Douglas County APNs 1320-26-001-015 1320-26-001-016 1320-26-002-006

RECORDING REQUESTED BY AND MAIL TO:

Aurora Land, LLC 1655 Highway 395, Minden, Nevada 89423 REQUESTED BY

Stawark of Pictal Parelor County

DOUGLAS CO., NEVADA

2003 SEP -8 PM 3: 29

WERNER CHRISTEN RECORDER

PAID KY DEPUTY

DECLARATION OF COVENANTS CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, is made this 27 day of _______, 2003, by AURORA LAND, LLC, a Nevada limited liability company (hereinafter called "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of all that certain real property in Douglas County, Nevada, described as:

See Exhibit A attached hereto and incorporated herein by reference.

For purposes herein, the above described real property shall hereinafter be referred to as the "Property";

WHEREAS Declarant intends to subdivide said Property and other lands pursuant to an application with Douglas County for approval of a Planned Unit Development, Application #PD 02-03, and containing eighteen (18) lots within the Property boundaries shown on that certain plat or plats to be filed in the Office of the County Recorder of Douglas County;

WHEREAS, Declarant considers it desirable and appropriate to establish covenants, conditions and restrictions upon the Property in order to establish a general plan for the improvement of the Property which shall benefit the use, occupancy and enjoyment of the Property and to enhance and protect the value, desirability and attractiveness of the Property; and

WHEREAS Declarant declares that all lots described on a final subdivision map or maps recorded on the Property, whether or not created through a record of survey or a phasing of development by the recording of more than one final map, are and shall be owned, held, conveyed, encumbered, leased, improved, used, occupied and enjoyed subject to the following covenants, conditions and restrictions, and equitable servitudes and the same shall constitute a general plan for the ownership, improvement, sale, use and occupancy of the subdivision lots within the Property and to enhance the value, desirability and quality of the same.

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0589141 BK0903PG03412 NOW, THEREFORE, Declarant hereby declares that all of the Property shall be held, sold, conveyed, encumbered, hypothecated, leased, rented, occupied, used and improved, subject to the following easements, restrictions, covenants and conditions, which are declared to be for the purpose of protecting the value and desirability of the Property, and which shall run with and burden the Property and be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof and are imposed upon the property and each interest therein, as a servitude in favor of each and every interest in the Property as the dominant tenements.

NOW, THEREFORE, THE FOLLOWING CONDITIONS, COVENANTS, RESTRICTIONS APPLY:

ARTICLE I DEFINITIONS

- SECTION 1. "ARC" shall mean the architectural review committee established pursuant to Article III hereinbelow.
 - SECTION 2. "County" shall mean Douglas County, Nevada.
- SECTION 3. "Declarant" shall mean and refer to AURORA LAND, LLC, its successors and assigns, if the rights of Declarant are assigned to said successors and assigns.
- SECTION 4. "Lot" shall mean and refer to any parcel or plot of land shown upon any recorded subdivision, planned unit development or parcel map of and respecting the Property.
- SECTION 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the Property, including Declarant and contract sellers, but excluding those having an interest in a lot merely as security for the performance of an obligation.
- SECTION 6. "Property" shall mean and refer to all the real property described in the legal description recited hereinabove and all lots or parcels created pursuant to the recording of any land division map as approved by Douglas County, but does not include any other lot or parcel of any other land not described above that may be part of the application for approval of a Planned Unit Development, Application #PD 02-03.
- SECTION 7. "Residence" shall mean and refer to a lot shown on the map of the Property and shall also include the residential dwelling together with garages other structures and improvements on the same lot.
- SECTION 8. "Recreational Vehicle" or "RV" or "Recreational Equipment" shall mean and refer to any motor home, boat, camper, trailer coach, bus, house car, any trailer including haul and horse trailers, lawn mowing equipment, motor cycles, quads, off-road vehicles, go-carts and any similar vehicle or equipment.
- SECTION 9. "Commercial Vehicle" shall be defined as a truck of greater than 3/4 ton capacity and any vehicle with a sign prominently displayed on any part thereof advertising any kind of business or on which racks, materials and/or tools are visible. The type of motor vehicle license plate shall not be material to the foregoing definition.
- SECTION 10. "Subdivision" shall mean and refer to all the lots created within the Property upon the filing of any final map on the Aurora Subdivision as approved by the County pursuant to the Planned Unit Development application referenced herein.

