for any reason, including non-payment of any Owner's share thereof,  
25 the Board may, without obtaining any further approval from the  
26 Owners, levy a further Capital Improvement Assessment in the  
27 amount of such actual or estimated inadequacy, which shall be  
28 assessed to all such Owners in equal amounts. If such additional  
29 assessment shall be in excess of five percent (5%) of the original  
30 assessment, the affirmative vote or written consent of two-thirds  
31 (2/3) of each class of members shall be required for such further  
32 assessment.

1 (c) Capital Improvement Assessments shall be due and  
2 payable by all Owners in such installments and during such period  
3 or periods as the Board shall designate.

4 SECTION 6: Default in Payment of Assessments.

5 (a) The assessments levied by the Board on behalf of  
6 the Association under Article V shall constitute separate assess-  
7 ments. Each assessment levied under this Article V, together  
8 with interest, costs and reasonable attorneys' fees, shall be a  
9 separate, distinct and personal debt and obligation of the Owner  
10 against whom it is assessed, and shall bind his heirs, devisees,  
11 personal representatives and assigns. Each assessment levied  
12 under this Article V shall also be a charge on the land and shall  
13 be a continuing lien upon the units against which such assessment  
14 is made. The Association shall have a separate lien, and a  
15 separate lien is hereby created upon each unit against which an  
16 assessment is made to secure the payment of any assessments under  
17 this Article V. Each such lien shall likewise secure interest on  
18 the amount unpaid from the date that it became due and shall also  
19 secure costs of the suit and reasonable attorneys' fees in the  
20 event either an action or exercise of power of sale is used to  
21 collect such assessment, and the interest thereon.

22 (b) Upon request of any unit Owner, the Board shall  
23 execute and acknowledge a certificate stating that the indebtedness  
24 secured by the lien upon the unit of said Owner has been paid,  
25 and such certificate shall be conclusive upon the Association.  
26 The Board shall furnish a copy of such certificate to any Owner  
27 upon request. A reasonable fee may be charged for the preparation  
28 of such statement.

29 (c) Each Owner of a unit subject to these Restrictions  
30 by acceptance of a deed or other conveyance therefor, whether  
31 from Declarant or subsequent Owners, shall become personally  
32 obligated and agree to pay such charges that accrue after he

1 received title thereto, plus costs of suit, and reasonable  
2 attorneys' fees as above provided and shall thereby vest in the  
3 Association the right and power to bring all actions for the  
4 collection of such charges, costs of suit and attorneys' fees,  
5 and for the enforcement of such liens. Such right and power  
6 shall continue in the Association and such obligations shall run  
7 with the land, so that the successive Owner or Owners of record  
8 of any unit within the Property shall, in turn, become liable to  
9 pay all such charges which shall become a lien thereon during the  
10 time they are the record Owner of such unit within the Property.  
11 After a record Owner transfers record of any unit owned by him,  
12 he shall not be liable for any charges thereafter to accrue  
13 against such unit. He shall remain personally liable, however,  
14 for all unpaid amounts due and owing at the time of transfer. A  
15 contract seller of any unit shall continue to be liable for all  
16 such charges until a conveyance by deed of such property is  
17 recorded in the Office of the County Recorder of Douglas County,  
18 Nevada.

19 (d) The lien of each of the assessments provided for  
20 under this Article V shall be subordinate to the lien of any  
21 first mortgage or mortgages or deeds of trust now or hereafter  
22 placed upon the units subject to assessment; provided, however,  
23 that such subordination shall apply only to the assessments which  
24 have become due and payable prior to the sale of such unit,  
25 pursuant to a decree of foreclosure of any such first mortgage or  
26 deed of trust or pursuant to the exercise of a power of sale in  
27 such first mortgage or deed of trust. Such foreclosure sale  
28 shall not relieve such unit from liability for any assessments  
29 thereafter becoming due nor from the lien of any such subsequent  
30 assessment. The foregoing subordination shall not apply to any  
31 secondary financing covering the units subject to assessment,  
32 and the lien created herein shall be superior to liens securing

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1 secondary financing.

