

This document is being re-recorded to correct the legal description in which was intended to be affected by these covenants, conditions and restrictions. Add to Exhibit "B", page d, article 6.

# JOB'S PEAK

R A N C H



## DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

JOB'S PEAK  
RANCH



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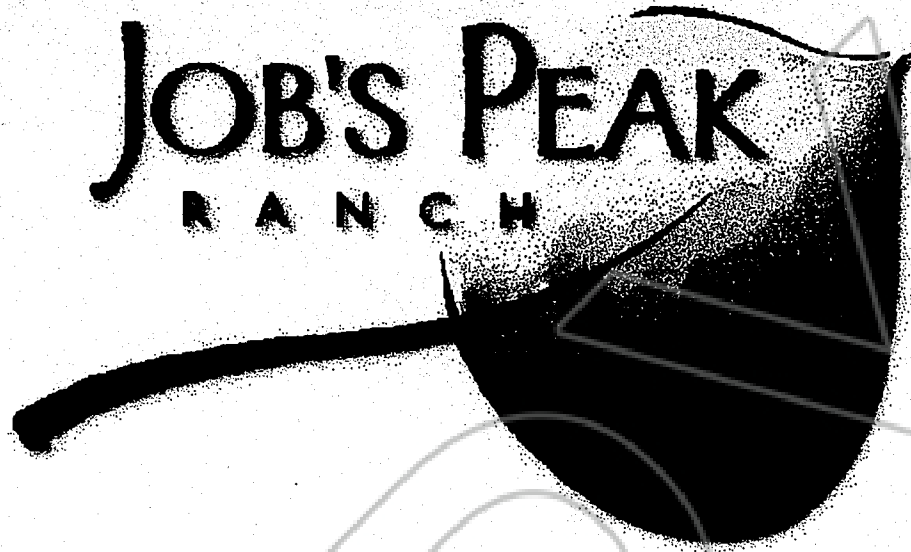
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THIS DOCUMENT IS BEING RE-RECORDED TO CORRECT THE LEGAL DESCRIPTION IN WHICH WAS INTENDED TO BE AFFECTED BY THESE COVENANTS, CONDITIONS AND RESTRICTION. EXHIBIT "C" IS EXCEPTED FROM THE ORIGINAL LEGAL DESCRIPTION MARKED EXHIBIT "A".

**JOB'S PEAK**  
RANCH



***DECLARATION OF  
COVENANTS, CONDITIONS  
& RESTRICTIONS***

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THIS DECLARATION (this "Declaration") is made on this 22 day of May, 1997, by FIVE CREEK, L.L.C., a Nevada limited liability company ("Declarant").

## PART ONE: INTRODUCTION TO THE COMMUNITY

*This Declaration is intended to establish Job's Peak Ranch as a planned community and to provide for the creation and maintenance of various standards for appearance, use, conduct, architecture and landscaping; to provide for the operation and preservation of Common Elements and improvements for the benefit of the property owners and residents; to provide for the development and expansion of the community; and to provide for the support and participation of the property owners in creating and maintaining a true sense of community life and spirit within Job's Peak Ranch that goes beyond the physical development and preservation of the land.*

### Article I Creation of the Community

#### 1.1 Background and Intent.

Declarant is the owner of approximately 1080 acres of land situated in Douglas County, Nevada (the "Property"). On January 18, 1996, Declarant obtained approval from the Board of County Commissioners of Douglas County, Nevada for a tentative subdivision map of the Property (subject to the satisfaction of certain conditions) under Case No. TSM 2014 and for a planned unit development, under Case No. SUP 95-33. The real property described on Exhibit "A" is a portion of the Property.

By the recording of this Declaration, Declarant intends to establish a governance structure and a flexible system of standards and procedures for the overall development, expansion, administration, maintenance and preservation of Job's Peak Ranch as a planned community, as defined in the Nevada Uniform Common-Interest Ownership Act, N.R.S. 116.1101, et seq. (the "Act"). The Community shall be comprised of all of the real property described on Exhibit "A" and such additional portions of the Property as Declarant may submit to this Declaration in the future in accordance with the terms and procedures set forth in Article XIII.

An integral part of the development plan for the Community is the creation of Job's Peak Ranch Community Association, Inc., an association comprised of all owners of real property subject to this Declaration, to own, operate and/or maintain various Common Elements and community improvements and to administer and enforce this Declaration and the other Governing Documents referred to in this Declaration.

#### 1.2 Binding Effect.

All of the property in the Community shall be owned, conveyed, and used subject to the provisions of this Declaration, as it may be amended from time to time, which shall run with the title to such property and shall be binding upon all Persons having any right, title or interest in any portion of the Community, their heirs, successors, successors-in-title and assigns, unless and until terminated in accordance with the procedures set forth in Section 116.2118 of the Act. However, no termination of this Declaration shall be effective to terminate any easement reserved or granted in this Declaration without the written consent of the holder of such easement.

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If any provision of this Declaration is determined by judgment or court order to be invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or applications.

**Article II**  
**Concepts and Definitions**

**2.1 Defined Terms.**

The terms used in this Declaration generally are intended to have their normal, commonly understood meanings unless otherwise specified. Capitalized terms shall be defined as follows:

"Architectural and Landscape Council" or "ALC" means the Council created pursuant to Section 5.2.

"Architecture and Landscape Rules" means the rules adopted pursuant to Section 5.3, as they may be amended.

"Articles" or "Articles of Incorporation" means the Articles of Incorporation of Job's Peak Ranch Community Association, Inc., as filed with the Secretary of State of the State of Nevada, as they may be amended.

"Association" means Job's Peak Ranch Community Association, Inc., a Nevada nonprofit corporation.

"Association Property" means all real and personal property now or hereafter owned or leased by, or otherwise made available for the primary use and benefit of, the Association, including, but not limited to, the Common Element.

"Association Rules" means such rules and regulations as the Board from time to time may adopt pursuant to Article III.

"Board" or "Board of Directors" means the body responsible for administration of the Association, selected as provided in this Declaration and the By-Law's.

"By-Law's" means the By-Law's of Job's Peak Ranch Community Association, Inc., attached as Exhibit "C" to this Declaration, as they may be amended.

"Common Element" means all Common Element and open space as designated on any Final Subdivision Map of any portion of the Community. Property so designated on the Tentative Subdivision Map may be reconfigured by Declarant before its conveyance to the Association or thereafter by the Association, subject, to the approval of Douglas County.

"Common Element Improvements" shall mean all improvements, structures and facilities constructed by Declarant or the Association within the Common Element, which may include, without limitation or obligation, any entry gates, streets, snow storage areas, pedestrian paths and trails, and any community center or caretaker's facility. The streets to be constructed within the Community are intended to be private streets and are not designed or constructed to the standards

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and specifications of Douglas County and, therefore, are not intended or eligible as designed and constructed to be dedicated to Douglas County.

"Common Expenses" means the expenses incurred, or anticipated to be incurred, by the Association in performing its responsibilities and exercising its authority under the Governing Documents.

"Community" means the real property described on Exhibit "A" and such additional portions of the Property as are made subject to this Declaration in accordance with the terms and procedures set forth in Article XIII.

"Community Design Guidelines" means that certain document produced by Declarant and approved by the Douglas County Community Development Department, as amended from time to time, which provides comprehensive guidelines for the development of the Community.

"Declarant" means Five Creek, L.L.C., a Nevada limited liability company, or any successor or assign who takes title to any portion of the Property for the purpose of development and/or sale and is designated as the Declarant in a recorded instrument executed by the immediately preceding Declarant.

"Declarant Control Period" means the period of time during which Declarant is entitled to appoint a majority of the members of the Board of Directors pursuant to Section 6.2(b).

"Declaration" means this Declaration of Covenants, Conditions and Restrictions for Job's Peak Ranch, as it may be amended pursuant to Article XV.

"Design Manual" means the document which contains specific standards of design.

"Final Subdivision Map" means every final subdivision map which subdivides the Property or a portion thereof into Units pursuant to the provisions of Chapter 278 of the Nevada Revised Statutes, and designates a percentage of the Common Element for open space, which map has been recorded in the office of the County Recorder of Douglas County, Nevada, excluding any separate map or survey recorded to show the boundaries of the Common Element.

"Governing Documents" means this Declaration, the By-Law's, the Articles, the Community Design Guidelines, the Architecture and Landscape Rules, and any Association Rules.

"Community-Wide Standard" means the standard of conduct, maintenance or appearance generally prevailing in the Community, to the extent that such standard is in compliance with the Community Design Guidelines, the Architecture and Landscape Rules, the Association Rules, and resolutions which the Board may adopt from time to time.

"Improvements" means every structure and improvement of every type and kind, including, but not limited to, buildings, garages, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, patios, pools, landscaping, hedges, windbreaks, plantings, planted trees, shrubs, poles, signs, free-standing lighting fixtures, exterior air conditioning and any other exterior equipment or fixtures that have been or may be constructed in the Community.

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**“Manager”** means the Person designated by the Board to manage the affairs of the Community and to perform various other duties assigned by the Board and by the provisions of the Declaration.

**“Member”** means every Person who holds a membership in the Association pursuant to Article VI.

**“Owner”** means any Person, including Declarant, that holds record title in fee simple to a Unit. The term shall not include any Person who holds an interest in a Unit merely as security for the performance of an obligation, such as a Mortgagee or a person who has contracted to purchase the Unit.

**“Person”** means an individual, a corporation, a partnership, a limited liability company, a trust or any other legal entity.

**“Potential Unit”** means each portion of the Property, that is designated as a Unit or parcel on the Tentative Subdivision Map (excluding the Common Element) as intended for improvement with a single family dwelling unit, but which has not yet been, but maybe, added to the community.

**“Property”** means all of the real property shown on the Tentative Subdivision Map approved by the Board of County Commissioners of Douglas County, Nevada under Case No. 2014, as it may be revised.

**“Successor Declarant”** means the respective successors-in-interest of Declarant to whom the rights of the Declarant have been assigned by a written assignment executed by the immediately preceding Declarant and duly recorded.

**“Secured Party”** means the holder of any security interest as herein defined.

**“Security Interest”** means an interest in real estate or personal property, created by contract or conveyance, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended as security, pledge of an ownership interest in an association and any other consensual lien or contract for retention of title intended as security for an obligation.

**“Tentative Subdivision Map”** means that certain tentative subdivision map, Case Number TSM 2014 to develop Job’s Peak Ranch, approved by the Board of County Commissioners, Douglas County, Nevada, subject to the satisfaction of certain conditions, on January 18, 1996.

**“Unit”** means a physical portion of the common-interest community designated for separate ownership or occupancy, the boundaries of which are the platted, numbered Unit shown on any Final Subdivision Map of the Community recorded in the Office of the County Recorder of Douglas County, Nevada, and intended for improvement with a single family dwelling and related improvements, whether or not so improved.

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## 2.2 Interpretation of Declaration.

All references in this Declaration to the singular shall be deemed to include the plural, and vice versa, unless the context otherwise requires. References to the masculine, feminine or neuter each shall be deemed to include the other, as the context requires. All captions or titles used in this Declaration are intended solely for the convenience of reference and shall not affect the interpretation of the provisions of any Section, subsection or other portion of this Declaration.

## PART TWO: CREATION AND MAINTENANCE OF COMMUNITY STANDARDS

*The standards for use and conduct, maintenance and repair, architecture and landscaping within Job's Peak Ranch are what give the Community its identity and make it a place that people are proud to call "home." Yet those standards must be more than a lengthy list of prohibitions and restrictions covering everything the mind can imagine. This Declaration sets forth certain basic standards, but also establishes procedures for rulemaking as a dynamic process which allows the community standards to evolve as the Community changes and grows, and as technology, environmental awareness and public perception change.*

### Article III Use and Conduct

#### 3.1 Framework for Regulation.

The Governing Documents establish, as part of the general plan of development for the Community, a framework of affirmative and negative covenants, easements and restrictions which govern the Community. However, within that framework, the Board and the Members must have the ability to respond to unforeseen problems and changes in circumstances, conditions, needs, desires, trends and technology which inevitably will affect Job's Peak Ranch, its Owners and residents. Toward that end, this Article establishes procedures for rulemaking as a dynamic process in order to permit the Board and the Members to address the unique needs and desires of the Community.