ARTICLE II USE AND BUILDING RESTRICTIONS

- SECTION 1. <u>Commercial Use</u>. No part of a lot, residence or outbuilding shall be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending or any non-residential purpose, except as may be allowed by the County for agricultural zoning or through the Home Occupation Permit process, and then only in compliance with these CC&R'S and the restrictions set forth herein.
- SECTION 2. <u>Signs.</u> No sign or billboard of any kind shall be displayed to the public view on any portion of the Property except such signs as may be used by Declarant or its sales agents in connection with the development and sale of the Property; provided, however, that for a reasonable time, and from time to time an Owner may display on his lot one (1) sign advertising its sale or lease by him so long as such sign complies with any customary and reasonable standards promulgated by the Declarant or the County as to size, color, shape or other qualification for the permitted sign. Political signs, as allowed by the Douglas County Code also shall be permitted. Any permitted individual lot sign shall be commercially lettered and shall not exceed four (4) square feet in total area.
- SECTION 3. <u>Nuisance</u>. No noxious, offensive or disturbing activity of any kind shall be permitted within any structure or upon any lot within the Property, nor shall anything else be done in any residence, on any lot or within the Subdivision which may be or become an annoyance to the neighborhood or which shall in any way interfere with the quiet enjoyment by each Owner of his respective lot and residence, or which shall in any way increase the rate of insurance for Declarant or any Owner. This section includes, but is not limited to, the discharge of firearms or fireworks, unmuffled motor vehicles, barking dogs, loudspeakers and other sources of noise, or any other similar provision herein. At no time shall any Owner allow the exterior of any house, building or structure and landscaping to approach the state of aesthetic deterioration such that it becomes a visual nuisance or objectionable to others in the neighborhood. All Owners shall be responsible for dust control on their respective lot.
- SECTION 4. <u>No Partitioning or Subdividing.</u> No lot shall be subdivided, parceled or partitioned and no residence shall be erected on less than one lot. No deed, conveyance, transfer or agreement shall be executed or entered into by any Owner which would effect or cause a separation into different Ownerships, the surface and subsurface rights of any lot or residence or portion thereof.
- SECTION 5. <u>Set-backs</u>. No house, building, barn, shed or structure of any kind on any lot shall be erected, constructed, placed or permitted nearer than forty (40) feet to the sideline of any street or any adjacent property line, with the sole exception of the permitted fencing as approved by the ARC. All set back areas adjacent to other property lines must remain in their natural state of brush vegetation and no other object or plant shall be placed therein; it being the intent of this provision that said areas are to remain as unobstructed view corridors in natural brush vegetation. Set back areas adjacent to any street may include entryways at access points and may be landscaped, but subject to prior approval by the ARC.
- SECTION 6. Construction of Residence. There shall be no more than one single family dwelling on any one lot, and must include a garage attached to the main structure directly or by a breezeway, which garage shall be a minimum three (3) car capacity but not to exceed a six (6) car capacity and shall not exceed the livable square feet of the primary residence. All single family dwelling units constructed shall have a minimum square footage of enclosed living space floor area on the ground level or first floor, exclusive of porches, patios, garage, basements, and other accessory structures, of 2400 square feet. It is the intent of this provision that any two story residential dwellings shall have a footprint on the ground floor of a minimum 2400 square feet.
- SECTION 7. <u>Accessory Buildings</u>. Accessory buildings or accessory dwelling units may be constructed as allowed by County laws and ordinances, but subject to these CC&R'S and prior approval by the ARC. No accessory building or other structure shall exceed the livable square feet of the primary residence. All out buildings and secondary structures must be constructed of the same materials and meet the same criteria as the primary residence.

- SECTION 8. New Construction Only. Any building or structure of any kind shall be of new construction. However, the provisions of this paragraph shall not be construed to prevent or prohibit the use of "used" brick in any construction.
- SECTION 9. <u>Height Restrictions</u>. Exclusive of the primary residence, all other structures on each lot including attached and detached garages, accessory dwelling units and all other structures, shall not exceed twenty-eight feet (28') in height, measured from the top of the footing to the highest point of the structure. All footings shall be designed with the minimum depth required to support the structure using sound engineering principles. The primary residence shall not exceed thirty five feet (35') in height, measured in the manner described in this Section.
- SECTION 10. Exterior Decor. No building or structure shall be constructed or surfaced with a material that will cause sunlight to be reflected. The ARC, in its discretion, may approve the use of metal roofing material that is painted with a non-reflective finish. No structure shall be painted or otherwise decorated in any color or in any manner which is not in keeping with the original approval of the ARC or is otherwise objectionable or detrimental to neighboring residences. The exterior woodwork of all houses, buildings and structures erected or constructed on any lot shall be painted with at least two (2) coats of paint, varnish or other stain or any approved coloration within thirty (30) days after completion and before occupancy.
- SECTION 11. Exterior Lighting. Decorative holiday trim and lights and holiday ornamentation (such as Christmas lights) may be displayed only during the appropriate season for that holiday and then removed within 30 days of the holiday. Utility type "night lights" or "street lights" or "stadium lighting" shall be prohibited. All outdoor lighting and spot or flood lights must be directed downward and shall be subdued and shielded in such a way as to prevent illumination of and glare to adjacent or nearby properties or structures.
- SECTION 12. <u>Remodel</u>. Any proposed redecorating or alterations of any residence or structure, inclusive of repainting, will be deemed the equivalent of new construction and must be submitted to the ARC for approval prior to the commencement of such redecorating, alterations or remodeling. Redecoration or alterations, approved by the Architectural Review Committee, shall be diligently and continuously pursued to affect the earliest possible completion of the improvements.
- SECTION 13. <u>Fences.</u> All fencing located on the perimeters of any lot shall be identical to the three (3) rail, white vinyl fencing installed by Declarant around the Subdivision, which fencing is the only permitted structure within the view set backs applicable to the Subdivision as described hereinabove. All other fencing constructed on any lot shall not be in excess of six (6) feet in height. Fences shall be maintained by each Owner to retain its aesthetic quality and structural integrity.
- SECTION 14. Excavation. No excavation or drilling for oil, shale, minerals, stone, gravel or earth shall be made upon any lot. Excavation for necessary construction purposes relating to residential units, retaining and Court walls, outbuildings and pools, and for the purpose of contouring, shaping and generally improving any lot as a residence is permitted. No sand or gravel shall at any time be excavated or dug out of said Property except for the purpose of constructing basements or foundations for buildings to be erected thereon or for the purpose of landscaping or improving the gardens and grounds thereof. No excavation shall commence for any purpose without prior approval in writing from the ARC.

