

DOC # 0727575
07/28/2008 12:30 PM Deputy: SD

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Requested By:

CLEAR CREEK RANCH LLC

RECORDING REQUESTED BY,
AND WHEN RECORDED, MAIL TO:

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Page: 1 Of 108 Fee: 121.00
BK-0708 PG- 5829 RPTT: 0.00



**DECLARATION
OF
COVENANTS, CONDITIONS AND
RESTRICTIONS
FOR
CLEAR CREEK TAHOE**

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THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CLEAR CREEK TAHOE ("Declaration") is made this 27th day of July 2008, by CLEAR CREEK RANCH, LLC, a Nevada limited liability company, herein referred to as "Declarant", with reference to the following facts and is as follows:

RECITALS:

A. Declarant is the owner of certain real property located in Douglas County, Nevada that is more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Property"). Declarant intends that the Property, together with any Annexed Property (defined below), be developed as a single family residential subdivision with various recreational amenities and, in accordance with the applicable terms and provisions of the Act (defined below), as a planned community under the name of "Clear Creek Tahoe."

B. Declarant contemplates that additional real property located in Douglas County, Nevada, in the vicinity of the Property may be developed in conjunction with the Property, which real property is more particularly described in Exhibit "B" attached hereto and incorporated herein by this reference (the "Annexable Property"). At some future time, in accordance with this Declaration and the Act, Declarant may or may not annex all, a portion, or none of the Annexable Property into the jurisdiction of this Declaration. All portions of the Annexable Property annexed into and made subject to the jurisdiction of this Declaration are referred to herein collectively as the "Annexed Property." The Property, the Annexed Property, and all improvements, modifications, and amendments thereon and thereto are referred to herein as the "Project."

C. This Declaration is designed to create certain easements, equitable servitudes and covenants appurtenant to and running with the Project and imposing conditions, covenants and restrictions for the development, operation, protection and maintenance of the Project, including, without limitation, assessments against Owners for the cost of operation and maintenance of the Areas of Common Responsibility within the Project. This Declaration, and the provisions set forth herein, are intended to supplement the development standards and guidelines for the Project set forth in applicable government standards, including, potentially, (i) development agreements between Douglas County and Declarant, (ii) plans and design handbooks approved by Douglas County for the establishment of Clear Creek Tahoe as a residential community, including without limitation, that certain Clear Creek Specific Plan dated December 5, 2003, and approved by the Douglas County Board of County Commissioners (herein, the "Specific Plan") (iii) any "design standards" contained in such development agreements and plans or otherwise approved by relevant governmental authorities, and (iv) all other approvals and permits issued for the

by relevant governmental authorities, and (iv) all other approvals and permits issued for the Project by relevant governmental authorities (all the foregoing being referred to herein collectively as the "Development Standards"). Such Development Standards may apply to the Project in whole or in part. Unless otherwise permitted by the express terms of any Development Standard, this Declaration is subject to the Development Standards, and neither this Declaration nor the Association may change the requirements of any such Development Standards (except as otherwise noted in Section 8.4 below). Within stated limitations contained in this Declaration or in the relevant Development Standards, the Association and/or Declarant may be entitled or required to enforce or obtain the benefits of any Development Standards.

D. This Declaration is intended to secure the development of the Project as a high quality residential community.

E. Declarant reserves the right to create a maximum of three hundred eighty four (384) Lots within the Project.

DECLARATION:

NOW, THEREFORE, Declarant hereby declares that the Project, is and shall be held, conveyed, encumbered, leased, used, occupied, improved, and otherwise affected in any manner subject to the covenants, conditions, restrictions, easements and other provisions of this Declaration, all of which are hereby declared to be in furtherance of a general plan for the development, improvement, and sale of the Project, and are further declared to be for the purpose of enhancing, maintaining, and protecting the value and attractiveness of the Project. All provisions hereof shall be deemed to run with the land as covenants running with the land or as equitable servitudes, as the case may be, and shall constitute benefits and burdens to the Declarant and its assigns and to all persons hereafter acquiring or owning any interest in the Project, however such interest may be obtained.

ARTICLE 1 DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used herein shall have the meanings set forth in this Article.

"Act" shall mean, collectively, the Uniform Common Interest Ownership Act, NRS Chapter 116, and NRS Chapter 116A, as they may be amended from time to time, and all replacements thereof.

"Annexable Property" is defined in Recital B.

"Annexed Property" is defined in Recital B.

"Annual Assessment" is defined in Section 6.4.1.

"Areas of Common Responsibility" shall mean the Common Elements, together with such other areas for which the Association has or assumes responsibility pursuant to the terms of this Declaration, any Supplemental Declaration, and/or a Declarant Assignment of Maintenance Obligation, or other applicable covenants, contracts, or agreements.

"Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Association.

"Assessments" is defined in Section 5.1.1.

"Association" means Clear Creek Tahoe Homeowners Association, a Nevada non-profit corporation.

"Association Property" means all real and personal property now or hereafter owned by or leased to the Association or in which the Association has a recognizable legal or equitable present or future interest.

"Beneficiary" means a beneficiary under a deed of trust or a mortgagee under a mortgage, and/or the assignee of such beneficiary or mortgagee.

"Board" or "Board of Directors" means the Board of Directors of the Association and is synonymous with "Executive Board" as defined by the Act.

"Budget" is defined in Section 6.4.1.

"Bylaws" means the Bylaws of the Association.

"Capital Improvement" is defined in Section 6.6.1.

"Capital Improvements Assessment" is defined in Section 6.6.1.

"Common Elements" and "Common Area" mean that portion of the Project designated as common elements or common area on a Map (other than those areas dedicated or offered for dedication by Declarant to Douglas County pursuant to Section 2.4.2), and those real property rights in the Project conveyed by Declarant to the Association and designated as common elements or common area in the deed or grant of conveyance from Declarant to the Association, together with all Improvements constructed or to be constructed thereon, including, but not limited to, all streets, roadways, median landscaping, entry gates, entry monumentation, water features, trash receptacles, picnic tables, benches, trails, street lighting, and general landscaping thereon, as well as all roadways, drainage ways, and other facilities within the Project (exclusive of Lots) which have not been accepted for dedication by the applicable governmental entity having jurisdiction; together with any easements for the benefit of the Common Elements created or reserved in this Declaration.



"Common Expenses" is defined in Section 6.4.1.

"Construction" is defined in Section 2-A.4.

"Cost Center" means a group of Lots to which is exclusively allocated (i) Limited Common Elements or (ii) certain Improvements ("Cost Center Improvements") or (iii) services to be performed by the Association, as more particularly set forth in a Supplemental Declaration. Each Cost Center, the Lots within such Cost Center, and the Cost Center Improvements and/or Limited Common Elements within such Cost Center (and/or the Association services related to such Cost Center) shall be designated by Declarant in this Declaration or in a Supplemental Declaration.

"Declarant" means the undersigned that has made and executed this Declaration, or its successors, assigns, or representatives in the event Declarant assigns its rights and obligations, or in the event Declarant's interest in the Project and the Annexable Property is sold pursuant to foreclosure or deed in lieu thereof.

"Declarant Assignment of Maintenance Obligation" shall mean each and every recorded document executed by Declarant, whereunder Declarant assigns and delegates to the Association, pursuant to any condition of approval or requirement imposed in connection with the approval of a Map, any Development Standard, or any agreement relating to the development of the Project, any obligation to maintain (including, without limitation, snow removal), repair, and replace, or pay the costs of maintaining, landscape areas, trails, drainage facilities, road and/or street improvements, roundabouts, medians, street lighting, or utility facilities related to public property, including public rights-of-way, or other property not within the Project.

"Declarant's Control Termination Date" is defined in Section 4.3.3(b).

"Declaration" means this instrument and any and all amendments and supplements thereto.

"Deed of Trust" means an interest in real estate, 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, and any other consensual lien or title retention contract intended as security for an obligation.

"Design Review Committee" shall mean the committee responsible for implementing and enforcing the requirements and restrictions governing the construction and alteration of all Improvements on Lots, as more particularly set forth in Article VIII below.

"Design Guidelines" is defined in Section 8.4 of this Declaration.

"Eligible Mortgage Holder" is defined in Section 9.5.

"First Deed of Trust" means the most senior Deed of Trust on a particular property.

"Golf Course" is defined in the definition of "Golf Course Property" below.

"Golf Course Property" means that portion of the property generally identified in Exhibit "C" attached hereto and incorporated herein by this reference. Declarant presently contemplates that the Golf Course Property will be conveyed to The Club at Clear Creek Tahoe, Inc., a Nevada non-profit corporation (the "Club Entity") for development by the Club Entity as a recreational golf facility, which facility may include a variety of services and amenities, including, without limitation, one or more golf courses, golf practice facilities, golf teaching facilities, a clubhouse, restaurant facilities, lounge facilities, swimming facilities, exercise facilities, spa facilities, and other related recreational and social facilities (all such facilities being collectively referred to herein as the "Golf Course"). **THE GOLF COURSE PROPERTY IS NOT A COMMON ELEMENT.** Further, there is no assurance that the Golf Course Property will be developed and if developed, what Improvements will be developed thereon. At such time as the Golf Course Property is conveyed to the Club Entity, Exhibit "C" will be superseded by a new Exhibit "C" which includes the actual legal description of the Golf Course Property.

"Golf Owner" means the then current owner of the Golf Course Property.

"Governing Documents" means the Declaration, the Articles, the Maps, the Plans, the Bylaws, the Design Guidelines, each Declarant Assignment of Maintenance Obligation, each Supplemental Declaration, any notice of annexation, and the Rules as each may be amended from time to time. Any exhibit, schedule or certification accompanying any Governing Document shall be deemed a part thereof.

"Impacts" is defined in Section 2-A.4.

"Improvement" means all structures, and works of improvement and appurtenances thereto, of every type and kind, including but not limited to buildings, outbuildings, garages, carports, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, utility lines, drainage facilities, hedges, windbreaks, planting, planted trees, shrubs, poles, signs, exterior air conditioning, water softener, satellite dishes, antennae, fixtures or equipment.

"Limited Common Elements" means a portion of the Common Elements primarily benefiting one or more, but less than all, Lots, as more particularly designated and described by Declarant in a Supplemental Declaration. All Limited Common Elements shall be allocated to a particular Cost Center.

"Lot" or "Parcel" means any portion of the Project designated as a lot or parcel on a Map and intended for improvement with a single family residence, whether or not the Lot or Parcel is

so improved. The boundaries of each Lot/Parcel and the number identifying the Lot/Parcel are set forth on the Maps.

"Maintenance Violation" is defined in Section 5.1.3(c).