#### 3.2 Rulemaking Authority.

(a) Board Authority. Subject to Section 3.2(e), the Board may, in the exercise of its business judgment, adopt, repeal, and modify reasonable rules governing matters of conduct and aesthetics and the activities of Owners, residents and guests within the Community. The Board shall send notice by mail to all Owners concerning any such proposed action at least five business days prior to the Board meeting at which such action is to be considered. Members shall have a reasonable opportunity to be heard at a Board meeting prior to any such action being taken.

(b) Members' Authority. Alternatively, subject to the limitations of Section 3.2(e), at any Association meeting duly called for such purpose, the Members may adopt, repeal or modify Association Rules by a vote of Members representing more than 50% of the total votes in the Association and the approval of the Declarant,

(c) Notice; Opportunity to Disapprove. Notice of any resolution of the Board or the Members adopting, repealing or modifying Association Rules shall be sent to all Owners at least 30 days prior to the effective date. The resolution shall become effective on the date specified in

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the notice unless (i) Members petition for a special meeting, in accordance with the By-Law's, to reconsider such resolution, and (ii) the resolution is disapproved at the meeting by Members representing more than 50% of the total votes in the Association and, so long as the Declarant owns any Unit or Potential Unit, by the Declarant.

(d) **Conflicts.** Nothing in this Article shall authorize the Board or the Members to adopt Association Rules which are inconsistent with, or which modify, repeal or expand the Community Design Guidelines. In the event of a conflict between the Community Design Guidelines and the Association Rules, the Community Design Guidelines shall control.

(e) **Limitations.** The rulemaking authority granted above shall be subject to the following limitations:

(i) **Equal Treatment.** Similarly situated Owners shall be treated similarly.

(ii) **Signs and Displays.** No rules shall regulate the content of signs or displays or restrict the rights of Owners to display religious and holiday signs, symbols, and decorations inside their dwellings, except that the Association may adopt time, place, and manner restrictions with respect to any signs or displays visible from outside the dwelling.

(iii) **Household Composition.** No rule shall interfere with the freedom of Owners to determine the composition of their households, except that the Association shall have the power to require that all occupants of a dwelling be members of a single housekeeping unit (as opposed to occupying separate rooms or apartments within the dwelling) and to limit the total number of occupants in each dwelling on the basis of the size of the dwelling and its facilities, and fair use of the Common Element.

(iv) **Activities Within Dwellings.** No rule shall interfere with the activities carried on within a dwelling, except that the Association may prohibit activities not normally associated with property restricted to residential use, and it may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of occupants of other Units, that generate excessive noise or traffic, that create unsightly conditions visible from outside the dwelling, or that create an unreasonable source of annoyance to the occupants of other Units.

(v) **Allocation of Burdens and Benefits.** No rule shall alter the allocation of responsibility for Common Expenses among the various Units nor alter the rights to use the Common Element to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this paragraph shall prevent the Association from changing the Common Element available, from adopting generally applicable rules for use of Common Element, or from denying use privileges to those who abuse the Common Element or violate the Governing Documents. This provision does not affect the right to increase the amount of assessments as provided in Article VIII.

(vi) **Alienation.** No rule shall prohibit leasing or transfer of any Unit, or require the consent of any Person in order to lease or transfer any Unit; however, the Association may require a minimum lease term of up to 12 months and may require that Owners use lease forms or language which the Board has approved. The Association may impose a reasonable fee on the lease or transfer of Units.

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(vii) Existing Rights. No rule shall require Owners to dispose of personal property which they maintained in or on their Units prior to the effective date of such rule or require any person to vacate a dwelling in which they resided prior to the effective date of such rule, if such property was maintained or such occupancy was in compliance with this Declaration and all rules previously in force.

(ix) Reasonable Rights to Develop. No rule shall unreasonably impede the Declarant's right to develop and market the Community.

The foregoing limitations shall apply to rules only; they shall not be construed as limitations on the scope of this Declaration or any amendments to this Declaration adopted in accordance with Article XV.

### 3.3 Owners' Acknowledgment and Notice to Purchasers.

All Owners and prospective purchasers of Units in the Community are hereby given notice that their activities and conduct within the Community and on their Units may be limited by the Association Rules as they may be expanded and otherwise modified pursuant to this Section. The Association shall provide a copy of the current Association Rules to any Member or Mortgagee upon request and payment of the reasonable cost of such copy.

Further, all owners and prospective purchasers of units in the community are given notice that a waiver of protest for the formation of a drainage/flood control assessment district is recorded as to the community property.

### 3.4 Restrictions on Use, Occupancy and Transfer of Units.

Various restrictions on use, occupancy and transfer of Units are set forth on Exhibit "B" and incorporated as part of this Declaration by this reference. Each Owner, by acceptance of a deed or other instrument granting an interest in any Unit, acknowledges that the use, occupancy and transfer of such Owner's Unit is subject to such restrictions, as they may be expanded, modified or otherwise amended in accordance with the procedures set forth in Article XV.

The property known as the Chalet is more particularly described as approximately 22 acres described as Lot 21 of the Job's Peak Ranch Tentative Subdivision Map, together with all buildings and improvements, and is exempt from the Restriction in Exhibit B, identified as 3(n). Accordingly, the Chalet can be developed and used for operation of a timesharing, fraction sharing, or similar program, subject to necessary approvals by Douglas County.

## Article IV Maintenance and Repair

### 4.1 Owner's Obligation of Maintenance and Repair.

Every Owner shall maintain his or her Unit and the Improvements thereon in a good, clean and orderly condition and in a good state of repair consistent with the Community-Wide Standard. Each Owner shall keep all shrubs, trees, grass and plantings on his or her Unit neatly trimmed, properly cultivated and free from trash, weeds or other unsightly material. Each Owner

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shall maintain all fire and fuel break areas on such Owner's Unit in accordance with applicable fire and safety codes.

#### 4.2 Repair and Restoration of Damaged Improvements.

If any Improvement on a Unit is damaged or destroyed by fire or other calamity, such Owner shall proceed promptly to rebuild or repair the damage in a manner consistent with the Improvements as they existed immediately prior to the damage or destruction, or in accordance with alternative plans and specifications approved pursuant to Article V. Alternatively, the Owner may clear the Unit of all debris and ruins and shall thereafter maintain it in a neat and attractive condition consistent with the Community-Wide Standard.

Each Owner shall be responsible for maintaining adequate property insurance to cover the full replacement cost, less a reasonable deductible, of all insurable Improvements on such Owner's Unit. Failure to maintain adequate insurance coverage shall not relieve the Owner of its responsibilities under this Article IV.

#### 4.3 Failure to Maintain, Repair or Restore.

If any Owner fails to perform its responsibilities under this Article, the Board may notify the Owner as provided in Section 6.5 specifying the condition which needs correcting. If the Owner (a) fails to correct such condition within 30 days after the Board gives written notice; or (b) if such condition cannot reasonably be corrected within such 30 day period, fails to commence such corrective work within such 30 day period and thereafter diligently pursue it to completion within a reasonable time, then the Association shall have the right, but not the obligation, to perform such corrective work through its agents, employees, and contractors and to levy a special assessment against such Owner for all costs incurred, plus a reasonable administrative charge to discourage noncompliance, in the manner provided in Section 8.2(b).

Neither the Association nor any of its agents, employees or contractors shall be liable for any damage that may result from any such corrective work performed or authorized by the Association. The Board shall not be required to undertake such corrective work, and neither the Association nor the Board nor any of the Association's agents, contractors or employees shall be liable for failure to exercise such right to maintain a Unit.

### Article V

#### Architecture and Landscaping

#### 5.1 Improvements and Alterations.

No grading, excavation, fill work, removal of rocks or natural vegetation, or other site work, and no construction, demolition, or alteration of the exterior of Improvements on any Unit, or installation or removal of landscaping on any Unit, shall take place except in compliance with the Community Design Guidelines, the Architecture and Landscape Rules, and this Article.

#### 5.2 Architecture and Landscape Review Authority.

(a) Declarant. Each Owner, by accepting a deed or other instrument conveying any interest in a Unit, acknowledges that, as the developer of the Community and as the owner of the

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Property, Declarant has a substantial interest in ensuring that the homes and other Improvements built in the Community enhance the Declarant's reputation as a community developer and do not impair the Declarant's ability to market, sell, or lease its other property. Therefore, each Owner agrees that, until 100% of the Units and Potential Units have been conveyed to Owners other than builders, the Declarant or its designee shall have the exclusive right to exercise architectural control and review authority under this Article, unless Declarant voluntarily relinquishes such right in a written instrument executed by Declarant and recorded in the office of the County Recorder for Douglas County, Nevada.

The Declarant may, in its sole discretion, designate one or more Persons from time to time to act on its behalf in reviewing applications hereunder. In reviewing and acting upon any request for approval, Declarant or its designee shall be acting solely in the interest of the Declarant and shall owe no duty to any other Person.

The Declarant may from time to time, but shall not be obligated to, delegate all or a portion of its reserved rights under this Article to an Architectural and Landscape Council (the "ALC") appointed by the Association's Board of Directors pursuant to subsection (b) below. Any such delegation shall be in writing, specifying the scope of responsibilities delegated, and shall be subject to (i) the right of Declarant to revoke such delegation and reassume jurisdiction over the matters previously delegated; and (ii) the right of Declarant to veto any decision which Declarant determines, in its sole discretion, to be inappropriate or inadvisable for any reason. So long as the Declarant has any rights under this Article, the jurisdiction of the ALC shall be limited to such matters as are specifically delegated to it by the Declarant.

(b) Architectural and Landscape Council. Upon delegation by Declarant or upon expiration or termination of the Declarant's rights under this Article, the Association, acting through the ALC, shall assume jurisdiction over architectural and landscape matters under this Article, subject to any limitations on such authority if delegated by Declarant. Unless and until such time as Declarant delegates all or a portion of its reserved rights to the ALC or the Declarant's rights under this Article terminate, the Association shall have no jurisdiction over architectural matters.

(i) Composition. The ALC shall be appointed by the Board and shall consist of at least three, but not more than five, persons who shall be appointed to serve terms of three years each. The Board may also appoint alternate members of the ALC for like terms to act in the absence or upon the disability of any regular member. All appointments shall be reflected in the minutes of the Board. Members of the ALC may be removed and replaced in the Board's discretion. After the Declarant Control Period, no individual shall serve as a member or alternate member of the ALC for more than two consecutive terms or for more than eight years in any ten-year period. The members of the ALC need not be Members of the Association or representatives of Members, and may, but need not, include architects, engineers or similar professionals, whose compensation, if any, shall be established from time to time by the Board.

(ii) Meetings. The Architectural and Landscape Council shall meet from time to time as necessary to perform properly its duties hereunder. The vote or written consent of a majority of the members shall constitute an act by the Architectural and Landscape Council unless the unanimous decision of its members otherwise is required by this Declaration. The Architectural and Landscape Council shall keep and maintain a record of all actions taken by it at its meetings or otherwise and a copy of approved plans and submittals.

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(c) **Fees; Assistance.** For purposes of this Article, the entity having jurisdiction in a particular case shall be referred to as the "Reviewer." The Reviewer may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers or other professionals. The Declarant and the Association may employ architects, engineers, or other persons as deemed necessary to perform the review. The Board may include the compensation of any such persons retained to assist the ALC in the Association's annual operating budget as a Common Expense. The Board may also reimburse members of the ALC for reasonable expenses incurred by them in the performance of any ALC function.

### 5.3 Guidelines and Procedures.

(a) **Guidelines and Rules.** The Community Design Guidelines are a concept of the guidelines for the development of Job's Peak Ranch. The architectural renderings and other graphical representations contained therein are offered as general visual aids in understanding the basic intent of the design standards. The illustrations are not intended to depict any actual or proposed homes or improvements in the Community.

From time to time and in its sole discretion, the Reviewer may adopt, amend and repeal rules and regulations to be known as "Architecture and Landscape Rules," interpreting and implementing the provisions of this Declaration and the Community Design Guidelines, setting forth in detail the fees to be charged for and procedures to be followed in submitting proposals to the Reviewer, and establishing additional design and construction criteria, consistent with the Community Design Guidelines, that such proposals must satisfy.

Any amendments to the Community Design Guidelines or the Architecture and Landscape Rules shall apply prospectively only and shall not be applied to require modifications to or removal of Improvements previously approved once the approved construction or modification has commenced. There shall be no limitation on the scope of amendments; amendments may remove or increase requirements previously set forth or otherwise make the Community Design Guidelines or the Architecture and Landscape Rules more or less restrictive.