SECTION 15 Sewage/Septic.

- A. All lots are to be serviced by an appropriate septic system and built in accordance with the laws and regulations of the Nevada State and Douglas County Departments of Health. The placement, digging and drilling of wells and the placement and construction of septic tanks shall be in strict conformance with all applicable state and county laws and ordinances and in strict conformance with all applicable rules and regulations of all public agencies, including health authorities, having jurisdiction over the same.
- B. Owners are purchasing lots as may be created within the Property with the understanding that extension of sewer lines to the vicinity of the Property may occur and that, at such time as the County may require, each Owner shall connect to such sewer mains and be responsible for all such connection and maintenance fees as may be properly assessed.

- SECTION 16. <u>Utilities</u>. All utility connections and service lines to each lot or residence must be installed underground, including electric service, water service, sewer service, gas service, television and telephone cable, in accordance with accepted construction and utility standards.
- SECTION 17. <u>Temporary Structures</u>. No temporary residential structure of any form or type shall be constructed as a residence at any time, either temporarily or permanently, before completing construction of the main dwelling unit.
- SECTION 18. <u>Completion of Construction</u>. Upon commencement of construction of any residence or improvement on any lot or from issuance of a building permit by the County, whichever is earlier, all reasonable speed and diligence shall be employed by the Owner to complete said construction, and completion must be effected within twelve (12) months as evidenced by a Certificate of Occupancy issued by the duly authorized governmental authority. Extensions to said time may be granted by the ARC for circumstances beyond the control of the Owner or events of *force majeure*.
- SECTION 19. <u>Prefabricated Homes</u>. Prefabricated homes are not allowed. No existing, used, previously constructed or partially constructed structures of any type or nature, including but not limited to trailer homes, mobile homes, modular homes, prefabricated homes or manufactured housing, shall be moved from another place onto the Property.
- SECTION 20. <u>Motor Driven Cycles</u>. All motor driven cycles shall be used solely for the purpose of transportation. No racing or pleasure riding shall be carried on upon any lot, street or common area.
- SECTION 21. <u>Livestock</u>. As allowed herein, no more than one (1) "livestock animal" per one (1) acre in the aggregate shall be permitted on any lot and only in a manner as may be allowed by County code and this Declaration. For purposes herein, "livestock animal" shall be limited to horses, equines, sheep, llamas, and goats. No Owner may keep more than one dozen fowl upon any lot, regardless of distinction of species. Pigs, bovine, cattle and all exotic or non-indigenous animals are expressly prohibited. All animals shall be kept under control and within the Owner's lot by fencing or otherwise, and shall be properly cared for and supervised at all times. Each area within a lot used for or by such animals shall be kept in a clean and sanitary condition so as to prevent flies and other insects and offensive odors from becoming a nuisance or annoyance to the neighborhood. No corral, fence or grazing area shall include any portion of the view set back areas described in Section 5 of this Article II above.
- SECTION 22. Pets. No household pets or other animals whatsoever will be kept or bred for commercial purposes on any parcels or lots. Furthermore, household pets shall not interfere with the reasonable comfort or safety of adjoining neighbors and shall not exceed a total of five (5) such pets per lot. All owners shall also comply with County laws and ordinances concerning limitation on the number of animals, including limits on the number of dogs. All animals, including household pets, are to be kept on a leash when not within the boundaries of the Owner's lot and all said animals shall be prevented from entering all other lots unless with permission of the Owner thereof. Each area within a lot used for or by such animals shall be kept in a clean and sanitary condition so as to prevent flies and other insects and offensive odors from becoming a nuisance or annoyance to the neighborhood. Owners are responsible for cleaning up any mess that their pets create within or upon any lot and the pedestrian trails surrounding the Property.
- SECTION 23. Antennas. No radio transmitting and receiving antennas for short wave or ham radio installations shall be installed.
- SECTION 24. <u>Satellite Dishes</u>. Pursuant to the 1999 FCC Ruling entitled *Over-The-Air Reception Devices Rule*, satellite dishes are allowed, but their location is controlled. Dishes one meter (39.37") or over in diameter are disallowed completely. Dishes less than one meter in diameter must be kept below eight feet (8') above grade of the primary residence. If a quality signal cannot be achieved, the dish may be placed at a different height upon approval of the ARC, and then only as high as required to receive a quality signal and as far away from all streets as possible.
- SECTION 25. <u>Unsightly Items; Garbage Removal; Clotheslines</u>. No refuse, unsightly or abandoned vehicles, debris, noxious material, discarded personal effects, construction materials not for immediate use,