2 (e) Any assessment not paid within thirty (30) days  
3 after the due date shall be deemed to be in default and shall  
4 bear interest from the due date at the rate of ten percent (10%)  
5 per annum, and the Board, on behalf of the Association, may bring  
6 an action at law against the Owner personally obligated to pay  
7 the same or foreclose the lien against the unit. No action shall  
8 be brought to foreclose the lien securing any assessment under  
9 this Article V less than thirty (30) days following the mailing  
10 of a notice of default in the payment of an assessment when due,  
11 signed by a majority of the Board to the Owner of such unit,  
12 and the recording of a copy of such notice in the Office of the  
13 Recorder of Douglas County, State of Nevada. Said notice shall  
14 state the amount of the assessment, together with the interest,  
15 costs and reasonable attorneys' fees; a description of the unit  
16 against which the same has been assessed and name or names of the  
17 record Owner or Owners thereof. Such notice of default in payment  
18 of an assessment and election to declare the entire amount thereof  
19 forthwith due and payable may be recorded, and the lien of said  
20 assessment may be foreclosed either by an action brought to  
21 foreclose the same or, the Association may, at its option, foreclose  
22 the lien of said assessment by exercise of the power of sale  
23 herein granted to the Association, and all costs, charges and  
24 attorneys' fees shall be included in the amount to be recovered  
25 either by action or through exercise of power of sale.  
26

27 (f) Each Owner does hereby grant to the Association  
28 the power to enforce and foreclose the lien of each assessment by  
29 power of sale in the manner herein provided. The Association  
30 may, after not less than three (3) months have elapsed after the  
31 recording of said notice of default, sell the unit described in  
32 the notice of default in order to satisfy said assessment, costs

1 and fees specified in the notice of default, and the costs incurred  
2 in connection with the sale, including the cost of a search of  
3 title and additional attorneys' fees, after first giving notice  
4 of the time and place of such sale in the manner provided by the  
5 law of the State of Nevada for the sale of real property under  
6 writ of execution. Said sale may be conducted by a member of the  
7 Board, or an attorney or other representative designated by the  
8 Association to conduct said sale. The time of said sale may be  
9 postponed from time to time by proclamation made to the persons  
10 assembled at the time and place previously appointed and adver-  
11 tised for such sale or to which such sale may have been postponed.  
12 Said sale shall be at public auction to the highest cash bidder.  
13 The Association may make purchase at said sale. The Association  
14 upon such sale, shall make, without warranty, execute and after  
15 due payment made, deliver to purchaser at said sale a deed con-  
16 veying the unit so sold, which shall convey to the purchaser all  
17 of the title of the delinquent record Owner. The proceeds of the  
18 sale shall be applied first to the payment of the costs of the  
19 sale, then to the sums described in the notice of default. The  
20 balance then remaining shall be applied to the delinquent record  
21 Owner or to his heirs, executors, administrators or assigns. The  
22 deed given by the Association to the purchaser at such sale shall  
23 be conclusive proof of all recitals contained therein, and shall  
24 be effectual and conclusive against the delinquent record Owner  
25 of the unit so sold, his heirs and assigns.

26 (g) Any Owner of a unit purchased at execution sale,  
27 or at foreclosure, shall be bound by the restrictions, covenants,  
28 reservations, assessments and liens as provided herein, other  
29 than assessments or liens arising prior to such foreclosure sale,  
30 or to the commencement of the action resulting in sale under writ  
31 of execution.

32 (h) Upon payment of a delinquent assessment, together

1 with the fees and costs incurred in connection therewith, the  
2 Board shall cause to be recorded in the same manner as the notice  
3 of default, a certificate stating the satisfaction and release of  
4 the lien upon payment by the delinquent Owner of the costs inci-  
5 dent thereto. A failure to record such certificate of discharge  
6 within thirty (30) days after written demand by the Owner of such  
7 unit shall entitle him to recover a penalty of One Hundred Dollars  
8 (\$100.00) from the Association, plus any actual damages that he  
9 may have sustained.

10 (j) In the event any Owner fails to pay any assessment  
11 when due, in addition to such other action as the Board of Direc-  
12 tors may determine to be appropriate, the Board of Directors may  
13 deny such Owner the right to vote as a member of the Association  
14 until such time as said Owner satisfies all current and delinquent  
15 assessments and all fees and costs incurred by reason of such  
16 delinquency.