A copy of the Community Design Guidelines and the Architecture and Landscape Rules, as they may exist from time to time, shall be maintained by the Association and shall be available for inspection and copying by any Member upon reasonable notice during the Association's business hours.

The Community Design Guidelines and the Architecture and Landscape Rules are intended to provide guidance to Owners, their architects and builders regarding matters of particular concern to the Reviewer in considering applications hereunder; however, they are not the exclusive basis for decisions of the Reviewer and compliance with the Community Design Guidelines and Architecture and Landscape Rules does not guarantee approval of any application.

(b) **Procedures.** Prior to commencing any work within the scope of this Article, an Owner shall submit to the appropriate Reviewer an application for approval of the proposed work, any required fees, and plans and specifications for the proposed work, all in such form and at such times as this Declaration and the Architecture and Landscape Rules may specify. The

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Reviewer may require the submission of such additional information as may be reasonably necessary to consider any application.

In reviewing each submission, the Reviewer may consider any factor it deems relevant, including, without limitation, quality of design and materials, harmony of external design and location with respect to existing structures, and topography, and finished grade elevations. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that determinations as to such matters are subjective and opinions may vary as to the desirability and/or attractiveness of particular Improvements.

All approvals or disapproval's hereunder shall be in writing; however, any request for approval that has not been rejected within 60 days from the date of its submission to the Reviewer shall be deemed approved to the extent not inconsistent with the Community Design Guidelines and Architecture and Landscape Rules. Such time period shall be 90 days if the plans are not prepared by a licensed architect or engineer. An approval may be conditioned upon the deposit by the Owner of a performance bond or cash deposit or some other form of financial assurance acceptable to the Reviewer to assure completion of the approved Improvements in accordance with the terms of the approval once construction of the Improvements is commenced and for the repair of any Common Element Improvements damaged during construction on the Owner's Unit.

Until expiration of the Declarant's rights under this Article, the ALC shall notify the Declarant in writing within three business days after the ALC has approved any application relating to proposed work within the scope of matters delegated to the ALC by the Declarant. The notice shall be accompanied by a copy of the application and submittals and any additional information which the Declarant may reasonably require. The Declarant shall have 10 days after receipt of such notice to veto any such action, in its sole discretion, by written notice to the ALC and the applicant.

The Reviewer may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (i) be effective unless in writing; (ii) be contrary to this Declaration; or (iii) estop the Reviewer from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

The Reviewer may, by resolution, exempt certain activities from the application and approval requirements of this Article, provided such activities are undertaken in strict compliance with the requirements of such resolution.

#### 5.4 Commencement and Completion of Construction.

(a) Commencement of Work. Upon receipt of approval from the Reviewer for any proposed work, the Owner shall, as soon as practicable, satisfy all of the conditions of the approval and diligently proceed with the commencement and completion of all construction, reconstruction, refinishing, alterations and excavations pursuant to the plans and specifications as approved. In all cases, construction of the approved Improvements shall commence within one year from the date of such approval. If the Owner fails to comply with this Section 5.4, approval

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shall be deemed revoked unless the Reviewer, upon written request by the Owner made before the expiration of the one-year period, extends the time for such commencement (which it shall not be obligated to do).

(b) **Completion of Work.** The Owner shall complete all work contemplated by the approved plans (except landscaping in connection with the initial construction of the dwelling) within one year after commencing construction, except and for so long as such completion is rendered impossible or would result in great hardship to the Owner due to strikes, fires, national emergencies, natural calamities or other supervening forces beyond the control of the Owner or his agents. All landscaping in connection with the initial construction of a dwelling shall be completed within six months after the issuance of a certificate of occupancy for the dwelling unit. If the Owner fails to comply with this subsection (b), the Reviewer may notify the Board of such failure, and upon its receipt of such notice, the Board may proceed in accordance with the provisions of subsection (c) (ii) and (iii) below hereof as if the failure to complete the Improvement were a non-compliance with approved plans, or, if a bond, deposit or undertaking was given, the Board may pursue its rights thereunder.

(c) **Inspection of Work and Non-Compliance.**

(i) An authorized representative of the Reviewer shall have access to the Unit while work on any Improvements is in progress to inspect for compliance with the approved plans. Upon the completion of all work and removal of all construction debris and materials from the Unit, the Owner shall give written notice of completion to the Reviewer. Within 60 days thereafter, the Reviewer or its duly authorized representative may (but shall not be obliged to) inspect such Improvements for compliance with the approved plans.

(ii) If the Reviewer finds at any time during the course of construction or within 60 days after receipt of the Owner's notice of completion that the work done on a Unit was not in substantial compliance with the approved plans, it may notify the Owner in writing of such non-compliance within such 60 day period, specifying the particulars of such non-compliance, and may require the Owner to remedy such non-compliance. If the Owner fails to remedy such non-compliance within 60 days of such notice, the Reviewer may notify the Board in writing of such failure.

(iii) Upon receipt of such notice of non-compliance, the Board shall set a date for a hearing before the Board regarding the alleged non-compliance. The hearing date shall be not more than 30 days nor less than 15 days after the date on which the Reviewer gives notice of the non-compliance to the Board. The Board shall give at least 10 days advance notice of the hearing date to the Owner, the Reviewer and, in the discretion of the Board, to any other interested party.

(iv) At the hearing, the Owner, the Reviewer and, in the Board's discretion, any other interested person may present information relevant to the question of the alleged non-compliance. After considering all of such information, the Board shall determine whether a non-compliance exists or has occurred and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a non-compliance exists, the Board may require the Owner to remedy or remove the same within 45 days from the date of the Board's ruling. If the Owner does not comply with the Board's ruling within such period or within any extension of such period that the Board, in its sole discretion, may grant, then the Board, at its option, may remove the

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non-complying Improvement or remedy the non-compliance and/or impose any other sanctions available to the Association under this Declaration and at law or in equity. The Owner shall reimburse the Association for all expenses incurred in connection with any such enforcement action upon demand. If such expenses are not repaid promptly by the Owner to the Association, the Board shall levy a special assessment against such Owner pursuant to Section 8.2.

(v) If for any reason the Reviewer fails to notify the Owner of any non-compliance within 90 days after receipt of the notice of completion from the Owner, then the Improvement shall be deemed to be constructed in accordance with the approved plans. This paragraph shall not apply to any Improvements within the scope of this Article for which approval was never granted.

#### 5.5 Non-Compliance with Article V.

In addition to the procedures set forth in Section 5.4 (c), if any Owner constructs or causes to be constructed any Improvement on any Unit without prior approval as required by this Article, then the Reviewer may notify the Owner in writing of such non-compliance and demand that the Owner remove such Improvement within 10 days. If the Owner fails to comply with such demand, then the Board may proceed in accordance with the provisions of Section 5.4(c)(iii) and (iv) above.

#### 5.6 Waiver.

Each Owner acknowledges that the persons reviewing applications under this Article will change from time to time and that opinions on aesthetic matters, as well as interpretation and application of the Community Design Guidelines and Architecture and Landscape Rules, may vary accordingly. In addition, each Owner acknowledges that it may not always be possible to identify objectionable features of proposed work until the work is completed, but the Reviewer may refuse to approve similar proposals in the future. The approval of the Reviewer of any plan, drawing or specification for any work done or proposed or for any other matter requiring approval under this Article shall not constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval by any Owner.

#### 5.7 Certificate of Compliance.

Within 30 days after delivery of a written request from any Owner to the Association, along with payment to the Association of a reasonable fee (as fixed from time to time by the Board), the Association shall issue a certificate executed by any two of its officers certifying with respect to such Owner's Unit that, as of the date of such certificate, either (a) there are no known violations of this Article, the Community Design Guidelines or the Architecture and Landscape Rules; or (b) the Unit is not in compliance with this Article, the Community Design Guidelines or the Architecture and Landscape Rules, in which case the certificate shall identify generally the non-complying Improvements or work and set forth with particularity the basis of such non-compliance. Any purchaser from the Owner or from anyone deriving any interest in the Unit through such Owner shall be entitled to rely on such certificate with respect to the matters which it sets forth, and such certificate shall estop the Association from taking enforcement action with respect to any condition as to which the Association had notice as of the date of such certificate.

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## 5.8 Limitation of Liability.

The standards and procedures established by and pursuant to this Article are intended as a mechanism for maintaining and enhancing the overall aesthetics of the Community but shall not create any duty to any Person. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and the Reviewer shall not bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements, nor for ensuring that all dwellings are of comparable quality, value or size or of similar design, nor for ensuring the protection of view corridors.

Neither the Declarant, the Association, the Board, any Council, or any officer, director or member of any of the foregoing shall be held liable to any Person for soil conditions, drainage or other general site work, nor for any defects in plans revised or approved hereunder, nor for any injury, damages, or loss arising out of the manner, quality or location of approved construction on or modifications to any Unit, nor for any matter relating to the execution or issuance of a certificate of compliance or non-compliance pursuant to Section 5.7. In all matters, the Association shall defend and indemnify the ALC and its members to the extent required and permitted under this Declaration, the Articles, the By-Law's and Nevada law.

## PART THREE: COMMUNITY GOVERNANCE AND ADMINISTRATION

*The success of the Community is dependent upon the support and participation of every Owner in its governance and administration. This Declaration establishes Job's Peak Ranch Community Association, Inc. as the mechanism by which each Owner provides that support and is able to participate in making Job's Peak Ranch a vital, functioning community of people who care about their homes, their environment, and their relationships with each other and the larger community around them. While many powers and responsibilities are vested in the Association's board of directors, some decisions are reserved to the Association's members -- the owners of property in Job's Peak Ranch.*

### Article VI

#### The Association and its Members

#### 6.1 Formation of Association.

The Association is a nonprofit corporation formed or to be formed under Chapter 82 of the Nevada Revised Statutes. Promptly after the recordation of this Declaration, Declarant shall cause the Articles of Incorporation to be filed with the Secretary of State of the State of Nevada. The Association shall be charged with the duties and invested with the powers set forth in the Articles, the By-Law's and this Declaration.

#### 6.2 Board of Directors.

(a) Authority. The Association shall be governed by a Board of Directors as more particularly described in the By-Law's. Except as to matters specifically requiring the approval of Members as set forth in the Articles, the By-Law's and this Declaration, all rights and powers granted to the Association may be exercised by the Board without membership approval.

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(b) **Declarant Control Period.** Subject to the provisions of Section 3.5 of the By-Law's, the Declarant shall have the right to appoint and remove the members of the Board until the first to occur of the following:

(i) 60 days after 75% of the total number of Units proposed by the Tentative Subdivision Map have been conveyed by Declarant to Persons other than a Successor Declarant;

(ii) 5 years after Declarant has ceased to offer Units for sale in the ordinary course of business; or

(iii) 5 years after Declarant last exercised its right to subject additional property to this Declaration pursuant to Article XIII; or

(iv) 10 years after the date upon which the Declaration is recorded.

The Declarant may voluntarily relinquish its right to appoint directors earlier than required hereunder and, in such event, Declarant may require that, during the remainder of the Declarant Control Period, certain actions of the Association and Board (as specified in a recorded instrument executed by Declarant) be approved by Declarant before they will become effective.

(c) **Member Representation.** Notwithstanding the foregoing, not later than 60 days after the time that Members other than Declarant own 25% of the total number of Units proposed by the Tentative Subdivision Map, the Members other than Declarant shall be entitled to elect at least one member and not less than 25% of the members of the Board; and no later than 60 days after the time that Members other than Declarant own 50% of the total number of Units proposed by the Tentative Subdivision Map, the Members other than Declarant shall be entitled to elect not less than one-third (1/3) of the members of the Board, all as more particularly provided in the By-Law's.

### 6.3 Membership.

(a) **Qualification.** Every Owner shall be a Member of the Association. There shall be only one membership per Unit. If a Unit is owned by more than one Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in Section 6.3(b) and in the By-Law's, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners under this Declaration and the other Governing Documents.

(b) **Voting.** As to all matters with respect to which Members are given the right to vote under the Governing Documents, each Member, including Declarant, shall be entitled to one equal vote for each Unit which he or she owns. There are no voting rights associated with any Common Element. In the case of a Unit owned by two or more Persons, the vote for such Unit shall be exercised as the co-Owners determine among themselves and advise the Secretary of the Association in writing prior to the vote being taken. Absent such advice, the vote for such Unit shall be suspended if more than one co-Owner seeks to exercise it.