garbage, compost material or similar matter shall be permitted to accumulate on any lot or portion thereof, and shall be disposed of in accordance with accepted sanitary practice. Each Owner shall maintain his lot in a neat, orderly and well-groomed manner, and he shall subscribe to a regularly scheduled and established garbage collection service. Each lot shall promptly be cleaned of all waste, debris, used building materials, garbage and other waste materials during the course of construction and following construction. No outdoor clotheslines are permitted on the lots or residences. All refuse containers, woodpiles, storage areas, oil tanks, machinery and equipment shall be prohibited upon any lot or residence unless obscured from view from adjoining residences and lots and streets by a wall, fence or screen approved by the ARC as to size, color or other qualifications for permitted fences or screens.

SECTION 26. Landscaping.

- A. No landscaping other than the native brush is allowed within the view set back areas described in Section 5 of this Article II. All landscaping shall be in a manner suitable to the character and quality of the area and harmonize with the neighborhood. No lot or land within the subdivision shall be cleared of existing and natural vegetation more than that amount necessary for the residence, out buildings, corrals, lawn, garden, and similar uses. Any land where the existing natural vegetation is removed must be replaced by landscaping or pasture and must be used and regularly irrigated and maintained. Each Owner shall, prior to commencement of construction, assure that the minimum amount of existing vegetation will be disturbed during all construction activities. All land disturbed by construction must be landscaped or replanted with native vegetation within one year of completion of construction causing such disturbance. Fire break areas must be landscaped in accordance with these CC&R'S. The balance of each lot shall be left in its natural state so as to preserve the ecology of the area, prevent blowing sand and dust and insure that a comfortable rural residential environment is preserved.
- B. All Owners of each lot within the Subdivision shall take all appropriate efforts to eradicate and keep clear all forms of noxious or invasive weeds or plants as identified the Nevada Department of Agriculture. The failure to comply with this provision shall be deemed a nuisance upon the lodging of a complaint by any other Owner or a governmental agency with appropriate jurisdiction.

SECTION 27. Vehicles.

- A. Except as provided in this section, no recreational vehicle or equipment shall hereafter be permitted to remain upon any street within the Subdivision and must always remain on the particular Owner's lot. No Recreational Vehicle or Equipment on any lot may be occupied after construction except for temporary parking for a motor home or travel trailer for guests of an Owner which shall be permitted, but only for a period not to exceed four (4) weeks per visit and not more than eight (8) weeks in any one year period. Temporary parking shall mean parking of vehicles for guests of Owners and commercial vehicles being used in the furnishing of services to the Owners and parking of vehicles belonging to or being used by Owners for loading and unloading purposes.
- B. No automobile, recreational vehicle or equipment or commercial vehicle or any other motorized vehicle may be dismantled, rebuilt, repainted, serviced or repainted on a residence unless performed within a completely enclosed garage or other structure located on the Property or any lot which completely screens the sight and sound of such activity from the streets and neighboring residences. The foregoing restriction shall not be deemed to prevent temporary parking for loading or unloading of vehicles or those activities normally incident to washing and polishing of vehicles. All vehicles, including recreational vehicles, that require a license or permit to be operated must remain current as to such license or permit, and any such vehicle that is not currently licensed or permitted shall be kept within a completely enclosed garage or other structure located on the Property or any lot which completely screens the sight and sound of such activity from the streets and neighboring residences.
- SECTION 28. <u>Drainage and Open Space Conservation Easements</u>. The designation of drainage and open space parcels or portions thereof that are completed with each phase by the Declarant are hereby placed within an open space conservation and drainage easement and those designated areas shall have no residential development rights.

