DECLARATION OF COMMON DRIVE EASEMENT RIGHTS AND RESPONSIBILITIES

THIS DECLARATION is made this 19 day of September, 2000, by DNS Ventures, Ltd., a Nevada limited liability company (hereinafter, "Declarant"), the record title owner of four (4) parcels of property described hereinbelow that are subject to a private road right-of-way for Denny Lane as more particularly described in that certain Parcel Map for Lawrence P. and Ilo Jean Nepsund, filed for record as Document No. 267368, in Book 1291 at Page 2891, in the Official Records of the Douglas County Recorder, State of Nevada, (hereinafter, the "Roadway").

The declarations contained in this instrument are based on the following factual recitals:

- B. Declarant intends to sell the Parcels for residential development and requires that the Parcels be subject to a maintenance agreement for the Denny Lane roadway and the fenced portion thereof, in perpetuity and regardless of the change in ownership of any of the Parcels.
- C. It is essential to the value of the Parcels that the present and future rights and obligations the owners thereof regarding the maintenance and use of the Roadway as a private drive and the fencing thereof be set forth.

NOW THEREFORE, the Declarant hereby creates this maintenance easement and burdens the Parcels as described herein with the following obligations and rights as a covenant that shall run with the land in perpetuity, as follows:

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- 1. Presently there exists a private roadway known as Denny Lane, as more particularly described in that certain Parcel Map for Lawrence P. and Ilo Jean Nepsund, filed for record as Document No. 267368, in Book 1291 at Page 2891, in the Official Records of the Douglas County Recorder, State of Nevada (the "Roadway"). Denny Lane is located within a portion of the Parcels as reflected in said parcel map.
- 2. Declarant intends to construct a fence along the southern boundary of Parcel D and a portion of Parcel C comprised of three hundred (300) linear feet, commencing from the southeast corner of Parcel D (next to Santa Inez Drive) (hereinafter, the "Fence"), and that all the Parcels shall participate in the cost of maintaining said Fence.
- 3. By this Declaration, Declarant intends that Roadway will be used for ingress and egress to the respective Parcels and that the Roadway be maintained as set forth herein. For purposes of this Declaration, the "Roadway" shall include the curbs, gutters, and sidewalks, as may be constructed by Declarant at or about the time of recording of this Declaration.
- 4. The Roadway and Fence shall be constructed by Declarant in a manner consistent with all governing laws, rules, regulations and codes affecting the Parcels prior to or shortly after conveyance thereof.
- 5. The present and all future owners of the Parcels shall be responsible for the maintenance of the Roadway and Fence and shall maintain the same in equal or greater quality and aesthetic value to that constructed by Declarant, in a first class condition and high quality appearance in keeping with the first class residential project of which the Parcels are a part, and in a manner consistent with all governing laws, rules, regulations and codes affecting the Parcels.
- 6. No Parcel owner shall cause any work to be done on the Roadway or the Fence without first notifying the other Parcel owners and then with their mutual consent. The Parcel owners shall work together to coordinate any repair, replacement or maintenance activities pertaining to the Roadway or Fence so as to minimize expense and interference with the Parcel owners' use of the Roadway and their respective

properties. The Parcel owners will exercise reasonable care in their use and maintenance of the Roadway and Fence facilities so as to not cause more than normal wear and tear on the same.

- 7. Except as otherwise provided herein, each Parcel or owner thereof shall be equally responsible for the maintenance of the Roadway and Fence. Upon either Parcel owner determining that maintenance is necessary, such Parcel owner shall notify the others as to the need, scope and estimated cost to accomplish such repair or maintenance. In the event such repair or maintenance is a result of normal wear and tear, each Parcel owner shall be responsible for twenty-five percent (25%) of such costs. If a Parcel owner disputes the amount of such obligation, such owner may obtain competitive bids with qualified contractors licensed in Nevada, whereupon the lowest bidder will be awarded the repair or maintenance work.
- 8. To the extent that any damage to the Roadway or Fence is caused by a Parcel owner, their guests or invitees, such Parcel owner shall promptly repair the Roadway or Fence at their own expense. If the Parcel owner causing damage as set forth in this paragraph fails to repair any such damage within ten (10) days of receipt of written notice and request from the other Parcel owners, or any of them, then the other Parcel owners, or any of them, may accomplish the repairs and charge the expense thereof to the Parcel owner causing the damage.
- 9. Should any Parcel owner fail to contribute to the maintenance expenses required hereunder, then the other Parcel owners, or any of them, may commence litigation to compel such non-paying owner to comply with the obligations hereunder and the liability of such non-paying owner shall become a lien upon his Parcel and subject to judicial sale in accordance with law. In such event, the non-paying Parcel owner shall pay to the other owners all attorneys fees and costs incurred in enforcing the obligations of this Declaration.