(c) **Transfer of Membership.** The Association membership of each Person that owns a Unit shall be appurtenant to such Unit and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon a transfer of title to such Unit, and

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then only to the transferee. Any attempt to make a prohibited transfer of an Association membership shall be void. Any transfer of title or interest to a Unit shall operate automatically to transfer the appurtenant membership rights in the Association to the new Owner. Immediately after any transfer of title to such a Unit, either the transferring Owner or the acquiring Owner shall give notice to the Board of such transfer, which shall include the name and address of the acquiring Owner and the date of transfer.

#### 6.4 Limitation of Personal Liability; Indemnification

No Member of the Board or of any Council of the Board or the Association, no officer of the Association, no Manager, no Declarant, no agent of Declarant, no Successor Declarant and no agent of any Successor Declarant shall be personally liable to any Member or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of any such Person if such Person has, on the basis of such information as may be possessed by him or it, acted in good faith without willful or intentional misconduct.

The Association shall indemnify and defend every officer, director and Council member against all damages and expenses, including attorneys fees reasonably incurred in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or Council member, except that such obligation to indemnify shall be limited to those actions for which liability is limited under this Section, the Articles of Incorporation and Nevada law.

#### 6.5 Notices, Consents and Approvals.

Any notice, consent or approval provided for in this Declaration shall be in writing. Notices to the Association or the Members shall be delivered in the manner specified for notices in the By-Law's.

### Article VII Powers and Duties of the Association

#### 7.1 Powers Generally.

The Association shall have all the powers of a nonprofit corporation organized under the laws of the State of Nevada, subject only to such limitations on the exercise of such powers as are set forth in the Articles, the By-Law's and this Declaration. The Association shall have the power to do any lawful thing that may be authorized, required or permitted to be done by the Association under this Declaration, the Articles and the By-Law's and to do and perform any act that may be necessary or proper for or incidental to the exercise of any of the express powers of the Association, including, without limitation, those matters specifically set forth in this Declaration, the Articles, and the By-Law's.

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## **7.2 Acceptance and Control of Association Property.**

(a) **Acquisition and Disposition.** The Association may acquire, hold and dispose of tangible and intangible personal property and real property, subject to the provisions of Article X and Article XIV.

(b) **Acceptance of Conveyances by Declarant.** Declarant shall transfer all the Common Element and Common Element Improvements to the Association not later than 30 days after termination of the Declarant Control Period. Assessments shall commence on Units as provided in Article VIII even though the Common Element and Common Element Improvements may not have been transferred to the Association.

The Declarant and its designees may convey to the Association other personal property and fee title, leasehold or other property interests in any real property, improved or unimproved, within the Property in accordance with Article XIII. The Association shall accept and maintain such property at its expense for the benefit of its Members, subject to any restrictions set forth in the deed or other instrument transferring such property to the Association. Upon written request of Declarant, the Association shall reconvey to Declarant any unimproved portions of the Common Element originally conveyed by Declarant to the Association for no consideration, to the extent necessary to make minor adjustments in property lines, as approved by Douglas County, Nevada.

## **7.3 Operation and Maintenance of Association Property.**

(a) **General.** The Association shall operate, maintain and otherwise manage or provide for the operation, maintenance, management and perpetuation of all Association Property, including, but not limited to, any Common Element and Common Element Improvements (including bicycle and pedestrian trails not open to the public) in which the Association has a vested present interest (except that the Association shall have no maintenance responsibility for the area within any easement granted to the U. S. Forest Service) and all streets within the Community, the Community Center, if constructed, all entrance gates to the Community, all snow removal and storage areas, storm drains, culverts, and streetscapes within and detention basins (and the accumulated sediment therein) within the Community, if any, and all fire and fuel breaks. Such operations and management shall be conducted in a first-class manner, and the Association Property shall be maintained in a good state of repair, in accordance with the Design Manual.

In this connection, the Association may enter into contracts for services or materials for the benefit of the Association Property, including contracts with Declarant. The term of any such service contract shall not exceed one year and shall be terminable by either party with or without cause and without payment of a termination fee upon not more than 30 days' prior written notice.

(b) **Maintenance Requirements.** Without limiting the rights and duties of the Association set forth in Section 5.6(a), and except as otherwise provided in this Declaration, the Association shall maintain all fire and fuel break areas and all on-site drainage features and appurtenances that are required to be maintained on the Common Element by any governmental authority. The Association shall have the obligation to maintain all Common Element Improvements in compliance with such applicable health, fire and safety codes as from time to time may be in effect.

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**7.4 Insurance.**

**(a) Required Coverage's.** The Association shall obtain and maintain in force insurance coverage provided by companies duly authorized to do business in Nevada as follows:

**(i) Casualty Insurance.** The Association shall obtain insurance on all Association Property and all other Improvements under the control of the Association (excluding Improvements on Units) in the amount of one hundred percent (100%) of the replacement cost thereof, or with such other limits as the Board may deem desirable consistent with good business practice. Such insurance shall include fire and extended coverage, vandalism, malicious mischief and such other risks and hazards against which the Association deems it appropriate to provide insurance protection, if such coverage is reasonably available.

The Association may comply with the foregoing requirements by purchasing blanket insurance coverage and may elect such "deductible" provisions as in the Board's opinion are consistent with good business practice. The casualty insurance policy may be a blanket policy covering all property under the Association's control, including property of Declarant, in which case the Association and Declarant each shall pay its proportionate share of the premium.

With respect to insurance proceeds from insurance policies covering Association Property only, the Association shall be deemed trustee of the interests of all Members in all insurance proceeds paid to the Association under any such policies and shall have full power to receive and to deal with such proceeds. The insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried, except as otherwise provided in this Section.

**(ii) Public Liability and Property Damage Insurance.** The Association shall purchase broad form comprehensive liability coverage in such amounts and in such forms as the Board deems advisable to provide adequate protection. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association and activities in connection with the ownership, operation, maintenance and other use of the Common Elements and Association Property. The liability insurance shall name, as separately protected insured's, Declarant and all Successor Declarants, any property manager and the Association, the Board, the Architectural and Landscape Council, and their respective representatives, members and employees with respect to any liability arising out of the maintenance or use of any Association Property.

**(iii) Workmen's Compensation and Employers Liability Insurance.** The Association shall purchase workmen's compensation and employer's liability insurance and all other similar insurance in respect of employees of the Association in such amounts and forms as may be required by law.

**(iv) Fidelity Insurance.** The Association may purchase, in such amounts and in such forms as the Board deems appropriate, coverage against dishonesty of employees, destruction or disappearance of money or security, and forgery.

**(v) Other Insurance.** The Association may obtain insurance against such other risks of a similar or dissimilar nature as it deems appropriate with respect to the Community, including directors' and officers' liability insurance and insurance for any personal property of the Association.

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Every policy of insurance obtained by the Association shall contain an express waiver, if reasonably available, of all rights of subrogation against Declarant, any property manager, the members of the Board, the Architectural and Landscape Council, and their respective representatives, members and employees. After Declarant has no further interest in any portion of the Property, then the foregoing insurance provisions regarding Declarant and Declarant's representatives and employees shall not apply.

(b) **Premiums and Review.** Premiums for all of the foregoing insurance carried by the Association shall be a Common Expense and shall be included in the assessments or charges made by the Association. The Board shall review the limits of all insurance policies of the Association at least once a year and shall adjust the policy limits as the Board deems necessary or appropriate.

#### 7.5 Repair and Reconstruction of Association Property.

The Association shall have the authority and the duty to repair or reconstruct Association Property that is damaged or destroyed unless this Declaration is terminated in accordance with the procedures set forth in the Act, or such repair or reconstruction would be illegal under any state or local ordinance governing health or safety, or 80% of the Owners vote not to repair or reconstruct. Any improvement required to be constructed as a condition of approval of the tentative subdivision map by Douglas County, or as to which Douglas County is a third party beneficiary, must be repaired or constructed by the Association, regardless of any vote of the Owners. Any repair or reconstruction shall take place in accordance with the following procedures:

(a) **Estimate of Costs.** As soon as practicable after an event causing damage to or destruction of any Association Property, the Association shall obtain estimates that it deems reliable and complete of the costs of repair or reconstruction of that part of the Association Property damaged or destroyed.

(b) **Repair and Reconstruction.** Except as otherwise provided in this Section 7.5, as soon as practicable after receiving the estimates, the Board diligently shall pursue to completion the repair or reconstruction of that part of the Association Property damaged or destroyed. The Association may take all necessary or appropriate action to effect such repair or reconstruction. Such repair or reconstruction shall be in accordance with the original plans and specifications unless other plans are approved by a vote of 51% of the Members and the Reviewer pursuant to Article V.

(c) **Funds for Repair and Reconstruction:** The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction of Association Property. If the proceeds of insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, then the Board, pursuant to 8.2, may levy in advance a special assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. Such assessment shall be allocated and collected as provided in Article VIII. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction.

If the cost of any such repair or reconstruction exceeds the amount of the available insurance proceeds by more than TEN THOUSAND AND NO/100THS DOLLARS (\$10,000.00), the Board shall pay the insurance proceeds to a savings and loan association, bank

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or trust company to be approved by the Board, and the proceeds shall be held for the Members and their Mortgagees, as their respective interests may appear, pursuant to an insurance trust agreement consistent with the provisions of this Declaration, approved and executed by the Board. Then, utilizing such engineering and design consultants as the Board deems necessary, the Board shall prepare a report evaluating the extent of reconstruction or repair of such damage or destruction that is reasonably possible solely utilizing an aggregate of TEN THOUSAND AND NO/100THS DOLLARS (\$10,000.00) obtained by special assessment and the total available insurance proceeds. As soon as possible, but not later than 60 days after the occurring of the damage or destruction, the Board shall present the report to the Members and notify all Mortgagees of the findings of such report and call a special meeting of the Members. At such meeting, the Members shall determine by a vote as described hereafter whether to utilize solely the available insurance proceeds and minimum special assessment funds to reconstruct in accordance with the recommendations of the report of the Board, whether to impose an additional special assessment in the aggregate total amount greater than TEN THOUSAND AND NO/100THS DOLLARS (\$10,000.00) to reconstruct the destroyed or damaged facilities beyond the findings contained in the report of the Board, or whether to rebuild the destroyed or damaged facilities at all. The determination to impose an additional special assessment shall require the affirmative vote of at least 51% of the Members and 51% of the total votes held by the Members.

(d) **Disbursement of Funds.** The insurance proceeds held by the Association and the amounts received from the assessments provided for in Article VIII constitute a fund for the payment for costs of repair or reconstruction after casualty. The first money disbursed in payment for costs of repair or reconstruction shall be made from insurance proceeds. If a balance exists after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners of the Units in proportion to the contributions made by each Owner to the Association.

(e) **Decision Not to Rebuild.** In the event of a decision not to rebuild, the damaged or destroyed facilities shall be cleared, and the land shall be landscaped in a manner ensuring the existence of adequate rights-of-way and legal access over and to the area. The cost of removal and landscaping shall be paid for with insurance proceeds, and the remaining proceeds shall be retained by the Association in its general or other funds or allocated or distributed as determined appropriate by the Board, provided that any such distribution of insurance proceeds shall be proportionate to the interests of all Members.

#### 7.6 Enhancement of Safety and Security.

The Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to enhance safety or security within the Community. Neither the Association nor the Declarant shall in any way be considered insurers or guarantors of security within the Community, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any systems or measures, including any mechanism or system for limiting access to the Community, can not be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, on behalf of himself and all occupants of his Unit and his guests, that the Association, its Board and Councils, and the Declarant are not insurers and that each Person using any portion of the Community assumes all risks of personal injury and loss or damage to property resulting from acts of third parties.

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## 7.7 Inspection of Denitrification Systems.

So long as required by any governmental authority, the Association shall conduct inspections at least annually of any denitrification Individual Sewage Disposal Systems (ISDS) installed on Units and notify the Owners of the Units of any repairs or maintenance which the inspector determines to be necessary or appropriate. The Owner shall be responsible for all such repairs and maintenance and the cost of performing the same. The Association and its inspectors shall not be liable to any Person for failure to identify defective conditions or items needing maintenance or repair.

## 7.8 Other Services.

The Association shall have the power to obtain or pay for, as the case may be, any other property, service, tax or assessment that the Association or the Board is required to secure or pay for pursuant to the terms of this Declaration, the Articles or the By-Law's, including security services for the Community generally, or that, in the Board's opinion, is or will be necessary or proper for the operation of the Association.