"Manager" means a person, firm, or corporation possessing all licenses and certifications required by the Act, and employed or engaged to perform management services for the Project and the Association.

"Map" means each final subdivision map or parcel map approved by Douglas County and filed for record against the Property or the Annexed Property in the Office of the County Recorder, Douglas County, Nevada, and any and all amendments thereto.

"Member" or "Association Member" means Declarant, during such time as Declarant owns any portion of the Property or Annexed Property, and every person or entity including Declarant and Golf Owner who holds a membership in the Association pursuant to the provisions of this Declaration, the Articles and the Bylaws.

"NRS" means the Nevada Revised Statutes.

"Owner" means any person or entity, including Declarant, holding a fee simple interest in a Lot or Parcel, or who is the buyer of a Lot or Parcel under a recorded contract of sale and including the Golf Owner as owner of the Golf Course Property.

"Participating Builder" means any person or entity designated as such in writing by Declarant and who (i) owns a portion of Annexed Property, or (ii) acquires a Lot or Lots in the Project for the purpose of constructing Improvements thereon for later sale to third party home buyers in the ordinary course of such person's/entity's business.

"Plan" means those items set forth in NRS 116.2109, together with all drawings, plans, and specifications of Improvements in the Project which are filed with agencies which issue permits for the Project, and all number and letter designations set forth thereon identifying Lots, all of which are by this reference incorporated herein.

"Project" is defined in Recital B.

"Property" is defined in Recital A.

"Rules" means the rules and regulations for the use of the Areas of Common Responsibility and the conduct of persons in connection therewith, as adopted by the Board of Directors pursuant to this Declaration and the Bylaws, together with such other rules and regulations as the Board may adopt under this Declaration and/or the Act.

"Special Assessment" is defined in Section 6.5.

"Special Declarant's Rights" means all rights reserved by Declarant for itself and for Participating Builders under this Declaration, which rights may be exercised only by Declarant and Participating Builders in the manner set forth herein, including, but not limited to, those rights set forth in Article X hereof.

"Specific Plan" is defined in Recital C.

"Subsidy Agreement" is defined in Section 6.16.

"Supplemental Declaration" means each and every recorded document executed by Declarant, whereunder Declarant creates a Cost Center, and allocates thereto (i) Limited Common Elements or (ii) certain Improvements ("Cost Center Improvements") or (iii) services to be performed by the Association. A Supplemental Declaration shall designate the Cost Center it creates, the Lots within such Cost Center, and the Cost Center Improvements and/or Limited Common Elements within such Cost Center (and/or the Association services related to such Cost Center). A Supplemental Declaration may set forth additional restrictions, easements, or covenants that may be applicable to some or all of the Lots within the Cost Center.

"Tentative Map" means the Revised Tentative Map for Clear Creek (Douglas County Case No. PD 03-004), to the extent related to the Project, and any and all amendments thereto.

"Violation Assessment" is defined in Section 6.7.

ARTICLE 2 AREAS OF COMMON RESPONSIBILITY

2.1 Ownership of Common Elements. Except as provided in this Section and Section 2.4.2, all of the Common Elements are or will be owned in perpetuity by the Association. The Common Elements shall remain private property of the Association unless dedicated to a public authority pursuant to the provisions hereof, and nothing contained herein shall be construed as a dedication to the public of the Common Elements or any portion thereof.

2.2 Owners' Easements of Enjoyment. Except as otherwise expressly provided elsewhere in this Declaration, and subject to Section 2.3 and Declarant's, the Golf Owner's, and the Association's other rights, easement rights and privileges reserved herein, each Owner shall have, and Declarant and the Association hereby grants to each Owner, a non-exclusive easement of use and enjoyment in, to, and throughout all Common Elements not designated as Limited Common Elements—and in, to and throughout all Limited Common Elements allocated to any Cost Center within which the Owner's Lot is included—for recreation, ingress, egress, support, and all other appropriate purposes consistent with the Plans for the Project approved by the County, provided, however, that this easement shall not extend to any portion of the Common Elements located on an individual Lot. Each such easement shall be appurtenant to and pass with title to each Lot.

2.3 Use of the Areas of Common Responsibility. Subject to the rights and privileges reserved herein for the benefit of the Golf Course Property, Areas of Common Responsibility may be used solely for residential subdivision purposes, including landscaping, ingress and egress, and recreation. The Board shall regulate the use of the Areas of Common Responsibility through its Rules, as promulgated and amended from time to time. Except as otherwise provided herein (including, without limitation, those rights and privileges reserved for the benefit of the Golf Course Property), or as otherwise permitted by the County as to Areas of Common Responsibility not constituting Common Elements, no persons other than the Owners, their family members, guests and invitees or the Owner's tenants, their family members, guests and invitees shall be allowed to in any manner use or occupy the Areas of Common Responsibility. Each Owner shall at all times be responsible for any and all activities of his family, tenants, guests and invitees using the Areas of Common Responsibility. Furthermore, each Owner shall reimburse the Association for any damage to the Areas of Common Responsibility caused intentionally or negligently by such Owner or his family, tenants, guests, or invitees, and the amount of such reimbursement shall be levied as a Violation Assessment if not paid upon request from the Association. No Improvements within the Areas of Common Responsibility shall be altered or removed, except at the express direction of the entity responsible for maintaining such Areas of Common Responsibility.

2.4 Declarant's Common Elements Easement Rights; Dedication of Common Elements.

2.4.1 Reservation of Common Elements Easements In Favor of Declarant and Participating Builders. Declarant hereby reserves unto itself such easements over, through and under the Common Elements as may be reasonably necessary to (i) discharge Declarant's obligations under this Declaration, (ii) exercise any Special Declarant's Rights, whether arising under the Act or reserved in this Declaration, (iii) construct any Improvement, complete any Improvement, replace any Improvement, perform any maintenance, or make any repair Declarant deems desirable on the Common Elements or any Lot owned by Declarant, including the construction and installation of roads and streets over the Common Elements for access to Lots to be created within the Annexed Property, (iv) complete any Improvement or make any repair on the Common Elements necessary for the provision of adequate access, support and drainage for the Lots in the Project or Areas of Common Responsibility, and (v) such access as may be required to enjoy any of the foregoing rights. Additionally, Declarant hereby reserves unto each Participating Builder such easements over, through and under the Common Elements as may be reasonably necessary to (i) discharge such Participating Builder's obligations under this Declaration, or (ii) exercise any Special Declarant's Rights reserved to such Participating Builder in this Declaration, or (iii) complete any Improvement on any Lot owned by such Participating Builder (subject to the terms of Article VIII hereof).

2.4.2 Reservation of Right to Grant Additional Common Elements Easements and to Dedicate Common Elements. Declarant hereby reserves unto itself the right to grant easements and rights of way on, over, through and under the Common Elements for the purposes described below and for the benefit of the Owners, the Golf Course Property, and the Association, and the right to offer for dedication any portion of the Common Elements to any

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political subdivision, or any public or quasi-public entity or utility. Such grants of easement or dedications may be for any or all of the following described purposes: constructing, erecting, operating, using, or maintaining on the Common Elements, at any time: (i) roads, streets, trails, walks, driveways, vehicle parking areas, parkways, and park areas; (ii) poles, wires, or conduits for transmission of electricity, telephonic communication or cable or master antenna television for the Project and the necessary apparatus incident thereto; (iii) public and/or private sewers, sewage disposal systems, storm drains, land drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes, and any and all equipment and other apparatus relating thereto; and (iv) cart paths, tee boxes, and any other golf course facilities and improvements necessary or desirable to the Golf Owner in the operation of the Golf Course Property. The Association does hereby agree to execute and deliver and does hereby irrevocably constitute and appoint Declarant as its lawful attorney in fact to execute and deliver any and all documents, agreements, deeds, instruments or assignments that may be necessary to effectuate any transfer and conveyance described herein, and any and all remuneration, credits or reimbursement that may result or arise from or in connection with any dedication, transfer and conveyance described in this Section shall be paid, credited or reimbursed solely to the Declarant. In the event of a fee simple dedication, upon acceptance by the political subdivision, public or quasi-public entity, or utility to which the relevant Common Elements are dedicated, such Common Elements shall no longer be a portion of the Common Elements (regardless of its designation on a Map), and all rights and obligations hereunder related to such property in its status as Common Elements shall cease and be of no further force and effect. The rights reserved by Declarant in this Section 2.4.2 may be exercised at any time that Declarant owns any portion of the Project or the Annexable Property. Furthermore, the rights reserved by Declarant in this Section 2.4.2 shall permanently expire at such time as Declarant no longer owns any portion of the Project or the Annexable Property. Notwithstanding the foregoing, Declarant, each Owner, and the Association acknowledge that Douglas County will not assume responsibility or accept an offer of dedication for private streets unless those streets meet all applicable Douglas County standards for road improvement and dedication at the time of the offer of dedication.

2.5 Rights of Association to Grant Easements Over Common Elements and to Dedicate Portions of Common Elements. At such time as the rights reserved by Declarant under Section 2.4.2 have expired, the Association shall be entitled to exercise the rights reserved to Declarant under Section 2.4.2, provided that at least sixty-seven percent (67%) of the voting power of the Association has approved such action, and, as to rights over Common Elements designated as Limited Common Elements, Owners representing a majority of the Lots in the Cost Center to which such Limited Common Elements are allocated have approved such action.

2.6 Right of Association to Encumber Common Elements. The Association may encumber the Common Elements in connection with authorized obligations, but only upon the affirmative vote of not less than sixty-seven percent (67%) of the voting power of the Association, and, as to encumbrances over Common Elements designated as Limited Common Elements, Owners representing a majority of the Lots in the Cost Center to which such Limited Common Elements are allocated have approved such action.

2.7 Declarant's Obligation to Convey. Declarant shall convey to the Association, and the Association shall unconditionally accept from Declarant, fee simple title to the Common Elements. Additionally, the Association shall unconditionally accept from Declarant each Declarant Assignment of Maintenance Obligation made from time to time, and all obligations and duties in each Supplemental Declaration made from time to time. Title to the Common Elements shall be conveyed to the Association free and clear of all encumbrances and liens, except (i) real property taxes and assessments that may be due but are not delinquent; (ii) easements, covenants, conditions and reservations, and other matters then of record or apparent, including, without limitation, those set forth on the relevant Map and in this Declaration, as well as those easement rights and restrictive covenants granted by Declarant for the benefit of the Golf Course Property, previously or hereafter recorded in the official records of Douglas County, Nevada; and (iii) the obligations imposed, directly or indirectly, by virtue of any statute, law, ordinance, resolution, or regulation of the United States of America, the State of Nevada, County of Douglas, or any other political subdivision or public organization having jurisdiction over the Project, or by virtue of any organization or political body created pursuant to any such statute, law, ordinance, or regulation.