- Any notice required hereunder shall be effective upon personal delivery to the record owner 10. of the Parcel or mailed by certified or registered mail, postage prepaid, and addressed to the respective party at the address listed in the records of the Douglas County Assessor's office for the particular Parcel.
- 11. The rights granted or obligations created in this instrument shall not be further assignable by the Parcel owners except as an appurtenance to and in conjunction with the sale of the respective Parcels
- 12. The rights and obligations created by this Declaration shall be deemed to run with the land of the Parcels identified herein and shall be for the benefit of and inure to the other owners, their successors and assigns, their agents, employees, business invitees, tenants and guests of tenants, and shall burden the respective parcels perpetually.

DONE THIS DAY AND YEAR FIRST WRITTEN ABOVE.

DNS VENTURES, LTD.,

a Nevada limited liability company

By: The Quails Nest Trust,

Member

William W. Nichols, Trustee

STATE OF NEVADA

SS.

COUNTY OF DOUGLAS

2000, before me, a notary public, appeared WILLIAM W. NICHOLS, personally known (or proved) to me to be a Trustee of The Quails Nest Trust, 1999, a Member of DNS Ventures, Ltd., and the person whose name is subscribed to the above instrument who acknowledged that he executed the instrument.

Notary Public

Mary H. Kelsh

Notary Public - State of Nevada ppointment Recorded in County of Douglas

My Appointment Expires Nov. 5, 2002

RECORDING REQUESTED BY AND MAIL TO:

DNS Ventures, Ltd. 1480 Hwy. 395 Gardnerville NV 89410

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LEGAL DESCRIPTION

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

PARCEL A:

Adjusted Parcel 1

A boundary line adjustment of Parcel 1 as shown on Parcel Map for Lawrence P. and Ilo Jean Nepsund, filed for record in Book 1291 at page 2891 as Document Number 267368, Official Records of Douglas County, Nevada and also known as assessors parcel number 21-050-45 and more particularly described as follows:

All that certain lot, piece, parcel or portion of land situate, lying and being within the Southwest 1/4 of the Northeast 1/4 of Section 28, Township 14 North, Range 20 East, M.D.M., Douglas County, Nevada and more particularly described as follows:

All that portion of aforesaid Parcel 1 described as follows:

Commencing at the Northwest corner of Parcel 1 as shown on the aforesaid Parcel Map which point is the TRUE POINT OF BEGINNING; thence along the North line of said Parcel 1 North 89°51'04" East a distance of 132.92 feet; thence leaving said North line South 00°08'55" West a distance of 330.95 feet; to a point on the South line of aforesaid Parcel 1; thence along the South line of said Parcel 1 South 89°48'10" West a distance of 132.92 feet to the Southwest corner of said Parcel 1; thence along the West line of said Parcel 1 North 00°08'55" East a distance of 331.06 feet to the TRUE POINT OF BEGINNING.

Subject to and together with a Private road right-of-way for Denney Lane as shown on aforesaid Parcel Map.

The Basis of bearing of this description is the Westerly right-of-way of Santa Inez Drive, which bears North 00°08'51" East as shown on the Record of Survey for Andrew Hoffer, filed for record in Book 979 at page 1818 as Document number 36993, Official Records of Douglas County, Nevada

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PARCEL B:

Adjusted Parcel 2

A boundary line adjustment between Parcel 1 and 2 as shown on Parcel Map for Lawrence P. and Ilo Jean Nepsund, filed for record in Book 1291 at page 2891 as Document Number 267368, Official Records of Douglas County, Nevada and also known as assessors parcel numbers 21-050-45 and 21-050-46 respectively and more particularly described as follows:

All that certain lot, piece, parcel or portion of land situate, lying and being within the Southwest 1/4 of the Northeast 1/4 of Section 28, Township 14 North, Range 20 East, M.D.M., Douglas County, Nevada and more particularly described as follows:

All that portion of aforesaid Parcels 1 and 2 described as follows:

Commencing at the Northwest corner of Parcel 1 as shown on the aforesaid Parcel Map; thence along the North line of said Parcel 1 North 89°51'04 East a distance of 132.92 feet to the TRUE POINT OF BEGINNING; thence continuing along the North line of Parcel 1 and Parcel 2 North 89°51'04" East a distance of 132.97; thence leaving said North line South 00°08'55" West a distance of 330.84 feet to a point on the South line of aforesaid Parcel 2; thence along the South line of said Parcels 2 and 1 South 89°48'10" West a distance of 132.97 feet; thence leaving said South line North 00°08'55" East a distance of 330.95 feet to the TRUE POINT OF BEGINNING.

Subject to and together with a Private road right-of-way for Denney Lane as shown on aforesaid parcel map.

The Basis of Bearing of this description is the Westerly right-of-way of Santa Inez Drive, which bears North 00°08'51" East as shown on the Record of Survey for Andrew Hoffer, filed for record in Book 979 at page 1818 as Document number 36993, Official Records of Douglas County, Nevada.

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PARCEL C:

Adjusted Parcel 3

A boundary line adjustment between Parcels 2, 3 and 4 as shown on Parcel Map for Lawrence P. and Ilo Jean Nepsund, filed for record in Book 1291 at page 2891 as Document number 267368, Official Records of Douglas County, Nevada and also known as assessors parcel numbers 21-050-46, 21-050-47 and 21-050-48 respectively and more particularly described as follows:

All that certain lot, piece, parcel or portion of land situate, lying and being within the Southwest 1/4 of the Northeast 1/4 of Section 28, Township 14 North, Range 20 East, M.D.M., Douglas County, Nevada and more particularly described as follows:

All that portion of aforesaid Parcels 2, 3 and 4 described as follows:

Commencing at the Northwest corner of Parcel 1 as shown on the aforesaid Parcel Map; thence along the North line of said Parcel 1 North 89°51'04" East a distance of 265.89 feet to the TRUE POINT OF BEGINNING; thence continuing along the North line of Parcel 2 and Parcel 3 North 89°51'04" East a distance of 87.45; thence leaving said North line South 00°07'37" West a distance of 119.71 feet; thence North 89°46'11" East a distance of 71.33 feet; thence South 00°08'51" West a distance of 211.09 feet to a point on the South line of aforesaid Parcel 4; thence along the South line of Parcels 4 and 2 South 89°48'10" West a distance of 158.84 feet; thence North 00°08'55" East a distance of 330.84 feet to the TRUE POINT OF BEGINNING.

Subject to and together with a Private road right-of-way for Denney Lane as shown on aforesaid parcel map.

The Basis of Bearing of this description is the Westerly right-of-way of Santa Inez Drive, which bears North 00°08'51" East as shown on the Record of Survey for Andrew Hoffer, filed for record in Book 979 at page 1818 as Document number 36993, Official Records of Douglas County, Nevada.

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PARCEL D:

Adjusted Parcel 4

A boundary line adjustment between Parcels 3 and 4 as shown on Parcel Map for Lawrence P. and Ilo Nepsund, filed for record in Book 1291 at page 2891 as Document number 267368, Official Records of Douglas County, Nevada and also known as assessors parcel numbers 21-050-47 and 21-050-48 respectively and more particularly described as follows:

All that certain, lot, piece, parcel or portion of land situate, lying and being within the Southwest 1/4 of the Northeast 1/4 of Section 28, Township 14 North, Range 20 East, M.D.M., Douglas County, Nevada and more particularly described as follows:

All that portion of aforesaid Parcels 3 and 4 described as follows:

Commencing at the Northwest corner of Parcel 1 as shown on the aforesaid Parcel Map; thence along the North line of said Parcel 1, 2 and 3 North 89°51′04" East a distance of 353.34 feet; thence leaving said North line South 00°07′37" West a distance of 119.71 feet; thence North 89°46′11" East a distance of 71.33 feet to the TRUE POINT OF BEGINNING; thence continuing North 89°46′11" East a distance of 238.37 feet; to a point on the centerline of Santa Inez Drive as shown on aforesaid Parcel Map; thence along said line South 00°08′51" West a distance of 211.23 feet to the Southwest corner of aforesaid Parcel 4; thence along the South line of said Parcel 4 South 89°48′10" West a distance of 238.37 feet; thence leaving said line North 00°08′51" East a distance of 211.09 feet to the TRUE POINT OF BEGINNING.