17 SECTION 7: Association Funds. The assessments collected by  
18 the Association shall be deposited into a separate account(s)  
19 with a savings and loan association or bank selected by the  
20 Board, which account(s) shall be clearly designated as the Lot 122  
21 Tahoe Village No. 1 Home- ACCOUNT(S). The assessments collected  
22 owners Association by the Association shall be held in trust by the Association for  
23 and on behalf of each Owner, and shall be used solely for the  
24 operation, care and maintenance of the unit as provided in this  
25 Declaration. The Board shall allocate a portion of said funds as  
26 collected for the annual maintenance and operation of the unit as  
27 specified in the annual budget, and the Board shall allocate a  
28 portion of said funds as collected as reserves for contingencies,  
29 replacement and deferred maintenance of the capital improvements  
30 of the unit as specified in the annual budget. Upon sale or  
31 transfer of any unit by any Owner, the Owner's interest in the  
32 trust funds shall be deemed automatically transferred to the

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1 successor transferee of such Owner.

2 In the event that the Board retains a professional management  
3 service, the Board may delegate the authority to deposit or  
4 withdraw funds to responsible representatives of the professional  
5 management agent so retained. Said professional management agent  
6 may additionally be authorized to establish a common trustee  
7 account for deposit of assessments as collected. Any funds  
8 deposited in such common trustee account shall be allocated as  
9 previously specified herein.

10 SECTION 8: Failure to Fix Maintenance Assessments. The  
11 omission by the Board of Directors to fix the maintenance assess-  
12 ments hereunder before the expiration of any year, for that or  
13 the next year, shall not be deemed a waiver or modification in  
14 any respect of the provisions of these Restrictions, or a release  
15 of the Owner from the obligation to pay the assessments, or any  
16 installment thereof for that or any subsequent year, but the  
17 assessment fixed for the preceding year shall continue until a  
18 new assessment is fixed.

19 ARTICLE VI

20 OCCUPANCY AND USE RESTRICTIONS

21 SECTION 1: The subject property and the units to be con-  
22 structed thereon are hereby restricted to residential dwellings  
23 for residential use. No buildings or structures of a temporary  
24 nature, trailer, basement, tent, shack, barn, or other outbuilding  
25 shall be used on any portion of the subject property at any time  
26 as a residence, either temporarily or permanently.

27 SECTION 2: No animals, livestock or poultry of any kind  
28 shall be raised, bred or kept on or in any unit, except that  
29 dogs, cats and other household pets may be kept provided they are  
30 not kept, bred or maintained for any commercial purpose.

31 SECTION 3: No noxious or offensive activity shall be carried  
32 on or in any unit, nor shall anything be done thereon which may

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1 be or may become an annoyance or nuisance to the neighborhood.

2 SECTION 4: No advertising signs (except one of not more  
3 than five square feet "For Rent" or "For Sale" sign per unit),  
4 billboards, unsightly objects, unsightly appearances or nuisance  
5 shall be erected, placed or permitted to remain on any of said  
6 units, nor shall the premises be used in any way or for any  
7 purpose which may endanger the health or unreasonably disturb the  
8 holder of any unit in the development. No business activities of  
9 any kind whatsoever shall be conducted in any unit or in any  
10 portion of the premises. Provided further, however, the foregoing  
11 covenants shall not apply to the business activities, signs and  
12 billboards, if any, of the Declarant, its agents and assigns  
13 during the construction and sale period, and by sales organization  
14 designated by the Declarant, its successors and assigns, in  
15 furtherance of its powers and purposes as hereinafter set forth.

16 SECTION 5: No garbage, refuse, rubbish, or obnoxious or  
17 offensive material shall be permitted to accumulate on any unit,  
18 and the owner thereof shall cause all garbage and other like  
19 material to be disposed of by and in accordance with accepted  
20 sanitary practice.

21 SECTION 6: No fences, hedges or walls, exterior clotheslines  
22 or unenclosed garbage receptacles shall be erected or maintained  
23 upon any of the units except such as are installed in accordance  
24 with the initial construction located thereon.

25 SECTION 7: No oil drilling, oil development operations, oil  
26 refining, quarrying or mining operations of any kind shall be  
27 permitted, nor shall oil wells, tanks, tunnels, mineral excavations  
28 or shafts be permitted. No derrick or other structure designed  
29 for use in boring for oil or natural gas shall be erected, main-  
30 tained or permitted.