2.8 Maintenance of Areas of Common Responsibility. Funding for and maintenance of any particular Area of Common Responsibility and any and all Improvements thereon shall be the obligation of the Declarant solely until (i) such Area of Common Responsibility is conveyed (as to Common Elements), assigned (in the case of an area covered by a Declarant Assignment of Maintenance Obligation), or otherwise delegated (as set forth in the terms of a Supplemental Declaration) to the Association and (ii) such conveyance, assignment, and/or delegation is recorded in the official records of the County Recorder of Douglas County, Nevada. From and after the date of such conveyance/assignment/delegation, the obligation to perpetually fund and maintain such Area of Common Responsibility and the Improvements thereon shall be the obligation of the Association, except as provided in Article XIII below, and except as to any Area of Common Responsibility for which maintenance responsibility is assumed by a special assessment district, landscape maintenance district, or any other appropriate governmental entity, and thereafter Declarant shall have no further obligation to maintain such Area of Common Responsibility. Upon assumption of its maintenance obligation, the Association shall perpetually fund, maintain, and manage each Area of Common Responsibility and all Improvements thereon in a first class and workmanlike manner, in accordance with the terms of this Declaration and all Development Standards, and in accordance with any applicable Declarant Assignment of Maintenance Obligation or Supplemental Declaration.

2.9 Indemnification. Each Owner shall indemnify, protect, defend and hold harmless Declarant, without limitation, on any claims arising from the negligence or willful misconduct of that Owner, his family, relatives, tenants, guests, or invitees, for damages sustained on the Areas of Common Responsibility, except to the extent any such claims arise from the negligence or willful misconduct of Declarant. Similarly, each Owner shall indemnify, protect, defend and hold harmless the Association, without limitation, on any claims arising from the negligence or willful misconduct of that Owner, his family, relatives, tenants, guests, or invitees, for damages sustained on the Areas of Common Responsibility, except to the extent any such claims arise from the negligence or willful misconduct of the Association, and any amount due pursuant to

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said indemnity obligation shall be levied as a Violation Assessment if not paid upon request from the Association. The Owner-indemnifications in this Section shall include claims arising in relation to a Participating Builder's exercise of rights pursuant to Section 2.5.1 and Article X of this Declaration.

ARTICLE II-A PROPERTY RIGHTS

2-A.1 Construction Access Easement. Declarant hereby reserves for itself a temporary, non-exclusive easement over the Project for such access, ingress and egress as may be necessary for Declarant to complete any work or Improvement on the Project, or to make any repair or replacement Declarant deems necessary or appropriate to any Improvement on the Project, or to modify any completed Improvement on the Project to make such Improvement conform to Declarant's governmentally approved plans for such Improvement; provided that, in exercising the rights reserved under this Section, Declarant shall not unreasonably interfere with any non-Declarant Owner's use and enjoyment of his or her Lot. The easement reserved by Declarant in this Section shall permanently expire one (1) year from the date that Declarant no longer owns any portion of the Project or the Annexable Property.

2-A.2 Encroachment Easements. Declarant hereby reserves for each Lot, as the dominant tenement, an easement over all adjoining Lots and Common Elements, as the servient tenements, for the purpose of accommodating and maintaining any encroachment which occurs due to engineering errors, errors in original construction, settlement, or shifting of structures, or any other cause as long as the encroachment remains. Furthermore, Declarant hereby reserves for the Common Elements, as the dominant tenement, an easement over adjoining Lots, as the servient tenements, for the purpose of accommodating and maintaining any encroachment due to engineering errors, errors in original construction, settlement or shifting structures, or any other causes. In the event a Lot or Improvement on the Common Area is partially or totally destroyed, and then repaired and rebuilt, minor encroachments over adjoining Lots and the Common Elements shall be permitted and there shall be valid easements for the maintenance of the encroachments as long as they shall exist. In no event shall a valid easement exist pursuant to this Section 2-A.2 in favor of Declarant, an Owner, or the Association if the encroachment occurred due to the willful misconduct of Declarant, the Owner, or the Association, respectively.

2-A.3 Drainage Easements. Declarant hereby reserves over the Common Elements and each Lot, for the Common Elements and each Lot, reciprocal easements for drainage according to the drainage patterns created or required by the grading plans for the Project approved by Douglas County, as well as the actual, natural, and existing patterns for drainage. Declarant hereby further reserves over the Common Elements and each Lot, for the Annexable Property, easements for drainage according to the drainage patterns created or required by the grading plans for the Project approved by Douglas County, as well as the actual, natural, and existing patterns for drainage. Finally, Declarant hereby reserves over the Common Elements and each Lot, for the Golf Course Property, easements for drainage according to the drainage patterns created or required by the grading plans for the Project and the Golf Course Property approved by Douglas County, as well as the actual, natural, and existing patterns for drainage. Each

Owner covenants that if it becomes necessary to alter the pattern of water drainage over his Lot for the protection of his Lot, such Owner shall do so in accordance with Section 3.11 and in a manner that will not harm or unduly increase the burden on any adjacent Lots, Common Elements, Annexable Property, or the Golf Course Property.

2-A.4 Construction Impacts Easement. During Declarant's development of the Project, the construction of streets, utilities, homes, structures and other Improvements (generally, the "Construction") will produce substantial dust, noise, light (during nighttime hours) and other adverse impacts ("Impacts") within the Project to Owners and their guests, invitees and licensees which may be alleged in the future to constitute a nuisance or otherwise impair the use and enjoyment of the Areas of Common Responsibility, Lots, and Improvements thereon. The term "Impacts" is intended to be construed liberally to include all adverse consequences of Construction activity which might be an annoyance or nuisance, particularly without limitation dust and noise. An easement is hereby reserved by Declarant, from each Lot and the Common Elements, for itself and each Participating Builder, and their respective agents, to cause such Impacts to occur.

2-A.5 Maintenance Violation Easement. Declarant hereby reserves over each Lot, for the benefit of the Association, an easement for such access and use as the Association may require in exercising its rights under Section 5.1.3(b).

2-A.6 Solid Waste Collection Easement. Declarant hereby reserves over the Common Elements, for each solid waste collection company (e.g. Waste Management) providing service to the Project, a perpetual, non-exclusive easement for such ingress and egress as may be necessary or useful in the ordinary course of its trash collection service to Lots within the Project, as well as a perpetual, non-exclusive easement for such trash collection.

2-A.7 Snow Berm Easement. Declarant hereby reserves over the portion of each Lot within twenty (20) feet of any street or Area of Common Responsibility, for itself and the Association, an easement for the placement of snow plowed from the adjacent street or Area of Common Responsibility; provided that this easement is not intended to create a snow storage or dumping area on any Lot, but only to allow the berming of snow plowed from a street or Area of Common Responsibility adjacent to a Lot in order to clear such area of snow for the safe passage of vehicles and pedestrians on the street or Area of Common Responsibility.

2-A.8 Access Easements for Annexable Property. Declarant hereby reserves over all improved streets and roadways within the Project a perpetual, non-exclusive easement for access, ingress and egress, drainage, and utilities, without limitation, water, sewer, power, telecommunications, for the benefit of the Annexable Property. The easements reserved herein shall be of a scope sufficient to allow for residential subdivision development upon the Annexable Property of a density consistent with the neighborhood within which the Property and Annexable Property are located. Further, the easements reserved herein shall remain valid whether or not the Annexable Property is annexed into the jurisdiction of this Declaration, and shall survive any termination or expiration of Declarant's rights arising under Article X hereof, or anywhere else herein.

2-A.9 Golf Course Easements. Additional rights and easements reserved for the benefit of the Golf Course Property shall be as set forth in Article XIII below.

2-A.10 Easement for County Maintenance. Declarant hereby reserves over the Common Elements, for Douglas County, a perpetual, non-exclusive easement for such ingress and egress as may be necessary or useful in the maintenance of the community water and sanitary sewer system serving the Project.

2-A.11 Public Trail Access Easement. Subject to the terms of this Section, Declarant hereby reserves over any trail within the Common Elements noted as a "Trail Easement" on a Map, for the benefit of the general public, an easement for ingress and egress (the "Public Trail Access Easement"). The Public Trail Access Easement may be used solely between the hours of 6:00 am and 6:00 pm from November 1 until March 31, and between the hours of 6:00 am and 9:00 pm from April 1 until October 31, and shall be strictly limited to those members of the general public traveling over such trails by foot or by non-motorized vehicle. Furthermore, any animal brought upon the Common Elements pursuant the Public Trail Access Easement shall at all times be kept on a leash or other restraint being held by a person capable of controlling the animal, and who then has in his possession a proper or adequate utensil or other means of cleaning up immediately all feces of such animal, and it shall be the absolute duty and responsibility of such person to clean up immediately after such animal that has left waste on any portion of the Common Elements. Any member of the general public using the trails on the Common Elements in violation of this Section shall be deemed a trespasser upon the Common Elements. Each member of the general public making use of the trails on the Common Elements, whether or not in violation of this Section, shall indemnify, protect, defend and hold harmless Declarant and the Association on any claims arising from the negligence or willful misconduct of that member of the public for damages sustained by any party as a result of said member of the general public's use of the trails on the Common Elements. This Section may not be amended without the written approval of the Douglas County Department of Community Development.

2-A.12 Cost Center Easement. Declarant hereby reserves over each Lot, for the benefit of the Association, an easement for such access and use as the Association may require in exercising performing its obligations under any Supplemental Declaration; provided, however, that the Association's rights hereunder shall not come into existence as to a particular Lot until such time as Declarant has conveyed the Lot to a consumer lot buyer.

2-A.13 Rights to Stormwater Runoff, Effluent and Water Reclamation. Declarant hereby reserves for itself and its designees all rights to ground water, surface water, storm water runoff, and effluent located or produced within the Project, and each Owner agrees, by acceptance of a deed to a Lot, that Declarant shall retain all such rights. Such rights shall include the reservation of an easement over the Project for access, and for installation and maintenance of facilities and equipment to capture and transport such water, runoff, and effluent. This Section may not be amended without the consent of Declarant or its successor, and the rights created in this Section shall survive termination of this Declaration.

2-A.14 Easements Created by Map. Each Lot within the Project shall be subject to any easement which is identified and described on the Map pursuant to which the Lot was created.