The Association shall be authorized but not obligated to enter into and terminate, in the Board's discretion, contracts or agreements with other Persons, including Declarant, to provide services to and facilities for the Members and their guests, lessees and invitees, and to charge use and consumption fees for such services and facilities. Such fees may be Common Expenses to be allocated among all Units, or may be charged as a special assessment pursuant to Section 8.2 against only those Units which request the services or benefits offered, as the Board deems appropriate. By way of example, some services and facilities which might be offered include landscape maintenance, pest control service, cable television service, security, caretaker, transportation, fire protection, utilities, and similar services and facilities.

## 7.9 Rights of Enforcement.

(a) The Association, in its own name and on its own behalf or on behalf of any Owner of a Unit who consents, any Member, any Declarant, any Successor Declarant, and Douglas County as a third party beneficiary as to certain provisions of this Declaration, may commence and maintain actions for damages or to restrain and enjoin any actual or threatened breach of any provision of the Governing Documents, or to enforce by mandatory injunction, or otherwise, all of such provisions. The court in any such action may award the successful party reasonable expenses incurred in prosecuting such action, including reasonable attorney's fees.

(b) In addition to the rights set forth above and specifically provided elsewhere in this Declaration, in the event of a violation of the Governing Documents, the Association shall have the following enforcement powers, subject to the notice and hearing procedures set forth in the By-Law's:

(i) the power to suspend the voting rights of, or assess monetary penalties against, any Owner of a Unit or other person entitled to exercise such Owner's membership privileges, provided that any such monetary penalty shall not exceed FIVE HUNDRED AND NO/100THS DOLLARS (\$500.00) for any one violation.

(ii) the power to suspend the rights of an Owner, and anyone otherwise entitled to exercise the Owner's membership privileges, to use the Common Elements other than

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for direct access to and from such Owner's Unit, provided that any suspension of use privileges shall not exceed a period of 60 days for any one violation, or in the case of a continuing violation, 60 days after the violation ceases or is cured;

(iii) the power to exercise self-help to abate or cure the violation; and the power to impose a special assessment against an Owner in the manner provided in Section 8.2 to collect any costs incurred by the Association in curing any violation, plus a reasonable administrative fee to discourage noncompliance, or to collect any fine that remains unpaid for a period of 10 days or more.

The Association shall not be obligated to take any enforcement action if the Board determines, in the exercise of its business judgment, that a technical violation is of such a nature as not to be objectionable to a reasonable person, or that the interests of the Association and its Members are better served by not taking action, or that the Association's legal position under the particular facts and circumstances is not strong enough to justify taking any further action. Such a decision shall not be construed as a waiver of the right of the Association to enforce such provision at a later time under other circumstances or estop the Association from enforcing any other provision of the Governing Documents.

Each remedy provided by this Declaration is cumulative and not exclusive. The failure to enforce any provision of the Governing Documents shall not constitute a waiver of the right to enforce such provision or any other provision of the Governing Documents.

#### 7.10 Rights of Entry.

The Association has the right to enter upon any portion of the project, after giving reasonable notice to the owner thereof, for any purpose reasonably related to the performance of the Association of its duties under this Declaration. In the event of an emergency, such right of entry shall be immediate.

#### 7.11 Rights of Third-Party Water Rights Holders.

The Association, and each of its affected members, shall cooperate with third party water rights owners as reasonably required regarding access rights to Sheridan and Barber Creek pursuant to recorded obligations set forth on any Final Subdivision Map and any recorded agreement between the Declarant and any such owners.

### Article VIII Association Finances

#### 8.1 Budgeting and Allocating Common Expenses.

At least 60 days before the beginning of each fiscal year, the Board shall prepare a budget of the estimated Common Expenses for the coming year. The budget shall include a contribution to a reserve fund for repair and replacement of the Association's capital assets in such amount as the Board deems reasonably necessary to meet the projected needs of the Association after taking into account the number and nature of capital assets, the expected life of each asset, and the expected repair or replacement cost of each asset. The budget shall also reflect the sources and estimated amounts of funds to cover such Common Expenses, which may include any surplus to

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be applied from prior years, any income expected from sources other than assessments levied against the Owners and their Units, and the amount to be generated through the levy of regular and special assessments, as authorized in this Article.

The annual budget shall specifically include, without limitation, adequate provisions to ensure funding of drainage, storm drain and septic maintenance obligation provisions for which Douglas County is a third party beneficiary.

The Association shall be authorized to levy regular assessments against each Unit subject to assessment under Section 8.4 and its Owner to meet the projected needs of the Association as reflected by the budget.

The Declarant may, but shall not be obligated to, reduce the assessment rate for any fiscal year by payment of a subsidy, provided any such subsidy is conspicuously disclosed as a line item in the income portion of the budget. The payment of such subsidy in any year shall not obligate the Declarant to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and the Declarant.

The Board shall send a summary of the final budget, together with notice of the amount of the regular assessment to be levied pursuant to such budget, to each Owner within 30 days prior to the effective date of such budget, the notice shall set a date for a meeting of the Members to consider the budget, which shall be not less than 14 nor more than 30 days after mailing of the summary. The budget shall automatically become effective unless disapproved at the meeting by Members representing at least 75% of the total votes in the Association.

If any proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then the budget most recently in effect shall continue in effect until a new budget is determined.

The Board may revise the budget and adjust the assessment from time to time during the year, subject to the notice requirements and the right of the Members to disapprove the revised budget as set forth above.

## 8.2 Special Assessments.

(a) Against all Units. If the Board determines that the estimated total amount of funds necessary to defray the Common Expenses for a given fiscal year is or will become inadequate to meet such expenses for any reason, including, but not limited to, delinquencies in the payment of assessments, then the Board shall determine the approximate amount necessary to defray such expenses, and if such amount is approved by a majority vote of the Board, it shall become a special assessment. Any special assessment shall be subject to the same notice requirement and the right of the Members to disapprove such assessment as set forth in Section 8.1 for regular assessments, except that a special assessment levied pursuant to Section 7.5(c) shall become effected unless disapproved by Members representing at least 80% of the total votes in the Association. Special assessments under this Section 8.2(a) shall be payable on such schedule as the Board may establish. The Board may, in its discretion, permit any special assessment to be paid in installments extending beyond the fiscal year in which the special assessment is levied.

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**(b) Against Specific Units.**

(i) The Association may assess any expenses which it incurs to cure violations of the Governing Documents (after notice to the Owner and failure of the Owner to cure within the required periods, as set forth elsewhere in this Declaration) against the Owner responsible for the violation and such Owner's Unit. The Association may also levy a special assessment against any Owner responsible for damage to Association Property to pay for the cost of repairing such damage, after notice and an opportunity for a hearing pursuant to the procedures set forth in the By-Law's. Additionally, the Association may levy a special assessment against an Owner and such Owner's Unit to collect a fine imposed on such Owner by the Board. Special Assessments levied pursuant to this Section 8.2(b) shall be due and payable immediately upon notice from the Board.

(ii) The Association may levy a special assessment to cover the costs (including a reasonable administrative charge) of providing optional services or benefits to any Unit upon request of the Owner pursuant to the authority granted in Section 7.7. Such special assessments may be levied in advance of the provision of the requested service or benefit.

**8.3 Uniform Rate of Assessment.**

Except as otherwise specifically provided in Section 8.2(b) and elsewhere in this Declaration and as allowed by NRS 116.3115(3), regular and special assessments of the Association must be fixed at a uniform rate for all Units, and the amount assessed to each Unit shall be determined by dividing the total amount assessed by the total number of Units then within the Community and subject to assessment.

**8.4 Authority to Levy Assessments; Time of Payment.**

(a) **Authority to Assess.** The Association shall have the power to establish, fix and levy assessments against each Owner of a Unit and to enforce payment of such assessments in accordance with the provisions of this Declaration. Assessments shall commence as to each Unit on the later of (i) the first day of the first month following the month in which the first close of escrow occurs for the sale for a Unit within the Community, and after the Association has first adopted a budget and levied an assessment pursuant to this Article; or (ii) the first day of the first month following annexation of such Unit to the Community pursuant to Article XIII, in which case the first year's assessment shall be adjusted according to the number of months remaining in the fiscal year at the time the obligation to pay such assessment commences.

(b) **Time of Payment.** Assessments shall be paid in such manner and on such dates as the Board may specify in the notice of assessment, except that no payment shall be required fewer than 15 days after such written notice has been given. Regular assessments pursuant to Section 8.1 shall be annual assessments due as of the first day of the fiscal year, but shall be payable in monthly installments unless the Board adopts some other schedule for payment. The Board may impose special requirements for Owners with a history of delinquent payment.

**8.5 Personal Obligation and Agreement to Pay.**

Declarant, for each Unit owned by it in the Community, and each Owner, by his acceptance of a deed for any Unit, covenants and agrees to pay to the Association such regular

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and special assessments as are established, made and collected pursuant to this Declaration. Subject to the provisions of Article X, a purchaser of a Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments. No Owner may avoid or diminish his liability for assessments by abandonment of his Unit or by electing not to use Common Elements.

Each delinquent assessment shall bear interest at the rate of twelve percent (12%) per annum from the date it becomes due together with a late charge of TWENTY-FIVE AND NO/100THS DOLLARS (\$25.00) for each delinquent installment. An assessment payment is delinquent if not paid within 30 days after its due date. Each assessment or installment, together with late charges, interest, and costs of collection (including reasonable attorneys' fees), shall be the personal obligation of the Person who was the Owner of a Unit at the time such assessment or installment became due and payable. If more than one Person was the Owner of a Unit at that time, the personal obligation to pay such assessment or installment shall be joint and several as to all of such Persons.

The failure of the Association to give notice of any assessment shall not affect the liability of the Owner of any Unit for such assessment.

#### 8.6 Statement of Account.

Upon payment of a reasonable fee, not to exceed FIFTEEN AND NO/100THS DOLLARS (\$15.00), and upon written request of any Member or any Mortgagee, prospective Mortgagee or prospective purchaser of a Unit, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Unit, the amount of the current periodic assessment and the date on which such assessment becomes or became due, and any credit for advanced payments or prepaid items. Such statement shall be conclusive upon the Association in favor of Persons who rely thereon in good faith. Provided such request is made in writing, if the request for a statement of account is not complied with within 20 days, all unpaid assessments that became due before the date of making such request shall be subordinate to the lien of a Mortgagee that acquired its interest after requesting such statement.

#### 8.7 Collection of Assessments.

The right to collect and enforce assessments is vested in the Board acting for and on behalf of the Association. The Board or its authorized representative, including any Manager, may enforce the obligations of the Owners of Units to pay assessments provided for in this Declaration by the commencement and maintenance of a suit at law or in equity, or the Board may enforce such obligations by judicial or non-judicial proceedings or, to the extent permitted by applicable law, through the exercise of the power of sale granted to the Association pursuant to Section 8.9 and Chapter 116 of the Nevada Revised Statutes to enforce the lien rights created in this Article. Suit to recover a money judgment against an Owner for unpaid assessments together with all other amounts described in Section 8.5 shall be maintainable without first foreclosing the lien against the Unit or waiving the lien rights created in this Article and the Act.

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## 8.8 Lien for Assessments; Priority.

All sums assessed to any Unit pursuant to this Article, together with interest, late charges, and costs of collection as authorized in this Article, shall be secured by a lien on such Unit in favor of the Association prior and superior to all other liens except (a) valid tax and special assessment liens on such Unit in favor of any governmental assessing authority; (b) a lien for all obligations secured by a First Security Interest, or secured by any security interest to Declarant or a Successor Declarant, which Security Interest is duly recorded in the Douglas County, Nevada, real estate records, including all unpaid obligatory advances to be made pursuant to such security interest and secured by the lien thereof in accordance with the terms of such instrument; provided, however, that such assessment lien shall have priority over such security interests to the extent of the assessments based on the annual budget adopted by the Association pursuant to Section 8.1 which would have become due during the six months immediately preceding institution of an action to enforce the lien for assessments, as provided in NRS 116.3116; or (c) labor or materialmen's liens, to the extent required by law.