ARTICLE III ARCHITECTURAL CONTROL

SECTION 1. Architectural Review.

- A. For the purpose of insuring a quality development of the area, an architectural review committee is established (the "ARC") which shall exist for a period of five (5) years or build out of the Subdivision, whichever is greater. The ARC shall review and approve all buildings, structures and other improvements placed on each lot, as well as make exceptions to these reservations and restrictions as necessary and proper, whether or not specific provision therefor is stated in any conveyance of a lot hereinafter made.
- B. The Owner of each lot, by acceptance of title thereto or by taking possession thereof, covenants and agrees that no building shall be placed upon such lot unless and until the plans and specifications therefor and the plot plan have been approved in writing by the ARC as herein provided. No structural alteration to the exterior appearance of these buildings or structures shall be made without approval as provided for herein.
- C. The Owner of each lot, by acceptance of title thereto or by taking possession thereof, covenants and agrees that, in the event the ARC commences any legal proceeding wherein part of the relief requested is to prohibit an Owner from constructing any building or structure in violation of the provisions of these CC&R'S, such Owner agrees and stipulates to the entry by any Court of sufficient jurisdiction of an immediate injunction enjoining such construction, and waiving the requirement of the posting of any surety bond in excess of \$500 for such injunction. Each Owner, for himself and his successors, assigns, representatives and heirs, hereby acknowledges that any violation of the provisions of these CC&R'S as determined by the ARC shall be deemed to constitute a threat of irreparable injury to all other Owners and that the extent of damages for purposes of fixing a surety bond are limited to \$500; it being agreed that such damage limitation on said surety bond constitute, for purposes of establishing such bond amount, a reasonable amount based on the difficulty of estimating the amount thereof for purposes of this document. This provision shall be binding on any legal tribunal for all purposes.
- SECTION 2. Members of Committee. The ARC shall consist of two (2) members designated by Declarant. There may also be two (2) alternate members, either of whom may be designated by the ARC to act as a substitute member on the ARC in the event of absence or disability of either member. Each member of the ARC shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. Members of the ARC may be removed at any time without cause.
- SECTION 3. <u>Declarant's Rights of Appointment.</u> The Declarant, its heirs, successors, and assigns, shall have the sole right to appoint and remove all members of the ARC, including alternates.
- SECTION 4. <u>Submittal of Plans</u>. Before any construction activity begins, the following shall be submitted to the Association: (1) two sets of complete construction plans, prepared and signed by the Owner and architect and/or structural engineer; and (2) two sets of prints or drawings with samples showing external color scheme, materials, and (3) two copies of plot plans with dimensions showing building location with respect to parcel boundaries and a general landscaping plan. For exterior finish samples (roof, siding/stucco, masonry, paint/stain), manufacturer's brochures will be adequate, and all finishes are to be called out on plans. Upon approval, one set of these exhibits shall be certified as "approved", and returned to the Owner or his agent; the other set shall be filed with the Association.
- SECTION 5. Review of Proposed Construction. Whenever in this Declaration the approval of this ARC is required, it shall have the right to consider all of the plans and specifications for the improvement or proposal in question and all other facts which in its sole discretion are relevant. Except as provided above, prior to commencement of any construction of any improvement, the plans and specifications therefor shall be submitted to the ARC, and construction thereof may not commence unless and until the ARC has approved such plans and specifications in writing. The ARC shall consider and act upon any and all plans and specifications submitted for its approval pursuant to this Declaration within two (2) weeks of receipt of complete submittals from an Owner.

The ARC shall approve plans and specifications submitted for its approval only if it deems that the construction, alterations, or additions contemplated thereby in the locations indicated will not be detrimental to the Subdivision area, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures. The ARC may condition its approval of plans and specifications on such changes therein as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving the material submitted. Until receipt by the ARC of all required plans and specifications and other information, the ARC may postpone review of anything submitted for approval.