ARTICLE 3 PROHIBITIVE AND MANDATORY USE RESTRICTIONS

3.1 Purpose of Restrictions; Other Restrictions. It is the desire and intention of the Declarant, with this Article 3 [III], to impose on the Project mutually beneficial restrictions to insure the best use and the most appropriate development and improvement of each Lot; to protect the Owners against such improper use of surrounding Lots as would depreciate the value of their property or interfere with the peaceful and quiet enjoyment of their Lot; and to preserve the natural beauty of the Lots.

Additional conditions on the use and development of each Lot may be found in the Nevada Revised Statutes, the Douglas County Development Code, and the various Development Standards issued by Douglas County. In the event standards and restrictions are addressed in both this Declaration and any of the preceding, the more restrictive standard shall apply.

3.2 Single Family Residences. Each Lot shall be used as a residence for a single family (including private garages, guest or servants' quarters, and other outbuildings used in connection with said residences) and for no other purpose, and no part of the Project shall ever be used for any business, commercial (including auctions or similar events), manufacturing, mercantile, storage, vending or other nonresidential purposes, including without limitation any activity for which the provider is compensated in any way or receives any form of consideration, regardless of whether the activity is engaged in full or part-time, generates or does not generate a profit, or requires or does not require a license. This restriction is subject to the following exceptions:

(a) An Owner may rent his Lot and the Improvements thereon to a single family; provided, however, that any such lease is (i) solely for residential use during periods of such Owner's absence, (ii) not part of any commercial venture, (iii) entered into pursuant to rental agreement, in writing, that specifies that failure to abide by the provisions of the Governing Documents shall be a default under the lease or rental agreement. Whether or not the written lease or rental agreement so provides, all tenants of Lots are subject to and are required to abide by the provisions of the Governing Documents.

(b) Declarant may use any portion of the Project for construction offices and facilities, model home sites and display, and sales offices in accordance with Article X hereof, and each Participating Builder may use any portion of any Lot owned by such Participating Builder for construction offices and facilities, a model home site and display, and sales offices in accordance with Article X hereof (but each subject to prior approval by the Design Review Committee in accordance with Article VIII). All temporary sales and/or construction offices, whether established by Declarant or a Participating Builder, shall conform at all times to the

standards set forth in applicable provisions of the Douglas County Development Code (as amended and/or superseded from time to time).

(c) The provisions of this Section shall not preclude any commercial activities that are conducted without external evidence thereof provided that all of the following conditions are fulfilled: (i) such activities are conducted in conformance with all applicable governmental ordinances; (ii) the patrons or clientele of such activities do not routinely or in significant numbers visit the Lot or park automobiles or other vehicles within the Project; (iii) the existence or operation of such activities is not apparent or detectable by sight, sound or smell from outside of the boundaries of the residence on such Lot; (iv) no such activity increases the liability or casualty insurance obligation or premium of the Association; and (v) such activities are consistent with the residential character of the Project and otherwise conform with the provisions of this Declaration.

Notwithstanding the foregoing, unless prohibited by law, no residence in the Project may be used for a public boarding house, home for a group of unrelated persons operated or financed by a public or private institution, sanitarium, hospital, asylum, or institution of any kindred nature, or any other use not permitted by local law. Moreover, no Owner shall rent or lease his Lot for transient or hotel purposes, nor shall any Lot be time shared.

3.3 Parking and Vehicular Restrictions. No Owner shall park, store or keep within the Project any inoperable or commercial type vehicle (including, but not limited to, any dump truck, cement mixer truck, oil or gas truck or delivery truck) unless said inoperable or commercial vehicle is stored in the garage of the Lot. No Owner shall park, store or keep on his Lot any recreational vehicle (including, but not limited to, any camper unit, house/car or motor home); any bus, trailer, trailer coach, camp trailer, boat, aircraft or mobile home; or any other similar vehicle. The above excludes camper trucks and similar vehicles up to and including three-quarter (3/4) ton when used for everyday-type transportation and subject to approval by the Board. In addition, no Owner shall park, store, or keep anywhere within the Project any vehicle or vehicular equipment, mobile or otherwise, deemed to be a nuisance by the Board. No vehicles of any type shall be parked on any street or Lot within the Project for the purpose of accomplishing repairs thereto or the reconstruction thereof, except for emergency repairs and then only to the extent necessary to enable movement of the vehicle. The Board shall have the power to establish additional Rules regarding parking and vehicle use within the Project, and shall have the power to enforce all parking and vehicle use restrictions applicable to the Project, including the power to remove violating vehicles from any of the Project as provided in Section 5.1.6 and to the extent permitted by applicable law.

In addition to the foregoing, each Owner and each Owner's tenants, guests and invitees shall comply with all parking restrictions posted on the private streets in the Project by Declarant or the Association, and shall park their vehicles only in their own garage or driveway, and not on any street (including, without limitation, cul-de-sacs bulbs) in the Project.

Nothing herein shall apply to vehicles used by Declarant or Declarant's agents in the course of Declarant's construction of Improvements within the Project or upon the Annexable Property.

3.4 General Nuisance Restrictions.

3.4.1 No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere within the Project, and no odor shall be permitted to arise therefrom, so as to render the Project or any portion thereof unsanitary, unsightly, or offensive.

3.4.2 No noise or other nuisance shall be permitted to exist or operate upon any portion of a Lot so as to be offensive or detrimental to any other Lot in the Project or to its occupants. Without limiting the generality of any of the foregoing provisions, no speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, large power equipment or large power tools, unlicensed off-road motor vehicles or other items which may unreasonably disturb other Owners or residents or their guests shall be located, used or placed on any portion of the Project without the prior written approval of the Board. Alarm devices used exclusively to protect the security of a Lot and its contents shall be permitted, provided that such devices do not produce annoying sounds or conditions as a result of frequently occurring false alarms.

3.4.3 Nothing shall be done to or kept on any Lot or Improvement thereon that might increase the rate of, or cause the cancellation of, insurance for the Project, or any portion of the Project, without the prior written consent of the Board.

3.4.4 Nothing within the Project shall be allowed which in any manner or for any purpose would result in the drainage or dumping of any refuse, sewage or other material which might tend to pollute surface or subterranean waters.

3.4.5 No Owner shall permit any thing or condition to exist upon his Lot that shall induce, breed, or harbor infectious plant or tree diseases or noxious insects.

3.4.6 Activities which materially disturb or destroy the vegetation, wildlife, or air quality within the Project or which use excessive amounts of water or which result in unreasonable levels of sound or light are prohibited.

3.4.7 Capturing, trapping or killing wildlife within the Project is prohibited; provided the foregoing prohibition shall not apply to common rodents on a Lot (e.g. rats, mice, moles, marmots, gophers).

3.4.8 The discharge or use of firearms or other weapons within the Project is prohibited. The terms "firearms and weapons" includes, without limitation, "BB" guns, pellet guns, bows and arrows, pistols, rifles, shotguns, sling shots, and firearms and weapons of all types, regardless of size.

3.4.9 No use of Improvements upon any Lot shall annoy or adversely affect the use, value, occupation, and enjoyment of any other Lot in the Project. No noxious, offensive or disturbing activity of any kind shall be permitted.

3.4.10 No unsightly articles, including, without limitation, clotheslines, shall be permitted to remain on any Lot.

3.4.11 The provisions of this Section 3.4 are subject to Declarant's right to construct and complete Improvements within the Project at Declarant's sole and absolute discretion, as well as Declarant's right to cause Impacts pursuant to Section 2-A.4.

3.5 Signs. Other than during construction of a house, no sign, billboards or advertising structures of any kind may be displayed on any Lot without the approval of the Design Review Committee. All residences shall have a designated address number that is easily viewable from the road and of a design that is approved by the Design Review Committee and consistent with the community. No other signs shall be permitted except as specified in this Section. The foregoing provisions of this Section shall not apply to any signs utilized by Declarant or a Participating Builder in any sales, construction, or marketing program, nor to any street signs or Project monument signs maintained by Declarant or the Association.

3.6 Antennae, Solar Panels, Flagpoles. No pole, flagpole, mast, solar panel, satellite dish, receiver, or other outdoor antenna or related device shall be allowed on any Lot except as provided in the Design Guidelines, and none shall be allowed if such device is visible from a neighboring property or the Golf Course Property.

3.7 Trash Restrictions. Refuse, garbage and trash shall be kept at all times in covered, sanitary containers or enclosed areas designed for such purpose, and shall be removed from the Lot on a regular basis pursuant to each Lot Owner's separate service agreement with a local solid waste disposal service (e.g. Waste Management). In no event shall such containers be kept where they are visible from any neighboring Lot unless such containers are less than six feet (6') in height and are enclosed by a fence, screen or wall which is not less than six feet (6') in height and, notwithstanding such enclosure, such containers remain visible from a neighboring Lot or public street within the Project. Notwithstanding the foregoing, trash kept in covered, sanitary fly-proof containers may be brought to the front of a Lot no earlier than the morning of the day scheduled for trash pick up, provided that such containers are removed from the front of the Lot by the end of such pick up date.

3.8 Animals. No animals, fowls, reptiles, poultry, fish or insects of any kind ("animals") shall be raised, bred or kept within the Project, except that a reasonable number of dogs, cats or other household pets may be kept within a residence, provided that they are not kept, bred or maintained for any commercial purpose, nor in unreasonable quantities nor in violation of any applicable local ordinance or any other provision of this Declaration and such limitations as may be set forth in the Rules. As used in this Declaration "unreasonable quantities" shall ordinarily mean more than two (2) pets per household; provided, however, that the Board may determine that a reasonable number in any instance may be more or less. The

Association, acting through the Board, shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the Board, a nuisance to other Owners in the Project. No pets shall be kept upon a lot until such time as a certificate of occupancy has been issued for the dwelling on the Lot and adequate provisions approved by the Design Review Committee have been made for confining such pets to the Lot. No dog houses or dog runs are allowed on any Lot, unless such dog houses or dog runs are located in the side or rear yard of a Lot and screened from view by landscaping or fencing, as approved by the Design Review Committee. Animals belonging to Owners, residents, or their guests within the Project must be either kept within an enclosure or on a leash or other restraint being held by a person capable of controlling the animal, and who then has in his possession a proper or adequate utensil or other means of cleaning up immediately all feces of such animal. No animal may be tethered and left unattended in any front yard area or in any portion of the Areas of Common Responsibility. Furthermore, to the extent permitted by law, any Owner shall be liable to each and all remaining Owners, residents, their families and guests, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Project by an Owner or resident or by members of their family or guests; and it shall be the absolute duty and responsibility of each such Owner to clean up immediately after such animals which have used any portion of the Areas of Common Responsibility. Without in any way limiting the foregoing, no large animals shall be kept in the Project, including, without limitation, horses, llamas, goats, or sheep.