Subject to a 25.00 foot wide Public Road right-of-way for Santa Inez Drive as shown on aforesaid parcel map.

And subject to and together with a Private road right-of-way for Denney Lane as shown on aforesaid parcel map.

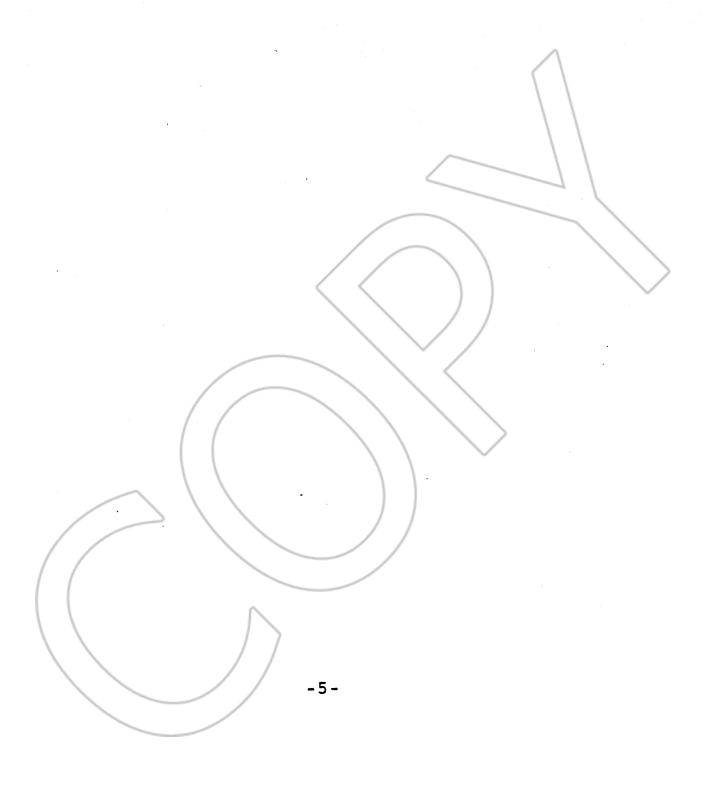
The Basis of Bearing of this description is the Westerly right-of-way of Santa Inez Drive, which bears North 00°08'51" East as shown on the Record of Survey for Andrew Hoffer, filed for record in Book 979 at page 1818 as Document number 36993, Continued on next page

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Official Records of Douglas County, Nevada.

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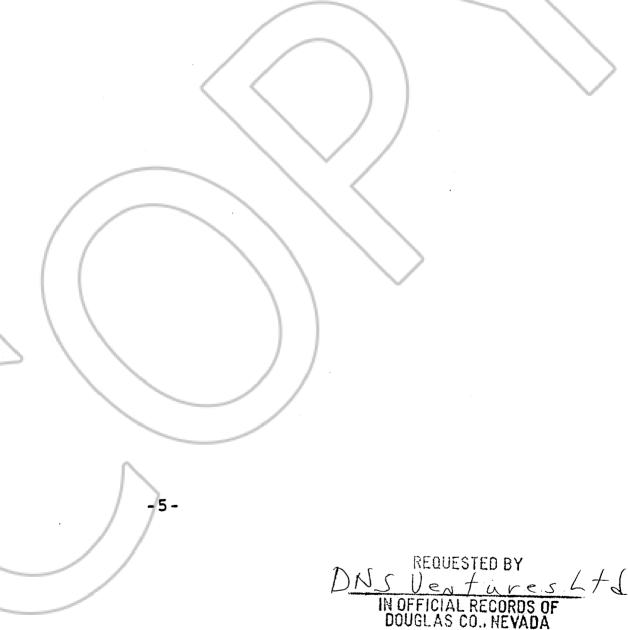
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PARCEL E:

Parcels 2 and 3 as set forth on that certain Parcel Map No. 1016 for Talbert L. Denny, recorded March 6, 1996, Book 396, Page 756, Document No. 382686.

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