- SECTION 6. <u>Disapproval of Plans</u>. Approval by the ARC of any plans may be withheld due to noncompliance with any of the requirements of this declaration or due to reasonable disapproval as to the location of the building site upon any lot; appearance, construction materials to be used, the grading plan, the harmony of a proposed structure site with the surrounding area and homes, and the influence or effect any structure may have upon the view, outlook, or adjacent or neighboring lots.
- SECTION 7. Review, Approval and Conformity of Plans. Approval of any plan or specification shall not prevent the ARC from withholding approval of an identical plan or specification, or part thereof, when subsequently or additionally submitted for approval by the same or any other Owner. An approval or consent of the ARC shall not be deemed a waiver of any right to withhold future approval or consent on any other matter whatsoever subsequently or additionally submitted for approval or consent by the same or a different person. The ARC shall have the right, but not the obligation, to issue variances of these CC&Rs in its sole and absolute discretion and, in such event, such variance approvals shall not entitle any other owner to rely on a grant of similar variance.
- SECTION 8. <u>Architectural Design Guidelines.</u> In addition to the provisions of these CC&R'S, the following are the established guidelines for the ARC:
 - A. Roofing must carry a minimum fifty (50) year manufacturer's warranty.
- B. Minimum 12% masonry on the exterior vertical surfaces, less windows & doors (vertical surface size, less windows & doors, times .12). The masonry required by this paragraph is not satisfied by use of stucco or similar materials, but must be rock, brick or like materials.
 - C. All homes and structures should be painted with predominantly earth tones or neutrals.
- SECTION 9. Meetings of the ARC. The ARC shall meet from time to time as necessary to perform its duties hereunder. The ARC may, from time to time by resolution unanimously adopted in writing, designate one of its members to take any action or perform any duties for and on behalf of the ARC, by unanimously adopting written resolutions. In the absence of such designation, the vote or written consent of a majority of all of the members of the ARC shall constitute an act of the ARC as to all matters except the adoption, amendment or repeal of Design Guidelines.
- SECTION 10. <u>Inspection of Work.</u> The ARC has the right to inspect all construction work on any lot in progress to assure its conformance with plans and specifications approved by the ARC, as follows:
- A. Upon the completion of any improvements for which approved plans or specifications are required under this Declaration, the Owner shall give written notice of completion of any improvement for which approval of plans and specifications are required to the ARC and a copy of the certificate of occupancy issued by the County for such improvement.
- B. Within the time period set forth in its Rules but not to exceed fifteen (15) days thereafter, the ARC or its duly authorized representative may inspect such improvement. If the ARC finds that such work was not done in strict compliance with all approved plans and specifications submitted or required to be submitted for its prior approval, it shall notify the Owner in writing of such noncompliance within the above period, specifying in reasonable detail the particulars of noncompliance, and shall require the Owner to remedy the same.
- C. If the Owner fails to remedy such noncompliance within thirty (30) days from such notification, the ARC shall notify the Owner in writing of such failure and require the Owner to appear and explain

the violations. Upon notice and hearing, the ARC shall issue a ruling determining whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. The Owner shall remedy or remove the noncomplying improvement within forty-five (45) days from the date of announcement of the ARC's ruling. If the Owner does not timely comply with the ARC's ruling, the ARC, at its option, may either (1) remove the noncomplying improvement; (2) remedy the noncompliance; or (3) commence legal action to compel compliance with these CC&R'S; and the Owner shall reimburse Declarant upon demand for all expenses incurred in connection therewith, including all costs and fees of enforcement.

D. The ARC may inspect all work in progress and give notice of noncompliance as provided above in subparagraph B. If the Owner denies that such noncompliance exists, the procedures set out in subparagraph C shall be followed, except that no further work shall be done, pending resolution of the dispute.

SECTION 11. Nonliability of ARC Members.

- A. Neither the ARC nor any member thereof shall be liable to any Owner or to any other person for any loss, damage or injury arising out of or in any way connected with the performance of the ARC's respective duties under this Declaration unless due to the willful misconduct or bad faith of the ARC or its members. Except as provided in this Declaration, the ARC shall review and approve or disapprove all plans and specifications submitted to it for any proposed improvement, including the construction of, alteration or addition to improvements, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the surrounding area. The ARC shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plans or specifications be deemed approval thereof, from the standpoint of structural safety, engineering soundness, or conformance with building or other codes which may be applicable to the planned construction.
- B. Plans and specifications shall be considered for approval by the Architectural Review Committee as to style, exterior design, appearance and location, and are not approved for engineering design or for compliance with zoning and building ordinances, and by approving such plans and specifications the Association assumes no liability or responsibility therefor, or for any defect in any structures constructed from such plans and specifications. Each Owner shall be responsible for complying with the requirements of the County as to improvements installed on his residence.
- SECTION 12. <u>Variances.</u> The ARC may authorize variances from compliance with any of the architectural provisions of this Declaration or any supplemental declaration, including restrictions upon height, bulk, size, shape, floor area, land area, placement of structures, setbacks, building envelopes, colors, materials, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations may, in its sole and absolute discretion, warrant. Such variances must be evidenced in writing and must be signed by at least all of the members of the ARC. If such a variance is granted, no violation of the covenants, conditions or restrictions contained in this Declaration or any supplemental declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration or any supplemental declaration for any purpose except as to the particular Property and particular provision and in the particular instance covered by the variance.
- SECTION 13. <u>Obligations with Respect to Zoning and Subdivisions.</u> All Owners and other persons shall comply fully with the zoning and master plan designations approved for the Subdivision by the Board of Commissioners of Douglas County, Nevada, and with all applicable federal, state and local laws, regulations and ordinances, insofar as the same is applicable and as the same may hereafter be amended from time to time.