3.9 Storage Restrictions. The storage of tools, household effects, inoperable vehicles, machinery and machinery parts, empty or filled containers of trash or other materials, boxes or bags, trash, materials, or other items that shall in appearance detract from the aesthetic values of the Project shall be so placed and stored to be concealed from public view. Furthermore, no portion of any Lot (excepting any Lot owned by Declarant) shall be used for the storage of building materials or other materials except in connection with construction or installation of Improvements as approved pursuant to the terms of this Declaration.

3.10 No Further Subdivision. Except as to Lots owned by Declarant, no Lot may be further subdivided beyond the dimensions of that Lot as shown on the Map pursuant to which said Lot was created, nor may the zoning and use of any Lot be changed to allow for multi-family or commercial use. Nothing in this Section shall be deemed to prevent an Owner from, or require the approval of the Board for: (a) selling a Lot; or (b) transferring or selling any Lot to more than one (1) person to be held by them as tenants in common, joint tenants, tenants by the entirety or as community property; or (c) the leasing or renting by any Owner of all of his Lot, provided that any such lease or rental shall be subject to and in accordance with Section 3.2 of this Declaration.

3.11 Drainage. There shall be no interference with the established drainage in the Project unless an adequate alternative provision, previously approved in writing by the Design Review Committee, is made for proper drainage, and such alternative provision will not harm or unduly increase the burden on any adjacent Lots or Common Elements. For the purpose hereof, "established" drainage is defined as the drainage which exists at the time a Lot is conveyed to an Owner by Declarant or later grading changes which are shown on plans approved by the Design Review Committee.

3.12 View Obstructions.

3.12.1 Generally. Each Owner, by accepting a deed to a Lot, hereby acknowledges that any construction or installation by Declarant, the Association, the Golf Owner, or a Participating Builder may impair the view of such Owner, and hereby consents to such impairment. No representation or warranties, covenants or agreements are made by Declarant or the Association or their agents, with respect to the presence or absence of any current or future view, scene or location advantage from any portion of a Lot within the Project. The view, scene or location advantage may be adversely affected currently or in the future by construction or changes to the following, including, without limitation, residential homes or other structures and facilities, utility facilities, landscaping, Areas of Common Responsibility, public facilities, streets, neighborhood amenities and other activities, development or occurrences whether on other land, including without limitation, the Golf Course Property, or on adjacent and nearby Lots. No representations, warranties, covenants or agreements are made by Declarant, the Association or their agents concerning the preservation or permanence of any view, scene or location advantage for a Lot. The Association, Declarant and the Golf Owner are not responsible or liable for any impairment of such view, scene or location advantage for any perceived or actual loss of value of the lot resulting from such impairment. Owners are solely responsible for analyzing and determining all risks concerning the current and future value of any view, scene or location advantage and the potential or existing impairment thereof and the risks of preserving the view, scene or location advantage.

3.12.2 Corner Lot View Obstruction. No fence, wall, hedge, or landscaping may be placed upon the portion of any Lot located on the corner of an intersection in the Project except in conformance with the development standards set forth in applicable provisions of the Douglas County Development Code (as amended and/or superseded from time to time).

3.13 Lot/Residence Alterations. Neither the appearance of the Areas of Common Responsibility nor the exterior appearance of a Lot (or any Improvement thereon) or any other portion of the Project may be modified without the prior written approval of the Design Review Committee, in accordance with Article VIII; provided internal Improvements to a previously constructed residence need not be approved by the Design Review Committee, provided such Improvements are not readily visible from the exterior of the residence. Notwithstanding the foregoing, no modification may be made that will impair the structural integrity or mechanical systems or lessen the support of any portion of the Project.

3.14 Maintenance and Repair. The Owner of each Lot shall be solely responsible for maintaining such property, and all landscaping and Improvements thereon—but excluding any portion of such Lot to be maintained by the Association pursuant to any Supplemental Declaration—in a clean and orderly manner, in a good condition and state of repair, adequately painted or otherwise finished, in accordance with the terms of this Declaration, and in accordance with all Development Standards, all at such Owner's sole cost and expense. The Owner of each Lot shall keep such Lot—other than any portion of the Lot to be maintained by the Association pursuant to any Supplemental Declaration—free of debris, weeds, junk, and abandoned or inoperable vehicles, machinery, and equipment, and shall keep all vegetation on

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such Lot appropriately irrigated, mowed, and pruned, as applicable. Any yard area cultivated with grass or sod shall be immediately replaced or otherwise landscaped if it dies or is allowed to die. Dead trees and tree limbs shall be removed from a Lot. No building, structure, or other Improvement within the Project shall be permitted to fall into disrepair. No Owner shall do any act or work that will impair the structural soundness or safety of any Improvement located in the Project. If any Improvements are damaged or destroyed by fire or other calamity, the insurance proceeds shall be paid to the Owner or the mortgagees thereof, as their respective interests may appear; and such Owner or mortgagee shall, within a reasonable time period, rebuild or repair the damage or restore the Lot to a state that is not offensive to the general appearance of the Project in full compliance with the terms and provisions of Article VIII of this Declaration. Notwithstanding anything else herein to the contrary, an Owner shall not be responsible for maintaining any portion of a Lot or performing any maintenance activities on a Lot for which the Association is responsible pursuant to a Supplemental Declaration; provided, however, that an Owner shall not interfere with the Association in the performance of its duties under a Supplemental Declaration and shall reasonably cooperate with the Association as it performs said duties.

3.15 Utility Service.

3.15.1 Line Placement. No lines, wires, or devices for transmission of electric current or telephone, television, or radio signals shall be constructed, placed, or maintained anywhere within any Lot unless the same shall be contained in conduits or cables placed and maintained underground or concealed in or under buildings or approved structures. Nothing herein shall be deemed to forbid the erection and use of temporary power or telephone services incidental to the construction of Improvements.

3.15.2 Disposal of Sanitary Waste. All permanent plumbing fixtures, including dishwashers, toilets or garbage disposal systems shall be connected to the sanitary sewer system in the Project.

3.16 Fences. No fencing may be installed except with the approval of the Design Review Committee and in accordance with the provisions of this Declaration, including, without limitation, Article VIII hereof. Fencing over utility easements identified on a Map shall be installed at the sole risk of the Owner of the relevant Lot, and fencing that is removed by a utility company for the repair and maintenance of its utility facilities shall be replaced by and at the sole expense of the Owner of the relevant Lot.

3.17 Landscaping. All landscaping on a Lot shall be subject to the approval of the Design Review Committee, consistent with Douglas County Code Section 20.694 (as amended and/or superseded from time to time), and consistent with the Design Guidelines and the Development Standards. Subject to the foregoing, each Lot (other than any portion to be improved and maintained by the Association pursuant to a Supplemental Declaration) shall be fully landscaped as to the front yard no later than one hundred twenty (120) days after the issuance of a certificate of completion for the initial single family residence constructed on such Lot, and no later than one hundred eighty (180) days after such issuance as to the back and side

yard of such Lot; provided, however, that the Committee may grant extensions in its sole and absolute discretion. Each Owner shall obtain competent professional assistance in preparing such Owner's landscaping plans to ensure that the landscaping on the Lot preserves, as much as is reasonably possible, the native trees and existing landforms on the Lot. All landscaping shall be maintained in good condition, to harmonize with and sustain the attractiveness of the Project, and to comply with applicable requirements of any governmental or quasi-governmental entity providing fire protection services to the Project (including, without limitation, requirements related to the establishment of minimum defensible space). Automatic sprinkler and irrigation systems shall be required for all non-native landscaping. No weeds, diseased or infected vegetation of any kind or character shall be placed or permitted to grow upon any Lot or portion thereof. Such vegetation growing naturally on a Lot must be cut or otherwise removed. Finally, (i) as to any tree on a Lot overhanging into any portion of a private street in the Project, a minimum vertical clearance of thirteen and one-half (13.5) feet shall be maintained over such portion of the private street, and (ii) vegetation on a Lot growing along any roadway in the Project shall be cleared in accordance with applicable provisions of the Uniform Fire Code.

3.18 Slope Stabilization. Each Owner agrees that in the event any slopes located on such Owner's Lot have been planted to comply with local government or Design Review Committee requirements for stabilization of said slope or slopes, such Owner shall adequately water and continuously maintain said slope or slopes (excepting any area to be maintained by the Association pursuant to a Supplemental Declaration).

3.19 Mineral Rights and Exploration. No Lot may be subject to a deed, conveyance, agreement or other document which would effect or cause a separation into different ownerships of surface and subsurface rights, or any portion thereof (provided the foregoing shall not prevent the dedication or conveyance of all or a portion of any Lot for use by the public utilities or as a street, in which event the remaining portion of said Lot shall for the purpose of this provision be treated as a whole Lot). No portion of the Project shall be used in any manner to explore for or to remove any oil or other hydrocarbons, minerals of any kind, gravel, or earth substance. No drilling, exploration, refining, quarrying, or mining operations of any kind shall be conducted or permitted to be conducted thereon; nor shall wells, tanks, tunnels, mineral excavations, shafts, derricks, or pumps used to mine or drill for any substances be located on the Project. Notwithstanding the foregoing, excavation may take place on any Lot to the extent necessary for construction of main dwelling units, retaining walls, outbuildings and pools, and for the purpose of contouring, shaping, and landscaping, or in the erection of permitted fencing generally improving any Lot.

3.20 Basic Architectural Controls for Lots.

3.20.1 Square Footage Restrictions. No principal residential dwelling shall be constructed or maintained upon any Lot which shall have a total floor area of less than _____ square feet, exclusive of porches, patios, attached and detached garages, outbuildings, breezeways or walks; and detached "servants' quarters" and "guest quarters" shall have a ground floor area of not more than _____ square feet, and such servants' quarters and guest quarters cannot be occupied until the principal residential dwelling on a Lot is



completed and occupied. Any dwelling with a total floor area in excess of than _____ square feet, exclusive of porches, patios, attached and detached garages, outbuildings, breezeways or walks, shall have an internal fire suppression system.

3.20.2 Restriction on Number of Dwellings. No building, structure or related Improvements shall be constructed, erected, altered, placed or permitted to remain on any Lot other than one (1) dwelling designed for residential occupation for not more than one (1) family, together with such related landscaping, amenities, and outbuildings and facilities appurtenant to said single family residential use. The words "related outbuildings and facilities" shall include one additional dwelling, subject to approval of the Design Review Committee and the terms of this Declaration (including, without limitation, Section 3.20.2 above).