31 SECTION 8: No commercial vehicles shall be parked overnight.  
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2 ARTICLE VII

3 EASEMENTS

4 SECTION 1: Easements for the installation and maintenance  
5 of utilities for the units, together with the right of reasonable  
6 ingress and egress to said utilities, are hereby reserved in the  
7 Association. Within the easements herein reserved, no Owner of a  
8 unit shall take any action with respect to same that would hinder  
9 or impair the Association's access for the installation or main-  
10 tenance of the utilities.

11 ARTICLE VIII

12 GENERAL PROVISIONS

13 SECTION 1: Severability. Invalidation of any one of these  
14 covenants or restrictions by judgment or Court order shall in no  
15 way affect any other provisions which shall remain in full force  
16 and effect.

17 SECTION 2: Amendment. All of the restrictions set forth  
18 herein are imposed upon the Property and the units to be constructed  
19 thereon for the direct benefit thereof as a part of the general  
20 plan of improvements. Said restrictions shall run with the land,  
21 and shall be binding for twenty (20) years from the date of this  
22 Declaration, or until such time as the owners of at least fifty-  
23 one percent (51%) of the units shall amend or modify the Restric-  
24 tions by the recordation in the office of the County Recorder of  
25 Douglas County, State of Nevada, of a supplemental set of Restric-  
26 tions duly executed and acknowledged by the owners of not less  
27 than fifty-one percent (51%) of the units, provided however, that  
28 no change in the Restrictions may be made without the written  
29 consent of the Declarant so long as the Declarant owns any units.  
30 At the end of said twenty (20) years, this Declaration of Restric-

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1 tions and Covenants shall automatically extend for successive  
2 periods of ten (10) years, unless an instrument has been recorded  
3 agreeing to change said Declaration of Restrictions and Covenants  
4 by the method set forth in the preceding sentence.

5 SECTION 3: Enforcement. The conditions, restrictions or  
6 covenants herein contained shall bind and inure to the benefit  
7 of, and be enforceable by, Declarant, Owners or the Association,  
8 and it shall be lawful for any one of them to institute and  
9 prosecute a proceeding at law or an equity against any person,  
10 firm or corporation violating or threatening to violate any of  
11 the restrictions, conditions or covenants herein contained, and  
12 such action may be maintained for the purpose of preventing the  
13 violation or for both of such purposes. Any failure to enforce  
14 any of the conditions, restrictions or covenants herein contained  
15 shall in no way or event be deemed a waiver of the right to  
16 enforce such conditions, restrictions or covenants thereafter.  
17 Nothing herein contained shall be construed as preventing the  
18 application of any remedies given by law against a nuisance,  
19 public or private, or otherwise, but the remedies contained  
20 herein shall be in addition to any other remedies given by law.

21 SECTION 4: Attorneys' Fees. In the event that an action  
22 shall be commenced to enforce any of the conditions, restrictions,  
23 or covenants herein contained, the party commencing such action  
24 shall be entitled to a reasonable attorneys' fee in an amount to  
25 be set by the Court in such action.

26 SECTION 5: Heirs, Successors and Assigns. This Declaration  
27 of Restrictions shall be binding upon and inure to the benefit of  
28 Declarant, their heirs, successors and assigns.  
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1 IN WITNESS WHEREOF, the undersigned, being the Declarant  
2 herein, have hereunto set their hands and seal this 15<sup>th</sup> day of  
3 December, 1980.

4  
5 [Signature]  
6 RICHARD F. EVANS

7 [Signature]  
8 ANNE K EVANS

**INDIVIDUAL ACKNOWLEDGMENT**

STATE OF Nevada  
COUNTY OF Douglas } ss.

On this 15th day of December, 1980, before me, Judith E. DuPuy


a Notary Public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared Richard F. Evans & Anne K. Evans

whose names are subscribed to the within instrument, and duly acknowledged to me that they executed the same.

WITNESS my hand and official seal.

[Signature]  
Notary Public in and for said County and State.

CS20 - LAW PRINTING CO.  
REG. U. S. PAT. OFFICE

 JUDITH E. DUPUY  
Notary Public - State of Nevada  
County of Douglas  
My Appointment Expires April 24, 1983

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REQUESTED BY  
Nevada O.I.L.  
IN OFFICIAL RECORDS OF  
DOUGLAS CO. NEVADA  
\$21.00 yed.  
1981 JAN -7 PM 2:05

MARIE A. RABEL  
RECORDER  
[Signature]  
Dep. BOOK 181 PAGE 346

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