The Association may, but shall not be required to, prepare and record in the office of the County Recorder of Douglas County, Nevada, a written Notice of Assessment setting forth the amount of the assessment, its due date, the amount remaining unpaid as of the date of such Notice of Assessment, the name of the record Owner of the Unit and a description of the Unit. No Notice of Assessment shall be recorded until a delinquency in the payment of an assessment has occurred. Recording of a Notice of Assessment shall not be necessary to establish the lien, which is established by the recording of this Declaration, nor shall recording of a Notice of Assessment waive the Association's right to collect other assessments against such Unit then or thereafter coming due, whether or not such assessments are delinquent at the time of recording of such Notice of Assessment.

## 8.9 Enforcement of Lien.

The Association may foreclose its lien by sale after the failure of an Owner to pay any assessment levied under this Declaration when due, in accordance with the provisions of Chapter 116 of the Nevada Revised Statutes.

All such costs and expenses of the foreclosure shall be secured by the lien being foreclosed. The Owner shall be required to pay the Association assessments against the Unit that become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the Unit. The Association shall be entitled to bid on credit up to and including the amount secured by the lien being foreclosed.

Upon payment of all amounts secured by the lien for which a notice has been recorded, the Association shall execute and record a further notice stating the satisfaction thereof.

Any encumbrancer holding a lien on a Unit may, but shall not be required to, pay all amounts secured by the lien created pursuant to Section 8.8, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including all priority rights.

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## PART FOUR: RIGHTS OF PROPERTY OWNERS AND OTHERS

*The rights of property owners to use certain portions of the Community in common and the interrelationships of property owners and others in a community such as Job's Peak Ranch are part of what distinguish it from ordinary subdivisions. These rights and relationships are important to the overall success of the community and must be acknowledged and protected.*

### Article IX Easements

#### 9.1 Easements for Owners.

Each Owner shall have a nonexclusive easement for use, access to and enjoyment of the Common Element, subject to the following:

- (a) the Governing Documents and the rights of the Association to deal with the Common Elements as set forth in the Governing Documents;
- (b) any restrictions or limitations contained in the instrument conveying an interest in such Common Elements to the Association;
- (c) the right of the Association to permit use of any Common Element Improvements by persons other than Owners upon payment of such use fees as the Board deems appropriate;
- (d) the rights of others to use certain Common Elements as authorized in this Declaration;
- (e) the right of the Association to adopt, amend and enforce reasonable rules and regulations affecting the use of the Common Element and Common Element Improvements; however, such rules and regulations shall not be in conflict with any ordinance of Douglas County or of any other governmental entity;
- (f) the right of the Board, upon 30 days' written notice, to suspend the voting rights of an Owner and the right to use any recreational facility within the Common Element by an Owner and by his tenants and guests for any period during which any assessment against such Owner's Unit remains unpaid;
- (g) the right of the Association to limit the number of guests of an Owner using the Common Element and Common Element Improvements; and
- (h) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated in the Common Element.

An Owner may extend his or her right of use and enjoyment to the occupants of his Unit and guests, subject to reasonable regulation by the Association.

#### 9.2 Easements to Association.

There are hereby reserved to the Association such non-exclusive, perpetual easements over the Community as are reasonably necessary to perform the duties and obligations of the Association

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and to exercise its rights as set forth in this Declaration and the other Governing Documents and in the Conditions of Approval imposed by Douglas County, Nevada in connection with the Tentative Subdivision Map and planned unit development referenced in Section 1.1 of this Declaration, including such obligations as may be set forth in the Development Agreement by and between Declarant and Douglas County, Nevada referenced in such Conditions of Approval.

### 9.3 Easements for Utilities and Infrastructure.

The Declarant reserves for itself, so long as the Declarant owns any portion of the Property, a perpetual non-exclusive easement throughout the Community (but not through a structure) to the extent reasonably necessary for the purpose of:

(i) installing utilities and infrastructure to serve the Community, cable and other systems for sending and receiving data and/or other electronic signals, security and similar systems, walkways, pathways and trails, drainage systems, street lights and signage on property which Declarant owns or within public rights-of-way, private streets within the Community, or easements reserved for such purpose on any final Subdivision Map.

In addition, the Declarant hereby creates and grants to the Association and to the providers of any utilities serving the Community perpetual, non-exclusive easements over the Community for the purpose of inspecting, maintaining, repairing and replacing the utilities, infrastructure and other improvements described in this Section; and for access to read utility meters.

All work associated with the exercise of the easements described in this Section shall be performed in such a manner as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably possible, to its condition prior to the commencement of the work. The exercise of these easements shall not extend to permitting entry into the structures on any Unit, nor shall it unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or occupant.

## Article X Protection of Lenders

### 10.1 Encumbrance of Units and Subordination.

Any Owner may encumber his Unit with a Mortgage. Except as otherwise provided in Section 8.8, the Association's lien for unpaid assessments under Article VIII is subject and subordinate to the lien of any First Mortgage encumbering any Unit, unless the priority of such First Mortgage is expressly subordinated to such assessment lien by a written instrument duly recorded.

### 10.2 Non-Liability for Unpaid Assessments.

Except as provided in Section 8.8, any Mortgagee who acquires title to a Unit pursuant to the judicial or non-judicial foreclosure remedies provided for in the Mortgage shall take title to the Unit free of all claims for unpaid assessments or Association charges that accrue before the

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date of such foreclosure. However, the Unit shall remain subject to this Declaration notwithstanding such foreclosure and the Unit and the grantee or purchaser of the Unit shall be liable for all regular and special assessments, or installments thereof, coming due after the date of such foreclosure.

### 10.3 Notices.

Upon written request to the Association specifying its name and address and the address of the Unit on which it holds a Mortgage, any Mortgagee shall be entitled to timely written notification from the Association of:

- (a) any condemnation or casualty loss that affects a material portion of the Community or the Unit securing its Mortgage;
- (b) any default by the Owner of the Unit subject to its Mortgage in the payment of any assessments or other charges due to the Association, which default is not cured within 60 days;
- (c) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; or
- (d) any proposed action which would require the consent of a specified percentage of eligible Mortgagees under the Governing Documents.

### 10.4 Insurance Proceeds and Condemnation Awards.

No provision of this Declaration or the Articles shall give an Owner or any other party priority over rights of First Mortgagees under their Mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards.

### 10.5 Appearance at Meetings.

Because of its financial interest in the Community, any Mortgagee may appear (but cannot vote) at meetings of the members and the Board and may draw attention to violations of this Declaration that have not been corrected or made the subject of remedial proceedings or assessments.

### 10.6 Examination of Records.

Mortgagees shall have the right to examine the books and records of the Association and obtain copies of financial data concerning the Association, including annual audit reports and opening statement as and when furnished to the Owners.

## Article XI

### Rights of Enforcement; Third Party Beneficiaries

#### 11.1 Rights to Enforce.

Except as otherwise is provided in this Declaration, Declarant, any Successor Declarant, any Member, and Douglas County as to the provisions to which it has been expressly made a third

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party beneficiary pursuant to Section 11.2, may (but shall not have a duty) to enforce the terms of this Declaration in accordance with Section 7.9(a). In addition, the Declarant or its duly authorized agent may exercise any rights of self-help specifically granted to the Association in this Declaration. Nothing in this Declaration shall be construed as creating a third party beneficiary contract in favor of Persons who are not Members of the Association, except in favor of Douglas County as set forth in Section 11.2.

## 11.2 County as Third Party Beneficiary.

(a) The County of Douglas, State of Nevada is expressly made a third party beneficiary to the following provisions of this Declaration and the Community Design Guidelines: (i) subsection 7.9(a), relating to enforcement; (ii) provisions regarding the maintenance responsibility of all onsite drainage features and appurtenances; (iii) provisions relating to any amendment to this Declaration which require the prior approval of Douglas County; (iv) any provision relating to the imposition of special assessments against the Owners of the Units in furtherance of any provision as to which Douglas County has enforcement powers; or (v) any provision relating to collection of assessments and liens for assessment as to which Douglas County has assessment powers.

In addition, Douglas County is expressly made a third party beneficiary for the purpose of enforcing the provisions of this Declaration relating to (i) the transfer of the Common Element and the use of the Common Element for those uses that are compatible with the open space designation of the Common Element, and (ii) the obligations of the Owners and the Association to maintain roads, oil and sand separators, infiltration basins and associated structures.

In this connection, Douglas County shall have the right to enforce in a court of law the provisions specified in this Section 11.2(a), and none of such provisions shall be amended in any material respect without the express written consent of Douglas County first having been obtained.

### (b) If the Association:

(i) fails to enforce (A) the provisions of Section 4.1 relating to the Owners obligation to properly maintain fire and fuel break areas in accordance with applicable fire and safety codes, or (B) the provisions of subsection 7.3(b) relating to the obligation of the Association to properly maintain fire and fuel break areas in the Common Element and to maintain in accordance with applicable health fire and safety codes Improvements that may have been made to the Common Element; or

(ii) fails to pay before delinquency all taxes and assessments levied against Association Property or Common Element Improvements or against the Association, then, after reasonable notice to the Association and, in the case of a failure under clause (A) of paragraph (i) above, the Owner of the subject Unit, Douglas County shall be entitled to commence an action as set forth in subsection 7.9(a) or to enforce such obligations by the levy of a special assessment equally against all of the Units and their Owners, which special assessment shall be secured by a lien against all of the Units. Notwithstanding the foregoing, Douglas County shall be entitled to commence such action only after (i) giving reasonable notice (which shall be no less than 30 days) to the Association in the manner provided in Section 6.5, describing such violation, or if no Association is in existence, by publication of reasonable notice in a newspaper of general

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circulation in Douglas County, and (ii) the failure of the Association or the Owners of the Units to cure such violation within a reasonable time thereafter to the reasonable satisfaction of Douglas County.

## PART FIVE: DEVELOPMENT AND EXPANSION OF THE COMMUNITY

*The Declaration reserves various rights to and provides various protections for the Declarant, as the developer, in order to facilitate the smooth and orderly development of Job's Peak Ranch in a manner consistent with the limitations of the Nevada Uniform Common-Interest Ownership Act and state and local law governing development of the Property.*

### Article XII

#### Development Rights and Protections

##### 12.1 General.

The rights set forth in this Article are personal to Declarant and all Successor Declarants, if any, and may be transferred only by a written assignment duly recorded from a Declarant to a Successor Declarant or from a Successor Declarant to another Successor Declarant.

##### 12.2 Reasonable Rights to Develop.

Declarant and all Successor Declarants may be undertaking the work of constructing Improvements to and upon the Community and the Units. The completion of such construction and the sale or other disposal of the Units is essential to the establishment and welfare of the Community as a residential community. Therefore, until all of the Units and Potential Units and Common Elements have been developed and conveyed by Declarant to Persons other than a Successor Declarant, nothing in this Declaration or the other Governing Documents shall be understood or construed to:

(a) prevent Declarant, its contractors or its subcontractors from doing in the Community or any Unit whatever is reasonably necessary or advisable in connection with the commencement or completion of the above described work;

(b) prevent Declarant or its representatives from erecting, constructing and maintaining on any part of the Community such structures as reasonably may be necessary for the conduct of its business of completing the work, establishing the Community as a residential community and disposing of the Units by sale, lease or otherwise;

(c) prevent Declarant from conducting on any part of the Community its business of completing the work, of establishing the Community as a residential community, and of disposing of the Units by sale, lease or otherwise;

(d) prevent Declarant from maintaining such signs and conducting such activities on any part of the Community owned by Declarant or the Association as Declarant may deem to be reasonably necessary for the sale, lease or disposition of Units; or

(e) prevent Declarant from placing and utilizing on Units or other property which it owns one or more mobile homes or temporary structures as sales offices or for construction

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activities; provided, however, nothing in this Section shall give Declarant the right to damage any Unit or other property not owned by Declarant.

### 12.3. Special Declarant Rights.

In addition to the rights set forth in Section 12.2 and elsewhere in this Declaration, the Declarant reserves the following Special Declarant Rights which may be exercised, except as otherwise specified, with respect to all of the property in the Community until the earlier of 15 years after the recording of this Declaration or the date upon which all of the Units and Potential Units have been developed and conveyed by Declarant to Persons other than a Successor Declarant:

- (a) the right to complete any and all Improvements indicated on the Tentative Subdivision Map, any Final Subdivision Map, or referenced in this Declaration;
- (b) the right to exercise any of the following developmental rights:
  - (i) the right to expand the Community as provided in Article XIII;
  - (ii) the right to create additional Units;
  - (iii) the right to subdivide Units which it owns or convert Units which it owns into Common Elements;
  - (iv) the right to withdraw from the Community any Unit or any portion of a Unit not yet conveyed by Declarant, subject to such local government approvals as may be required; and
  - (v) the right to reconfigure the boundaries of the Common Element, subject to the approval of Douglas County;
- (c) the right to maintain one or more sales offices, management offices, signs and advertising on any portion of the Association Property or on Units which Declarant owns;
- (d) the right of access over the Common Elements for the purpose of developing and making Improvements to any portion of the Property;
- (e) the right to merge or consolidate the Association with another common interest community of the same form of ownership; and
- (f) the right to appoint and remove any director or officer of the Association during the Declarant Control Period, as provided in Section 6.2 and in the By-Law's.