3.20.3 Paints and Finishes. The exterior portions of all houses, buildings, and structures erected or constructed on a Lot shall be painted with a finish coat of varnish, stain or paint approved by the Design Review Committee within thirty (30) days after completion or before occupancy. At no time will the exterior of any houses, building structures and fences be allowed to approach a state of aesthetic deterioration such that they become a visual nuisance.

3.20.4 Garage Requirements. Every single family dwelling unit constructed shall have on the same Lot enough enclosed automobile storage space for at least two (2) automobiles, though Declarant and/or the Design Review Committee may establish a higher minimum number for a particular Lot. Additionally, Declarant and/or the Design Review Committee may require a Lot to provide an additional number of parking spaces for guests visiting that Lot. Garage doors shall remain closed at all times except when entering or exiting the garage or cleaning the garage. Carports are prohibited.

3.20.5 No Occupancy Without Certificate of Occupancy. No building, any part of which is designed for dwelling purposes, shall be in any manner occupied while in the course of original construction or until it is completed and the building has received a certificate of occupancy from the applicable government agency.

3.20.6 Paved Surface Requirements. All driveways, walkways, parking areas and other areas of similar nature shall be paved with a suitable "all-weather" material approved by the Design Review Committee within thirty (30) days of the completion of construction of the principal residence, such as asphalt, concrete, paving stones, bomanite, brick or other materials approved by the Design Review Committee. Gravel or loose rock is prohibited.

3.20.7 Site Specific Restrictions. Pursuant to Section 10.2.1(f), Declarant has the right to add numeric Exhibits from time to time as additional Lots are created within the Project. Each numeric Exhibit (each a "Numeric Exhibit" and collectively the "Numeric Exhibits") shall correspond solely to the Lot bearing the identical numeric designation on a Map. Thus, by way of example only, a Numeric Exhibit "15" would correspond solely to Lot 15, as shown on a Map. A Numeric Exhibit may be used by Declarant to set forth additional restrictions—including, without limitation, building siting/envelope limitations, screening requirements, height restrictions, and nondevelopment areas—for the Lot to which it corresponds. Thus, by way of

example only, a building envelope and nondevelopment area shown on Numeric Exhibit "15" would set the building envelope and nondevelopment area for Lot 15, as shown on a final map. All building construction on a Lot shall be in accordance with the Numeric Exhibit for that Lot, and, without limiting the generality of the foregoing, (i) all building on a Lot shall be confined to the building envelope area for that Lot as set forth on the Numeric Exhibit for that Lot, (ii) no development (including fencing) may take place in a nondevelopment except as allowed on the Numeric Exhibit, the intent of nondevelopment areas being the preservation of buffer areas (for both visual and practical advantage) for the benefit of the Golf Course Property. The limitations set forth on a Numeric Exhibit represent minimum requirements for the relevant Lot, and nothing herein or on a Numeric Exhibit shall limit the authority of the Design Review Committee or its power to establish additional limitations and rules relative to the improvement or alteration of the Lots as set forth in Article VIII.

3.20.8 Roofs and Siding. Roof design, color, and material shall be consistent with the Design Guidelines and subject to Design Review Committee review and approval. All structures shall be constructed with fire retardant roofing materials in compliance with Section 472.100 of the Nevada Revised Statutes (or any successor statute thereto). Similarly, all siding shall be composed of non-flammable materials.

3.20.9 Exterior Lighting. All exterior lighting plans, other than for low voltage holiday lighting, shall be consistent with the Design Guidelines and must be approved by the Design Review Committee. All outdoor lighting on buildings within the Project shall be downshielded. Driveway lights and sport court lights are prohibited.

3.20.10 Window Coverings. No plastics, aluminum foil, bedroom sheet or other unsuitable coverings may be placed in or on the windows of any structure on a Lot. Window coverings shall be approved by the Design Review Committee.

3.20.11 General Compliance with Specific Plan. Without limiting the generality of any other provision herein related to Specific Plan compliance, and notwithstanding any other provision herein to the contrary, each Owner shall at all times comply with the design standards for the Project set forth in the Specific Plan, including, without limitation, provisions set forth therein related to building heights, setbacks, screening of certain Improvements and areas on a Lot, driveway design, slope grades, and maximum building coverage limitations.

3.20.12 Floodplain Restrictions. Except as otherwise allowed under the Specific Plan, all development is prohibited in any area identified as a floodplain on a Map.

3.20.13 Restricted Use Areas. Except as otherwise allowed under the Specific Plan, all development is prohibited in any area identified as a "Restricted Use Area" on a Map.

3.20.14 Hillside Development. All construction and development within any area identified as a "Hillside" on a Map shall comply with the hillside grading standards set forth in applicable provisions of the Douglas County Code.

3.20.15 No Interference with County Easements. No permanent structures shall be allowed within or upon any utility easement maintained by Douglas County except with the express written approval of Douglas County.

3.20.16 Fault Lines. Structures shall be placed and sited so as to comply with the building setback requirements related to earthquake fault mitigation set forth in the final soils report for the Project on file with the Douglas County Department of Community Development.

3.21 Temporary Structures. No structures of a temporary character, including trailers, shacks, or other outbuildings, shall be permitted on any Lot or used on any Lot at any time as a residence, either temporarily or permanently. Notwithstanding the foregoing provisions of this Section, trailers or temporary structures for use incidental to Declarant's or a Participating Builder's construction on the Project or the sales of Lots owned by Declarant or a Participating Builder may be maintained and used for such purposes, but shall be promptly removed upon completion of all such construction and all such sales.

3.22 Operation of Motor Vehicles. Except as to authorized maintenance vehicles, no motorized vehicles shall be operated in any area within the Project except on a street or driveway, and motorized vehicles designed principally for off-road recreational use (e.g. snowmobiles, dirt bikes, and ATVs) are prohibited from use in every portion of the Project. All speed limit and other traffic control signs erected within the Project shall be observed at all times. Motorized vehicles, with the exception of maintenance vehicles, are specifically prohibited on all paths, trails or walkways. Nothing herein shall apply to vehicles operated by Declarant or Declarant's agents in the course of Declarant's construction of Improvements within the Project or upon the Annexable Property.

3.23 Golf Carts. Owners may acquire private golf carts provided by the Golf Owner which are the same type, color, design and style as the most recent model used at the Golf Course Property subject to such terms and conditions as required by the Golf Owner. Carts not acquired through the the Golf Owner will not be permitted. All Owners' golf carts may be parked, placed or stored only in the garage of the Owner's residence. No golf cart shall be placed, parked or stored on the lawn of any Lot or on any portion of the Golf Course Property, the Community Area or Limited Common Element, unless such area is specifically designated as a golf cart parking area by the Board or the Golf Owner. No golf cart shall be permitted outside the gates and boundaries of the Project. Owners of golf carts shall be required to sign a release of liability agreeing to hold Declarant, the Golf Owner and the Association harmless as a result of any loss or damage resulting from or arising out of Owner's operation of the golf cart. Each year the owners of golf carts shall provide the Association with proof of liability insurance in connection with the operation of their golf cart(s); such liability policy shall have such limits as shall be approved by the Association in its sole and absolute discretion and shall name as an additional insured those parties requested by the Association from time to time. Further, such insurance policy shall provide that it can be cancelled only upon thirty (30) days' prior written notice to the Association. Owners using golf carts shall be held fully responsible for any and all damages caused by the misuse of the golf cart by the Owners and their family members, guests, licensees, invitees, employees or agents, and Owners shall reimburse the Association or the Golf

Owner, as applicable for any and all damages the Association or the Golf Owner may sustain by reason of such misuse. Such damages shall be a Violation Assessment. The Board in its sole and absolute discretion shall have the right to promulgate such other restrictions and rules concerning golf carts as the Board may deem necessary and desirable, including, without limitation, user fees for golf cart owners.

3.24 Fire Control Maintenance. There shall be no exterior fires whatsoever, except barbecue fires contained within receptacles designed therefor or fire pits consistent with applicable government regulations and approved of in writing by the East Fork Fire Protection District, and except as specifically authorized in writing by the Association (and subject to applicable ordinances and fire regulations). All barbecue appliances shall be lidded and screened as required in the Specific Plan. Each Owner shall be responsible for the maintenance of any fire fuel modification areas, fuel modification zones (as described in the Specific Plan), defensible space areas, and firebreak areas located on such Owner's Lot, such as removal of certain trees, dead limbs and other dead vegetation.

3.25 Construction Procedures. Prior to commencement of any construction activity on any Lot, the Owner and/or contractor shall take appropriate precautions to protect the site from unnecessary damage and to reduce erosion and dust problems. The site shall be kept in a clean and orderly fashion at all times and the contractor shall have approved sanitary facilities on site as well as a garbage dumpster or other suitable device for regular disposal of trash. Except as to construction materials belonging to Declarant or its agents, no construction materials shall be dumped or stored on roadways or Areas of Common Responsibility. Except as to construction work performed or caused to be performed by Declarant or a Participating Builder, construction work hours shall be limited to hours consistent with Douglas County Code.

3.26 Sports and Play Equipment. Bicycles, toys and children's play equipment, sports apparatus and equipment, motorcycles, ATV's, snowmobiles, and similar vehicles must be stored in a garage when not in use; provided, however, that nothing herein shall prohibit the placement of play equipment and sports apparatus of a permanent nature (including, without limitation, swimming pools) in a back yard area, subject to prior approval by the Design Review Committee and compliance with any screening requirements set forth in the Specific Plan and the Design Guidelines. Nothing in this Section shall apply to the Golf Course Property.

3.27 Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot except such machinery or equipment as is usual or customary in connection with the use, maintenance or repair of a private residence or appurtenant structures within the property, or is associated with a hobby (but not a business) of a Lot resident, provided that no such machinery or equipment may exceed six (6) feet in height, weigh more than one ton, or be visible from adjacent residences or the Areas of Common Responsibility. Nothing herein shall apply to machinery and equipment used by Declarant or Declarant's agents in the course of Declarant's construction of Improvements within the Project or upon the Annexable Property.



3.28 Limited Access. There shall be no access to any Lot within the Project except from designated streets or roads as shown on Maps, unless prior written approval is obtained from the Association.

3.29 Use of Water Features. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of ponds, streams or other bodies of water within or adjacent to the Project. Nothing in this section shall prohibit the Association or Declarant from creating or maintaining any water feature within any Area of Common Responsibility.

3.30 Common Area Bridges. No bicycles or any other form of vehicle shall be allowed or used upon any bridge located within the Common Areas.