SECTION 14. ARC General Provisions.

A. The establishment of the systems herein for architectural approval shall not be construed as changing any rights or restrictions upon Owners to maintain, repair, alter or modify or otherwise have control over the residence as may otherwise be specified in this declaration.

- B. In the event the ARC fails to approve or disapprove such plans and specifications within thirty (30) days after the same have been duly submitted in accordance with any rules regarding such submission adopted by the Association, such plans and specifications will be deemed approved.
- C. Any approval or disapproval of such plans and specifications by the ARC shall be final and conclusive. If an appeal is filed by any home Owner within thirty (30) days of the ARC determination, the ARC shall act on such appeal within fifteen (15) days of the appeal. Failure of the ARC to act on the appeal will constitute an affirmation of the decision of the ARC.

ARTICLE IV GENERAL PROVISIONS

- SECTION 1. <u>Enforcement</u>. The Declarant or any Owner shall have the right to enforce against any other Owner or Owners by proceeding at law or in equity, all restrictions, conditions, covenants and reservations, now or hereafter imposed by the provisions of this Declaration or any amendment hereto, including the right to prevent the violation of any such restrictions, conditions, covenants or reservations and the right to recover damages for such violation.
- SECTION 2. <u>No Waiver</u>. Failure by the Declarant or any Owner to enforce any covenant, condition or restriction herein contained in any certain instance or on any particular occasion shall not be deemed a waiver of such right on any such future breach of the same or any other covenant, condition or restriction.
- SECTION 3. <u>Cumulative Remedies</u>. All rights, options and remedies of Declarant or the Owners under this Declaration are cumulative, and not one of them shall be exclusive of any other, and Declarant and the Owners shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided by law, whether or not stated in this Declaration.
- SECTION 4. <u>Severability</u>. Invalidation of any one or a portion of these covenants, conditions or restrictions by judgment or Court order shall in no way affect any other provisions which shall remain in full force and effect.
- SECTION 5. Covenants to Run with the Land; Term. The covenants, conditions and restrictions of this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by any Owner, their respective legal representatives, heirs, successors and assigns, until December 31, 2010, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of fifteen (15) years, unless an instrument, signed by a majority of the then Owners has been recorded at least one (1) year prior to the end of any such period, agreeing to change said covenants, conditions and restrictions in whole or in part.
- SECTION 6. <u>Construction</u>. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of a residential community or tract. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.
- SECTION 7. <u>Singular Includes Plural</u>. Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine and the neuter.
- SECTION 8. <u>Nuisance</u>. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Declarant or any Owner. Such remedy shall be deemed cumulative and not exclusive.
- SECTION 9. <u>Attorneys' Fees</u>. In the event action is instituted to enforce any of the provisions contained in this Declaration, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment reasonable attorneys' fees and costs of such suit.

- SECTION 10. <u>Effect of Declaration</u>. This Declaration is made for the purposes set forth in the recitals to this Declaration and Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portions of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances and regulations applicable thereto.
- SECTION 11. <u>Personal Covenant</u>. To the extent the acceptance of a conveyance of a residence creates a personal covenant between the Owner of such residence and Declarant or other Owners, such personal covenant shall terminate and be of no further force or effect from and after the date when a person or entity ceases to be an Owner.
- SECTION 12. <u>Nonliability of Officials</u>. To the fullest extent permitted by law, the Declarant or the Association shall not be liable to any Owner for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, omission, error, negligence or the like made in good faith within which the Declarant or the Association reasonably believed to be the scope of its duties.
- SECTION 13. No Addition to Rights. This Declaration does not create any Property rights on behalf of any Owner of the Property, other than the right to collectively utilize the collection and enforcement proceedings hereof, nor does it create in Declarant any contractual or other obligation to perform any obligation or function under this Declaration, except at the will of Declarant.
- SECTION 14. <u>Leases</u>. Any agreement for the leasing or rental of a residence (hereinafter in this section referred to as a "lease") shall provide that the terms of such lease shall be subject in all respects to the provisions of this Declaration. Said lease shall further provide that any failure by the lessee thereunder to comply with the terms of the foregoing documents shall be default under the lease. All leases shall be in writing. Any Owner who shall lease his residence shall be responsible for assuring compliance by such Owner's lessee with this Declaration. No residence shall be leased for transient or hotel purposes, which shall be defined as rental for any period less than thirty (30) days or any rental whatsoever, if the occupants of the residence are provided customary hotel services such as room service for food and beverage, maid service, furnishing laundry and linen and bellboy service.
- SECTION 15. Construction by Declarant. Nothing in this Declaration shall limit the right of Declarant to construct such additional improvements as Declarant deems advisable prior to completion of improvements upon and sale of the entire development. Such right shall include, but shall not be limited to, erecting, constructing and maintaining on the Property such structures and displays as may be reasonably necessary for the conduct of business of completing the work and disposing of the same by sale, lease or otherwise. This Declaration shall not limit the right of Declarant at any time prior to acquisition by title by a purchaser from Declarant to establish on the Property additional licenses, reservations and rights of way to itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the development. Declarant reserves the right to alter its construction plans and designs as it deems appropriate. The rights of Declarant hereunder may be assigned by any successor or successors to all or part of said entity's respective interest in the development, by an express assignment incorporated in a recorded deed of lease, as the case may be, transferring such interest to such successor. Declarant shall exercise its rights contained in this provision in such a way as not to unreasonably interfere with the Owner's rights to use and enjoy the Property.
- SECTION 16. <u>Amendments</u>. Subject to the other provisions of this Declaration, this Declaration may be amended as follows: Until such time there are Owners other than the Declarant, amendments or modifications shall be effective when executed by Declarant and when recorded in the official records of the County. Thereafter any amendments shall require the affirmative written assent or vote of not less than 75% of the lot Owners as defined in this document. An amendment or modification that requires the vote and written assent of the Owners as herein above provided shall be effective when executed by the Declarant, who shall certify that the amendment or modification has been approved as herein above provided, and when recorded in the official records of the County.
- SECTION 17. Acceptance of Provisions by Grantees. Each Grantee hereafter of any portion of interest in the project and any purchaser under grant or contract of sale, or lessee under any lease covering any portion