The foregoing rights may be exercised with respect to different portions of the Community at different times. If a development right is exercised with respect to any portion of the Property, it need not be exercised with respect to all or any other portion of the Property. No assurances are made as to the boundaries of, or the order in which such development rights may be exercised with respect to, portions of the Property.

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**12.4 Additional Restrictions and Assessments on Certain Portions of the Community.**

The Declarant reserves the right to impose additional covenants, restrictions, easements and obligations on, and create a separate homeowners association and separate assessments (in addition to those created under this Declaration) for, any portion of the Community owned by Declarant prior to its conveyance by Declarant. However, in the event of a conflict between any such additional covenants and restrictions and this Declaration, the more restrictive shall control.

**12.5 Right of Declarant to Disapprove Actions.**

(a) During the Declarant Control Period and for a period of two years after expiration of the Declarant Control Period, the Declarant shall have a right to disapprove any action, policy or program of the Association, the Board and any Council which, in the sole judgment of the Declarant, would tend to impair rights of the Declarant under the Governing Documents, or interfere with development of or construction on any portion of the Community, or diminish the level of services being provided by the Association.

(b) The Declarant shall be given written notice of all meetings and proposed actions approved at meetings (or by written consent in lieu of a meeting) of the Association, the Board or any Council. Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, and shall comply with the provisions of the By-Law's regarding notice for the applicable meeting. The notice shall, except in the case of the regular meetings held pursuant to the By-Law's, set forth in reasonable particularity the agenda to be followed at said meeting; and

(c) The Declarant shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein.

(d) No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (b) and (c) above have been met.

(e) The Declarant, its representatives or agents shall make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject Council. The Declarant, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action. This right to disapprove may be used to block proposed actions but shall not include a right to require any action or counteraction on behalf of any Council, or the Board or the Association. The Declarant shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

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**Article XIII**  
**Expansion of the Community**

**13.1 Right to Add Property to the Community.**

Declarant shall have the sole and exclusive right, without obligation, from time to time for a period of fifteen years after recordation of this Declaration, to add all or portions of the Property to the Community and to designate Units and Common Element within such portions as are so added and to determine the boundaries of the property to be added and the order in which they are to be added. The Declarant shall not be required to obtain the consent of any Member, any Owner, the Association, or any Mortgagee before the addition of any portion of the Property; provided, however, that no such property shall be added to the Community as Units unless a Final Subdivision Map has been recorded for such Units.

**13.2 Addition of Units.**

(a) Procedure. For each group of Units to be added to the Community, Declarant shall cause to be recorded in the office of the County Recorder of Douglas County, Nevada, a Declaration of Annexation, which shall contain the following:

(i) a legal description of the Units to be added, with reference to the Final Subdivision Map for such Units; and

(ii) a statement that each of the Units described in such Declaration of Annexation shall be deemed to be a Unit (as such term is defined in this Declaration) and that from and after the date of the recordation of the Declaration of Annexation the property described therein is to be deemed a part of the Community (as such term is defined in this Declaration) and shall be held, owned, transferred, conveyed, mortgaged, encumbered, leased, rented, occupied, improved and used subject to, and in conformity with, all of the declarations, limitations, covenants, conditions, restrictions and easements set forth in this Declaration, including the developmental rights set forth in this Article XIII, in the same manner as if it had been a part of the initial property made subject to this Declaration.

(b) Effect of Addition. From and after the recordation of a Declaration of Annexation, the Units described in such Declaration of Annexation shall become Units (as such term is defined herein). All Persons that own or hold an ownership interest in any such Unit shall assume the duties and obligations and shall have all of the rights of an Owner of a Unit as set forth in this Declaration and the Association shall have the same rights, duties and responsibilities with respect to the property so annexed as it presently possesses with respect to the property initially included within the Community. Each Unit so added shall be allocated an equal share of the liability for Common Expenses and one equal vote with all other Units on any matter as to which Members of the Association are entitled to vote.

**13.3 Addition of Common Element.**

(a) Procedure. For any Common Element to be added to the Community, Declarant shall cause to be recorded in the office of the County Recorder of Douglas County, Nevada, a Declaration of Annexation, which shall contain the following:

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(i) a legal description of the Common Element to be added; and

(ii) a provision that the Common Element is Association Property (as defined in this Declaration) and shall be maintained, operated, held, owned, transferred, conveyed, mortgaged, encumbered, rented, leased, occupied and improved subject to all declarations, easements, limitations, covenants, conditions and restrictions that are set forth in this Declaration, including the development rights set forth in this Article XIII, and such additional provisions as are set forth in the Declaration of Annexation, and that nothing contained in such Declaration of Annexation shall be construed as any type of offer of dedication of the Common Element to the general public.

Nothing contained in the Declaration of Annexation of the Common Element shall conflict with the terms of this Declaration, and in the event of conflict this Declaration will control.

Immediately after recordation of the Declaration of Annexation, the Declarant shall execute and record a deed conveying the Common Element and Common Element Improvements located thereon to the Association and incorporating by reference the terms and provisions of this Declaration and the Declaration of Annexation.

#### PART SIX: CHANGES IN THE COMMUNITY AND GOVERNING DOCUMENTS

Communities such as Job's Peak Ranch are, by their nature, dynamic and constantly evolving. The Association and the community as a whole must be able to adapt to changes in circumstances, technology, needs and desires of its residents, and changes in the larger community of which it is a part, while protecting those things that make Job's Peak Ranch special.

#### Article XIV

#### Changes in Common Elements

##### 14.1 Transfer, Partition or Encumbrance of Common Element.

(a) Except as otherwise specifically provided in this Declaration, the Common Element shall not be judicially partitioned or subdivided into Units, nor shall the ownership of the Common Element be otherwise divided or encumbered in any manner after conveyance to the Association, except upon the approval of Members entitled to cast at least 80% of the total votes in the Association, including a majority of the votes held by Members other than Declarant, and the consent of Declarant so long as it owns any Unit or Potential Unit.

(b) The Association shall have the authority, subject to approval of a Members entitled to cast a majority of the total votes in the Association, including a majority of the votes held by Members other than Declarant, and the consent of Declarant, so long as the Declarant owns any Unit or Potential Unit, to transfer portions of the Common Element and Common Element Improvements to appropriate governmental entities or tax-exempt organizations for the maintenance, operation and preservation thereof; provided, however, that any such transfer shall not relieve such Common Element from the rights and benefits of the Association and the Members as provided in this Declaration and shall otherwise be subject to the provisions of this Declaration.

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## 14.2 Condemnation.

If at any time all or any portion of the Association Property or any interest therein is taken for any public or quasi-public use under any statute, by right of eminent domain or by private purchase in lieu of eminent domain, then the entire award of such taking shall be paid to the holder or holders of the fee title to such area as its interest or their interests may appear. Any such award to the Association shall be deposited into the operating funds of the Association. No Member shall be entitled to any portion of such award, and no Member shall be entitled to participate as a party or otherwise in any proceeding relating to such condemnation, as such right of participation is reserved exclusively to the Association or other holder of the fee title, which shall, in its name alone, represent the interests of all Members to the extent such Members have any interest.

## Article XV Changes in Governing Documents

### 15.1 Amendment of Declaration.

(a) Generally. Except as otherwise specifically authorized or required by this Declaration or the Act, this Declaration may be amended in any respect by the vote or written consent of the Board and the approval, by vote, written consent, or any combination of votes and written consents, of Members entitled to cast not less than 51% of the total votes in the Association and the consent of Declarant, as long as Declarant owns any portion of the Property; provided, however, that if any provision of this Declaration requires approval of greater percentage of votes or the consent of any Person in order to take action under such provision, then such greater percentage or consent shall be required to amend or revoke such provision.

(b) Any material amendment to Section 11.2, any provisions of this Declaration referenced in Section 11.2, or this Section 15.1, shall require the prior written consent of Douglas County, Nevada.

(c) No amendment may remove, revoke or modify any right or privilege of Declarant, nor modify any provision of this Declaration which has such effect, without the prior written consent of Declarant or the assignee of such right or privilege.

(d) Any amendment shall be evidenced by an instrument certified by the President and Secretary or other duly authorized officer of the Association, shall make appropriate reference to this Declaration and any previous amendments, and shall be acknowledged and recorded in the office of the County Recorder of Douglas County, Nevada.

### 15.2 Amendment of Other Governing Documents.

All other Governing Documents may be amended in accordance with their terms, notwithstanding that they may be attached as an exhibit to or incorporated by reference in this Declaration.

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IN WITNESS WHEREOF, Declarant has executed this Declaration on the day and year first written below.

Date: 22 May 1997

FIVE CREEK, L.L.C., a Nevada limited liability company

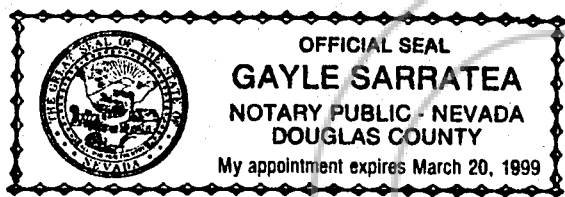
BY: *Cole S. Smith*  
Cole S. Smith, Operating Manager

STATE OF NEVADA        )  
                                  ) Ss.  
COUNTY OF DOUGLAS    )

Before me, a Notary Public, in and for said county and state, personally appeared COLE S. SMITH, as Operating Manager of FIVE CREEK, L.L.C., a Nevada limited liability company, known to me to be the person who executed the foregoing instrument, who being by me first duly sworn, acknowledged under oath that he executed the said instrument on behalf of such company as his free and voluntary act for the use and purposes therein set forth.

Subscribed and sworn to before me this 22<sup>nd</sup> day of May, 1997.

My Commission expires on: *Gayle Sarratea*  
Notary Public



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EXHIBIT "A"  
Legal Description  
Douglas County, Nevada

DESCRIPTION OF ASSESSOR'S PARCEL NUMBER 19-140-01, REFLECTING A BOUNDARY LINE ADJUSTMENT WITH ASSESSOR'S PARCEL NUMBER 19-280-30, BEING A PORTION OF SECTIONS 15, 16, 21, 22, AND 23 T.12N., R.19E., M.D.B.& M, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH ¼ CORNER OF SECTION 15, T.12N., R.19E., M.D.B.&M.; SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE S 89°47'35" E, 946.88 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY OF FOOTHILL ROAD; THENCE ALONG SAID RIGHT OF WAY S 18°46'42" E, 1178.83 FEET; THENCE LEAVING SAID RIGHT OF WAY S 00°05'41" E, 1527.94 FEET; THENCE ALONG THE SOUTH LINE OF THE NORTHEAST ¼ OF SECTION 15, S 89°58'14" W, 914.30 FEET; THENCE S 30°39'03" W, 795.67 FEET; THENCE ALONG THE WEST LINE OF THE SOUTHEAST ¼ OF SECTION 15 S 00°08'13" E, 1964.23 FEET TO THE SOUTH ¼ CORNER OF SECTION 15; THENCE ALONG THE SOUTH LINE OF THE SOUTHEAST ¼ OF SECTION 15, N 89°58'00" E, 2622.31 FEET TO THE SECTION CORNER COMMON TO SECTIONS 14, 15, 22, AND 23; THENCE ALONG THE SOUTH LINE OF THE SOUTHWEST ¼ OF SECTION 14, N 89°56'30" E, 1392.10 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY OF FOOTHILL ROAD; THENCE FROM A TANGENT BEARING OF S 33°56'54" E ALONG THE RIGHT OF WAY OF FOOTHILL ROAD ON A NONTANGENT CURVE TO THE RIGHT WITH A RADIUS OF 1960.00 FEET, AN INCLUDED ANGLE OF 09°24'42", A TANGENT LENGTH OF 161.34 FEET AND AN ARC LENGTH OF 321.95 FEET; THENCE LEAVING SAID RIGHT OF WAY S 89°59'28" E, 228.81 FEET; THENCE S 00°00'03" W, 2363.51 FEET TO THE SOUTHEAST CORNER OF THE S.W. ¼ N.W. ¼ SECTION 23; THENCE S 89°53'34" W, 1323.02 FEET TO THE ¼ CORNER COMMON TO SECTIONS 22 & 23; THENCE S. 89°55'38" W, 1311.66 FEET; THENCE S 00°00'59" W, 2642.30 FEET TO A POINT ALONG THE NEVADA/CALIFORNIA STATE LINE; THENCE ALONG SAID STATE LINE THE FOLLOWING COURSES:

N 48°38'10" W, 2942.00 FEET;  
N 48°40'10" W, 2647.02 FEET;  
N 48°40'23" W, 2632.61 FEET;  
N 48°40'53" W, 3294.84 FEET;

THENCE LEAVING SAID STATE LINE ALONG THE SOUTH LINE OF THE NORTH ½ OF SECTION 16, N. 89°36'00" E, 4709.96 FEET TO THE ¼ CORNER COMMON TO SECTIONS 15 AND 16; THENCE ALONG THE EAST LINE OF THE

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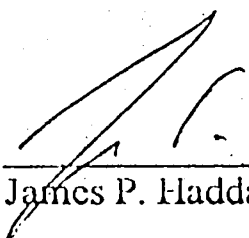
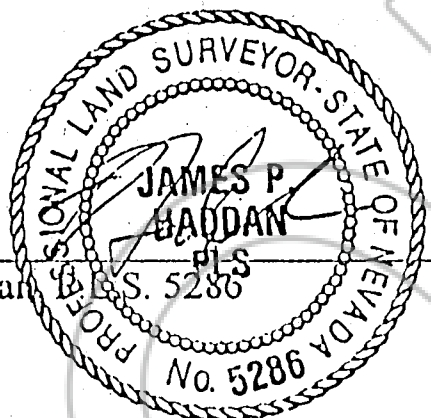
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RESULTANT ASSESSOR'S PARCEL NUMBER 19-140-01 (CONTINUED)

NORTHEAST ¼ OF SECTION 16, N 00°15'52" W, 2639.92 FEET; THENCE  
N 89°51'51" E, 2628.67 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL THAT PORTION AS DESCRIBED IN  
EXHIBIT "C" ATTACHED HERETO AND MADE A PART HEREOF.

BASIS OF BEARINGS: THE NORTH LINE OF THE NORTHEAST ¼ OF SECTION  
22, T.12N., R.19E., M.D.B.& M. AS SHOWN ON THE RECORD OF SURVEY FOR  
HIND PROPERTY, RECORDED AS DOCUMENT NO. 49903, DOUGLAS COUNTY  
RECORDS. (BEARING: N 89°58'00" E)

  
James P. Haddan  
  
JAMES P. HADDAN  
P.L.S.  
No. 5286  
Date 2/13/97

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**EXHIBIT "B"**  
**Restrictions on Use, Occupancy and Transfer of Units**

The following restrictions shall be subject to expansion, repeal or modification in accordance with the rulemaking authority set forth in Article III of the Declaration and the amendment provisions set forth in Article XV of the Declaration:

1. **Residential Use.** Units shall be used exclusively for single family residential purposes and no business or trade shall be conducted on or from any Unit, except that an Owner or occupant residing in the dwelling on a Unit may conduct "home business" activities ancillary to the primary residential use of such Unit, provided that: (a) there is no change to the exterior of structures on the Unit to accommodate such activity and no signs or other advertising are placed on the exterior portions of the Unit; (b) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (c) the business activity is in compliance with the Governing Documents and all applicable laws, ordinances and regulations, including applicable zoning; (d) the business activity does not involve regular visitation of the Unit by more than one employee (other than family members who permanently reside in the dwelling on the Unit), or by clients, customers, suppliers, or other business invitees in the normal course of business (occasional visits which do not noticeably increase traffic to and from the Unit above the level typical of Units without such home businesses shall not be considered "regular visitation"); (e) the business activity does not involve door-to-door or telephone solicitation of residents of the Community; and (f) advertising, telephone listings, and marketing and promotional materials for the business activity do not include the address of the Unit.

The terms "business" and "trade," as used in this Paragraph 1, include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required.

The leasing of a Unit in accordance with Paragraph 2 shall not be considered a business or trade within the meaning of this Paragraph 1. This Paragraph shall not apply to any activity conducted by the Declarant or a builder approved by the Declarant with respect to its development and sale of the Community or its use of any Units which it owns within the Community (including the operation of an information center and/or sales office, business offices, construction offices, etc.), or to any business office for the Association.

2. **Leasing of Units.** "Leasing," as used in this Paragraph 2, means the regular occupancy of a Unit by any Person other than the Owner (and the Owner's family while residing with the Owner), for which the Owner receives any rent, services, or other valuable consideration or benefit. Units may be leased only in their entirety and shall not be leased for periods of less than 30 days or for transient or hotel purposes. Any arrangement or agreement for the leasing of a Unit ("lease") shall be in writing and shall apply to the entire Unit. Notice of any lease, together with such additional information as the Board may reasonably require, shall be given to the Board by the Unit Owner within 10 days of execution of the lease. All leases shall specify that the tenant and all occupants of the leased Unit and their guests must abide by the Governing Documents and that failure to do so shall constitute a default under the lease. The Owner of a leased Unit shall make available to the tenant copies of the Governing Documents and shall be responsible for the conduct and activities of the occupants of the Unit while in the Community.

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3. Restricted Activities. The following activities are prohibited within the Community unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board of Directors:

(a) Construction of more than one single family dwelling and approved accessory structures on any Unit, or construction of any accessory structure on a Unit before commencing construction of the single family dwelling;

(b) Use of any structure or vehicle as a residence or business, either temporarily or permanently, except for such structures as are approved pursuant to Article V of the Declaration and permitted to be used for such purpose under this Declaration, the Community Design Guidelines or the Architecture and Landscape Rules;

(c) Conversion of all or any portion of a garage to any use which reduces the number of vehicles which may be parked in such garage below the number for which it was designed and approved pursuant to Article V;

(d) Parking of any vehicles on streets within the Community, or parking of commercial vehicles or equipment, mobile homes, recreational vehicles, golf carts, boats and other watercraft, trailers, unlicensed or inoperable vehicles, or campers or camper shells (when not mounted to a truck) in places other than enclosed garages or other hard surfaces or enclosures previously approved for such use pursuant to Article V of the Declaration; however, this provision shall not apply to emergency vehicles, nor to construction, service or delivery vehicles during daylight hours while construction is in progress on the Unit or for such period of time as is reasonably necessary to provide services or make deliveries within the Community;

(e) Operation of unlicensed motorized vehicles anywhere within the Community, or operation of any motorized vehicle on paths, trails or walkways within the Community, or accessing or leaving the Community except by such streets, roads or trails as are shown on Final Subdivision Maps of the Community;

(f) Raising, breeding or keeping of animals, livestock, or poultry of any kind, except that a reasonable number of dogs, cats, or other usual and common household pets may be permitted in a Unit; however, those pets which are permitted to roam free, or, in the sole discretion of the Board, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Units shall be removed upon request of the Board;

(g) Outside burning of trash, leaves, debris or other materials, except that use for their intended purpose of barbecue grills or similar cooking devices and such outside fireplaces as may be approved pursuant to Article V shall be permitted;

(h) Any activity which emits foul or obnoxious odors outside the Unit, creates noise or other conditions which tend to disturb the peace or threaten the safety of the occupants of other Units, or tends to cause an unclean, unhealthy or untidy condition to exist outside of enclosed structures on the Unit;

(i) Any activity which violates local, state or federal laws or regulations; however, the Board shall have no obligation to take enforcement action in the event of a violation;

(j) Accumulation of rubbish, trash, or garbage except between regular garbage pickups, and then only in approved containers;

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(k) Obstruction, diversion or re-channeling of streams or drainage flows after location and installation of drainage swales, storm sewers, or storm drains, except that the Declarant and the Association shall have such right; provided, the exercise of such right shall not materially diminish the value of or unreasonably interfere with the use of any Unit without the Owner's consent;

(l) Subdivision of a Unit into two or more Units, or changing the boundary lines of any Unit after recording of a Final Subdivision Map including such Unit, except that the Declarant shall be permitted to subdivide or replat Units which it owns subject to the approval of Douglas County;

(m) Conveyance of any easement or other interest which is less than the Owner's entire interest in a Unit (other than a conveyance which creates a tenancy-in-common, joint tenancy or community property), or granting of any rights or interest which would cause a separation into different ownerships of the air, surface and/or subsurface rights of any Unit or portion of a Unit;

(n) Use of any Unit for operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Unit rotates among participants in the program on a fixed or floating time schedule over a period of years;

(o) Capturing, trapping or killing of wildlife within the Community, except in circumstances posing an imminent threat to the safety of persons using the Community;

(p) Any activities involving exploration for or removal of natural resources (other than activities of Declarant or governmental authorities or utility companies in connection with the provision of water to the Property), or which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within the Community, or which pose an unreasonable threat of wildfire or use excessive amounts of water or which result in unreasonable levels of sound or light pollution, except such site work as is normal and customary in the course of permitted construction activities; and

(q) Any construction, erection, or placement of any thing, permanently or temporarily, on the outdoor portions of a Unit or so as to be visible from outside the dwelling on a Unit, except in strict compliance with the provisions of Article V of the Declaration. This shall include, without limitation, tents and other temporary structures; signs and ornamentation; basketball hoops, swing sets and similar sports and play equipment; mailboxes, outdoor clothes drying facilities, barbecue grills, garbage cans and woodpiles; swimming pools; above-ground utilities (except temporary power and telephone lines during construction on a Unit); antennas, satellite dishes, or other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind; and hedges, walls, dog runs, animal pens, or fences of any kind.

4. Connection to Community Natural Gas System. Within 120 days after a community natural gas system becomes available to serve all or a portion of the Community, the Owners of Units to which such system is available shall connect any dwelling on their Units to such system and cease use of, remove and properly dispose of any liquid propane tank and related enclosure to which the dwelling was connected prior to the availability of the community natural gas system.

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5. Denitrification Sewage Disposal Systems. The only septic system that are allowed within Job's Peak Ranch are the denitrification - individual sewage disposal system as per NDEP (Nevada Division of Environmental Protection) requirements and must provide effluent out of the system with 10mg/1 or less of total nitrogen. Reference is hereby made to the recorded final map notes.

6. Interior Fire Sprinkler Systems: All units shall be required to install interior fire sprinklers and shall be drawn and detailed in all plans submitted for approval to the ALC (Architectural Landscape Council).

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REQUESTED BY  
**Stewart Title of Douglas County**  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

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LINDA SLATER  
RECORDER

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EXHIBIT "C"  
LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,  
County of Douglas,, described as follows:

Excepting therefrom all that portion lying within the Northwest  
1/4 Section 15 T12N R19E M.D.B.&M. more particularly described  
as follows:

COMMENCING at the Northwest corner of Section 15; said point  
being the True Point of Beginning; thence North 89°51'51" East,  
1177.58 feet; thence South 00°15'36" East, 1620.02 feet; thence  
South 89°44'24" West, 1177.46 feet; thence North 00°15'52"  
West, 1622.57 feet to the True Point of Beginning.

Said land is also shown as Lot E on that certain Planned Unit  
Development 2014-1 for Job's Peak Ranch Unit 1 recorded as  
Document No. 415114.

Also excepting therefrom all that portion lying within the  
Northwest 1/4 Section 15 T12N R19E, M.D.B.&M. more particularly  
described as follows:

COMMENCING at the North 1/4 corner of Section 15; thence South  
42°58'59" East, 1630.19 feet to the True Point of Beginning;  
thence North 71°13'18" East, 227.00 feet; thence South  
00°05'41" East, 708.61 feet; thence North 18°46'42" West,  
671.27 feet to the True Point of Beginning.

Said land is also shown as Lot J on that certain Planned Unit  
Development 2014-1 for Job's Peak Ranch Unit 1 recorded as  
Document No. 415114.

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REQUESTED BY  
*Five Creek, LLC*  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

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RECORDER  
\$ 55.00 PAID *Q* DEPUTY

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REQUESTED BY  
**Stewart Title of Douglas County**  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

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LINDA SLATER  
RECORDER  
\$ 54.00 PAID *K* DEPUTY