3.31 Variances. The Design Review Committee may, in its sole discretion, grant variances to the provisions of this Article III where literal application thereof results in unnecessary hardship and if the granting thereof, in the sole and absolute discretion of the Design Review Committee, will not be materially detrimental or injurious to other Owners. Any variance, to be valid, must be in writing, and no variance granted shall constitute a waiver or restrict enforcement of any other provision hereof, or constitute a precedent for granting another variance.

ARTICLE 4 THE ASSOCIATION

4.1 Formation. The Association is a nonprofit corporation formed or to be formed under the laws of the State of Nevada. Prior to the conveyance of the first Lot to an Owner other than Declarant, 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, Bylaws, and this Declaration. The Association is not authorized to have and shall not issue any capital stock. Neither the Articles nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. In the event of any conflict between the language of this Declaration and the Articles, Bylaws, or any other Governing Documents, the provisions of this Declaration shall control.

4.2 Association Action; Board of Directors and Officers; Members' Approval. Except as to matters requiring the approval of members as set forth in the Articles, Bylaws, this Declaration, or other appropriate Chapters of the Nevada Revised Statutes, the affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint in accordance with this Declaration or the Bylaws, or their amendments. Except for the members of the Board appointed by Declarant in accordance with this Declaration, the Articles and the Bylaws, and the members of the first Board named in the Articles, the Board shall be composed of Members only. All members of the Board must be at least eighteen (18) years of age. The members of the first Board of the Association named in the Articles shall serve until the first meeting of the Members of the Association which is called for the purpose of electing



their successors. The Association shall meet no less than once in each calendar year, and not more than one (1) full calendar year shall elapse between each annual meeting of the Members of the Association. Such meeting shall be called, noticed and conducted in accordance with the Articles and the Bylaws. Except as otherwise provided in the Articles, Bylaws, this Declaration, or other appropriate Chapters of the Nevada Revised Statutes, all matters requiring the approval of Members shall be deemed approved if Members holding a majority of the total voting power assent to them by written consent as provided in the Bylaws or if approved by a majority vote of a quorum of Members, as determined by the Bylaws, at any regular or special meeting held in accordance with the Bylaws.

4.3 Membership.

4.3.1 Membership Qualifications. All Owners shall be Members of the Association. Each Owner shall automatically be a Member of the Association without the necessity of any further action on his part. Additionally, Declarant shall be a Member of the Association during such time as Declarant owns any portion of the Property or Annexed Property.

4.3.2 Members' Rights and Duties. Each Member shall have the rights, duties, and obligations set forth in this Declaration, the Articles, Bylaws, and the Rules, as the same may from time to time be amended.

4.3.3 Voting.

(a) Allocation of Votes.

(i) Allocation. One (1) vote shall be allocated to each Lot. Additionally, as to any portion of the Project not yet subject to a Map, that portion of the Project shall be deemed to contain the number of Lots permitted/designated for such portion pursuant to the Tentative Map (as to portions covered by the Tentative Map) or the County's land use designation for that portion, and shall have one (1) vote for each such deemed Lot. For purposes of voting rights only, the term "Lot" shall include deemed Lots under this subsection.

(ii) Ten (10) votes shall be allocated to the Golf Course Property.

(iii) Association Lots. No vote allocated to a Lot owned by the Association may be cast.

(iv) Cumulative Voting. Voting shall not be cumulative.

(b) Appointment and Removal of Members of Board and Officers of Association. Declarant reserves the right to appoint and remove all of the members of the Board and all of the officers of the Association until such right terminates as provided in NRS 116.31032. The foregoing right shall be subject to the mandatory turnover provisions set

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forth in NRS 116.31032(3). Declarant shall have the right to designate a person or persons who are entitled to exercise the rights reserved to Declarant under this subsection (b). The date on which the rights reserved by Declarant under this subsection (b) terminate is herein called "the Declarant's Control Termination Date". From and after the Declarant's Control Termination Date, the Board of Directors and the officers of the Association shall be elected and appointed as provided in the Articles and Bylaws. As provided in the Articles and Bylaws, from and after the Declarant Control Termination Date, the Golf Owner shall be entitled to appoint one member of the Board.

(c) Persons Entitled to Serve on the Board. Except for the members of the Board appointed by Declarant in accordance with the Declaration, the Articles and the Bylaws, all members of the Board shall be Members of the Association. Each Board member shall meet the eligibility requirements further set forth in the Bylaws and the Act. In all events where the person serving or offering to serve as an officer of the Association or member of the Board is not the record Owner, such person shall file proof of his or her authority in the records of the Association.

4.3.4 Exercise of Voting Rights. On any Association matter subject to Member voting, a Member (including Declarant), in accordance with the provisions of this Declaration, the Articles and Bylaws, may cast the vote(s) allocated to his Lot(s). In the case of a Lot owned by two (2) or more persons or entities, the vote allocated to that Lot shall be cast by only one of them in accordance with the Bylaws.

4.4 Transfer of Membership. The Association membership of the Owner(s) of a Lot shall be appurtenant to such Lot, and shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except on a transfer of title to such Lot, and then only to the transferee. Any attempt to make a prohibited transfer shall be void. Any transfer of title or interest to a Lot shall operate automatically to transfer the appurtenant membership rights in the Association to the new owner(s). Prior to any transfer of title to a Lot (including the sale of a Lot under a recorded contract of sale), either the transferring owner or the acquiring owner shall give notice to the Board of such transfer, including the name and address of the acquiring owner and the anticipated date of transfer. Except as to the initial sale of a Lot from Declarant to a Participating Builder or member of the home-buying public, the Association shall have the right to charge a transfer fee payable to the Association on the date of transfer of title to the Lot, which transfer fee shall be in the amount of one-quarter of one-tenth of one percent (.025%) of the purchase price of the Lot, and which shall be assessed against the Lot as a Violation Assessment if not paid when due; provided, however, no such fee shall be levied on a transfer exempt from real property transfer tax under Chapter 375.090 of the Nevada Revised Statutes. For purposes of this Section 4.4, the "purchase price of the Lot" shall be the total purchase price given by the transferee to the transferor to acquire the Lot, including any portion of the purchase price represented by a loan or loans, or exchange property.

ARTICLE 5 POWERS AND DUTIES OF THE ASSOCIATION

5.1 Powers. The Association shall have all the powers of a non-profit corporation organized under the laws of the State of Nevada and the powers conferred upon it pursuant to appropriate Chapters of the Nevada Revised Statutes, subject only to such limitations on the exercise of such powers as are set forth in the Articles, the Bylaws, and this Declaration. It 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 Bylaws, 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, the following:

5.1.1 Assessments. The Association shall have the power to establish, fix, and levy assessments as set forth in Article VI hereof (herein collectively "Assessments") and to enforce payment of such Assessments in accordance with the provisions of this Declaration.

5.1.2 Rules. The Board shall have the power to adopt, amend, and repeal the Rules. The Rules may include, without limitation, rules and regulations regarding the use and operation of the Areas of Common Responsibility, as well as rules and regulations covering such additional matters as the Board may deem appropriate to protect property values, keep the Owners investments secure, and ensure that residents shall have a pleasant environment in which to live. The Rules may also include, without limitation, rules and regulations relative to the prohibitive and mandatory use restrictions set forth in Article III above in order to protect and enhance the value of the Project and the orderly functioning of the Project, and to adapt and respond to changing circumstances and times; provided, however, that no such rule adopted or enacted by the Board may be materially inconsistent with or materially alter any provision of the this Declaration, the Articles, the Bylaws, or the Design Guidelines (during such time as Declarant holds the right to appoint the Design Review Committee under Section 8.1), and no Rule adopted by the Board may impair any right of Declarant hereunder without Declarant's prior written consent. The power of the Board to enact and adopt such rules and regulations shall in no way be limited by the treatment or the specificity of treatment of a subject matter in Article III above. A copy of the Rules as adopted, amended, or repealed, shall be mailed or otherwise delivered to each Member. In case of any conflict between any provision of the Rules and any provisions of this Declaration, the Articles, or Bylaws, the conflicting provision of the Rules shall be superseded by the provisions of this Declaration, the Articles, or the Bylaws.

5.1.3 Right of Enforcement; Association Remedies.

(a) General. The Association in its own name and on its own behalf (or on behalf of the Owners of two (2) or more Lots who consent), any Member on its own behalf, the Golf Owner on its own behalf, and Declarant on its own behalf, shall have the power and authority to commence and maintain actions for damages for, or to restrain and enjoin, any actual or threatened breach of any provision of the Governing Documents or any approval or construction contract of the Design Review Committee (including, without limitation, a deemed violation of Section 3.4 pursuant to Section 8.15), and to enforce by mandatory injunction, or otherwise, all of these provisions. The Court in any such action may award the successful party reasonable expenses in prosecuting such action, including reasonable attorneys' fees.

(b) Association Remedies. In addition to any other remedies that may be available at law or in equity, in the event of a violation of any provision of the Governing Documents or an approval or construction contract of the Design Review Committee (including, without limitation, a deemed violation of Section 3.4 pursuant to Section 8.15), the Association, acting through the Board, shall have the right to pursue one or more of the remedies set forth in this Section 5.1.3(b). Prior to invoking any suspension, fine, or corrective action allowed for herein, the Board shall give the violating Owner or other person notice and opportunity to be heard with respect to such violation, which notice shall provide not less than ten (10) days prior written notice of such hearing and reasonable detail with respect to the matter of which complaint is being made.

(i) Suspension of Voting Rights and Use of Areas of Common Responsibility. The Association, acting through the Board, shall have the power and authority to suspend the voting rights and suspend an Owner's right to use any Improvements upon the Areas of Common Responsibility. Notwithstanding the foregoing, the Association does not have the power or authority to cause a forfeiture or abridgment of an Owner's right to the full use and enjoyment of such Owner's Lot if the Owner does not comply with provisions of the Governing Documents, except when the loss or forfeiture is the result of a court judgment, arbitration decision, or a foreclosure or sale under a power of sale based on failure of the Owner to pay assessments levied by the Association.