or interest in the project, accepts the same subject to all the restrictions, conditions, covenants and reservations provided for in this Declaration.

SECTION 18. <u>Purpose</u>. The purpose of these covenants is to insure the use of the Property for attractive residential purposes only, to prevent nuisances, to prevent the impairment of the attractiveness of the Property, to maintain the desired tone of the community and thereby to secure to each subsequent site Owner the full benefit and enjoyment of his home, with no greater restriction upon the free and undisturbed use of his site than is necessary to insure the same advantage to the adjacent Owners. Anything tending to detract from the attractiveness and value of the Property for residence purposes will not be permitted.

DATED this 27 day of 2003.

TUENTY - SEVENTIL)

AURORA LANDS, LLC

Declarant

Garry Leiss, Mariager

Gregg Leiss, Manager

By Wike Brodie Manager

[NOTARY ACKNOWLEDGMENTS ON NEXT PAGE]

STATE OF NEVADA)
COUNTY OF DOUGLAS) ss.
On Lugust 37, 2003, before me, a notary public, personally appeared GARRY LEIS
Manager of AURORA LAND, LLC, a Nevada limited liability company, personally known (or proved) to me to be
the person whose name is subscribed to the above instrument entitled "DECLARATION OF COVENANT
CONDITIONS AND RESTRICTIONS" who acknowledged that he executed the instrument,
Date Callenn
STATE OF NEVADA) Notary Public NOTARY PUBLIC
COUNTY OF DOUGLAS) SS. STATE OF NEVADA Aport, Recorded in Douglas County My Aport, Expires January 5, 2007
On Wo: 89-1891-5 On Way 37, 2003, before me, a notary public, personally appeared GREGG LEISS
Manager of AURORA LAND, LLC, a Nevada limited liability company, personally known (or proved) to me to b
the person whose name is subscribed to the above instrument entitled "DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS" who acknowledged that he executed the instrument.
May Many
Notary Public
STATE OF NEVADA TRACI E. ADAMS NOTARY PUBLIC STATE OF NEVADA
COLINTY OF DOUGLAS SS. Appt. Recorded in Douglas County My Appt. Expires January 5, 2007
140: 69-1891-5
On, 2003, before me, a notary public, personally appeared MIKE BRODIE Manager of AURORA LAND, LLC, a Nevada limited liability company, personally known (or proved) to me to be
the person whose name is subscribed to the above instrument entitled "DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS" who acknowledged that he executed the instrument.
who acknowledged that he executed the instrument.
Notary Public (Mann)
Hotaly Fublic
Leiss/aurora/aurora_2.ccr TRACI E. ADAMS NOTARY PUBLIC
STATE OF NEVADA Appt. Recorded in Douglas County
My Appt, Expires January 5, 2007 No: 89-1891-5

EXHIBIT "A"

Lots 3, 4, 5, 6 and 7 in Block B; Lots 8, 9, 10, 11, 12 and 13 in Block C; and Lots 14, 15, 16, 17, 18, 19 and 20 in Block D as shown on Final Subdivision Map PD #02-003 for AURORA, a Planned Development filed for record with the Douglas County Recorder September 8, 2003 in Book 0903, at Page 3029, as Document No. 589081, Official Records of Douglas County, Nevada.

APN 1320-26-002-006 APN 1320-26-001-015 APN 1320-26-001-016



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