(ii) Fines. The Association, acting through the Board, shall have the power and authority to assess monetary penalties and fines, as allowed pursuant to the Act, against any Owner of a Lot or other person entitled to exercise such Owner's rights or privileges. In connection with the Association's adoption of a policy imposing a fine on Owners for violations of the Governing Documents and/or Design Review Committee approvals and contracts, the Secretary or other officer specified in the Bylaws shall prepare and cause to be hand-delivered or sent prepaid by United States mail to the mailing address of each Lot or to any other mailing address designated in writing by the Lot's Owner, a schedule of the fines that may be imposed for those violations. No fine may be assessed against an Owner unless at least thirty (30) days prior to the alleged violation, the Owner alleged to have violated the rule was given written notice of the rule and all amendments thereto. The fine for any violation must be commensurate with the severity of the violation, as determined by the Board; provided, however, that if the violation does not pose an imminent threat of causing a substantial adverse effect on the health, safety, or welfare of Owners or residents within the Project, the fine must not exceed \$100.00 for each violation or a total amount of \$1,000.00, whichever is less (which limitation does not apply to interest, charges, and costs that may be collected by the Association if a fine becomes past due). If a fine is imposed and the violation is not cured within fourteen (14) days or a longer period as may be established by the Board, the violation shall be deemed a continuing violation. Thereafter, the Board may impose an additional fine for the violation for each seven (7) day period or portion thereof that the violation is not cured. Any additional fine may be imposed without notice and an opportunity to be heard. Interest on and the collection costs of past due fines shall be governed by the applicable provisions of the Act and this Declaration. The maximum dollar amounts for fines stated herein may be adjusted by the Board, provided that such amounts may not exceed the maximum amounts allowed by the Act.

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(c) Corrective Action. The Association, acting through the Board, shall have the power and authority to take such corrective action as is necessary to remedy any condition existing on or within a Lot, any of the Areas of Common Responsibility, or any Improvements thereon, which violates Article III of this Declaration (including, without limitation, a deemed violation of Section 3.4 pursuant to Section 8.15), or, in the sole reasonable discretion of the Board, is unsightly, unsanitary, or hazardous (including, but not limited to, a condition which causes dust to carry to another Lot) (herein collectively "Maintenance Violation"). Prior to undertaking corrective action to remedy a Maintenance Violation, the Association shall give the Owner a reasonable time period within which the Owner(s) must correct such Maintenance Violation, as the Board determines is reasonably required, which cure period shall be no less than thirty (30) days. If the Owner fails to correct a Maintenance Violation within the period specified by the Board, then the Association, acting through the Board, shall have the right, but not the obligation, to correct the Maintenance Violation. All costs incurred by the Association in connection with correcting a Maintenance Violation shall be reimbursed by the Owner of the relevant Lot, and shall be levied against such Lot as a Violation Assessment if not paid upon request. The Board may, at its sole option and discretion, elect to cause the corrective work to be commenced promptly after the Violation Assessment has been levied against the Owner, or elect to postpone the corrective work until after the amount of the Violation Assessment has been collected partially or in full. Neither the Association, the Board, nor any of the Association's agents or employees shall be liable for any damage which may result from any work performed by the Association to cure a Maintenance Violation. The Association's rights of enforcement under this Section are in addition to, not in lieu of, any other rights or mechanisms of enforcement available to the Association under this Declaration, at law, or in equity.

5.1.4 Delegation of Powers; Professional Management; Other Services. The Association, acting by and through the Board, can delegate its powers, duties, and responsibilities to committees of Members, employees, agents and independent contractors, including a professional managing agent. The Association may engage the services of a professional Manager to manage the Association Property and the Areas of Common Responsibility. The Association may obtain and pay for legal, accounting, and other services necessary and desirable in connection with the operation of the Project and the enforcement of this Declaration.

5.1.5 Personal Property. The Association may acquire and hold for the use and benefit of all the Owners tangible and intangible personal property, and may dispose of the same by sale or otherwise.

5.1.6 Removal of Vehicles. The Association shall have the power to direct the removal of vehicles improperly parked on the Areas of Common Responsibility or otherwise parked in violation of the Governing Documents; provided that such removal shall be done in accordance with the requirements of NRS 487.038, and the Association shall post written notice in a conspicuous place on the vehicle or provide oral or written notice to the owner or operator of the vehicle at least 48 hours before the Association may direct the removal of the vehicle, unless the vehicle (i) is blocking a fire hydrant, fire lane or parking space designated for the

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handicapped, or (ii) poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the Owners or residents of the Project, in which case no such prior notice shall be required.

5.1.7 Other Services and Properties. The Association shall have the power to obtain or pay for, as the case may be, any other property, services, taxes, or assessments which the Association or the Board is required to secure or pay for pursuant to the terms of this Declaration, the Articles, or Bylaws, including security services for the Project generally, or which, in its opinion, shall be necessary or proper for the operation of the Association, and to incur liabilities and make contracts respecting the same.

5.2 Duties of the Association. In addition to the duties delegated to it by its Articles or the Bylaws, and without limiting their generality, the Association, acting by and through the Board, or persons or entities described in Section 5.1.4, has the obligation to conduct all business affairs of common interest to all Members and to perform each of the following duties:

5.2.1 Taxes and Assessments. Except for those portions of the Areas of Common Responsibility and Association Property which are owned in fee by an Owner or by Douglas County, the Association shall pay all taxes and assessments levied against all Association Property or against the Association. Such taxes and assessments may be contested or compromised by the Association, provided that they are paid or that a bond insuring payment is posted before the sale or the disposition of any property to satisfy the payment of such taxes.

5.2.2 Insurance. The Association shall obtain and maintain, from reputable insurance companies, the insurance described in Article VII.

5.2.3 Operation and Maintenance of Association Property and Areas of Common Responsibility. Subject to the provisions of this Declaration (including, without limitation, Sections 2.8 and 5.1.4 above), the Association shall perpetually operate, maintain, and otherwise manage or provide for the perpetual operation, maintenance, and management of the Areas of Common Responsibility, and any and all Association Property, including, but not limited to, all its facilities, improvements, landscaping, drainage facilities, private streets, and any other property acquired by the Association, including personal property. Such operations and management shall be conducted in a first-class manner, in accordance with the terms of this Declaration, in accordance with all Development Standards, and in accordance with any applicable Declarant Assignment of Maintenance Obligation or Supplemental Declaration, and the Areas of Common Responsibility and Association Property shall be maintained in a good state of repair. Furthermore, a knock box shall be maintained on all entry gates for the Project (including, without limitation, gates for any emergency vehicle access serving the Project). In connection with its maintenance obligations, the Association may enter into contracts for services or materials including contracts with Declarant and the Golf Owner.

(a) Maintenance Plan. Without limiting the generality of the foregoing, the Association shall specifically undertake the following maintenance activities:

(i) All vegetation within the Common Elements shall be maintained so as to preserve appropriate fire fuel breaks, as provided in the Development Standards and approvals for the Project.

(ii) The Association shall maintain in good order and repair all drainage channels, detention basins and roadways within the Areas of Common Responsibility.

(iii) The Association shall be responsible for snow removal, road maintenance, and gate maintenance for all private roads and emergency vehicle access roads in and directly serving the Project.

(iv) All activities and maintenance obligations for a Cost Center for which the Association is responsible pursuant to any Supplemental Declaration.

(v) The Association shall maintain signage at appropriate places along the trail system running through the Common Elements generally advising users of the terms of Section 2-A.10 hereof.

(b) Right to Information. Throughout the term of this Declaration, the Board shall promptly deliver to Declarant information copies of all written inspections and reports rendered pursuant to the Association's maintenance and repair responsibilities hereunder (without any obligation whatsoever of Declarant to review such documents or to take any action in connection therewith).

(c) Failure to Maintain. The Association shall be responsible for accomplishing its maintenance and repair obligations fully and timely from time to time, as set forth in this Declaration. Failure of the Association to fully and timely accomplish such maintenance and repair responsibilities may result in deterioration and/or damage to Improvements, and such damage and/or deterioration shall in no event be deemed to constitute a constructional defect.

5.2.4 Cost Center Duties. The Association shall carry out the duties for which it is declared to be responsible pursuant to any Supplemental Declaration.

5.2.5 Other. The Association shall carry out the other duties of the Association set forth in the Declaration, Articles, and Bylaws.

5.3 Limitations on Authority of Board. Except with the vote or written consent of a majority of the voting power of the Association, the Board shall not pay compensation to members of the Board or to officers of the Association for services performed in the conduct of the Association's business. However, the Board may cause a member of the Board or an officer to be reimbursed for expenses incurred in carrying on the business of the Association.

5.4 Personal Liability. No member of the Board, or of any committee of the Association, or any officer of the Association, or any Manager, or Declarant, or any agent of 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 or entity if such person or entity has, on the basis of such information as may be possessed by him or it, acted in good faith without willful or intentional misconduct.

5.5 Meetings of Members. Meetings of Members shall be noticed and held as provided in the Articles, Bylaws, and this Declaration.

5.6 Association Books and Records and Association Property.

5.6.1 Duty to Maintain; Right of Inspection. The Association shall maintain, and make available for Owner inspection and reproduction, the books, documents, records, and property of the Association, all to the extent required and in the manner provided for in the Act (including, without limitation, NRS 116.31175, 116.31177, and 116.3118).

5.6.2 Declarant's Obligation to Deliver Association Property and Records to Board. Within thirty (30) days after the Declarant's Control Termination Date, the Declarant shall deliver to the Association those items Declarant is required to deliver pursuant to Section 116.31038 of the Act.

ARTICLE 6 ASSESSMENTS

6.1 Agreement to Pay. Declarant, for each Lot owned by it, the Golf Owner for the Golf Course Property, and each Owner for each Lot owned by such Owner, hereby covenants and agrees to pay to the Association such Assessments as are made pursuant to this Article VI.

6.2 Personal Obligations. Each Assessment or installment thereof, together with any late charges, interest, collection costs, and reasonable attorneys' fees, shall be the personal obligation of the person or entity who is the Owner of the Lot or Golf Course Property at the time such Assessment (or installment) became due and payable. If more than one person or entity is the Owner of the Lot, the personal obligation to pay such Assessment (or installment) respecting such Lot shall be both joint and several. Subject to the provisions of Section 9.3 hereof, a purchaser of a Lot shall be jointly and severally liable with the seller for all unpaid Assessments against the Lot, 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. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosure or waiver of the lien securing the same. No Owner may avoid or diminish such personal obligation by non-use or abandonment of his Lot.

6.3 Purpose and Amount of Assessments. The Assessments levied by the Association shall be the amount estimated to be required, and shall be used exclusively, to promote the

health, safety, and welfare of the Members of the Association, for the performance of the duties of the Association as set forth in this Declaration and any Supplemental Declarations, and for the repair, maintenance and upkeep of the Areas of Common Responsibility and any other Association Property.

6.4 Budget and Reserve Requirements.

6.4.1 Definitions. As used herein, "Annual Assessment" shall mean the amount to be assessed against the Lots and Golf Course Property, as stated on the Association budget ("Budget") for each fiscal year, to pay the Common Expenses (defined below), as established pursuant to the provisions of this Section. The Budget must include, without limitation, the estimated annual revenue and expenditures of the Association, including the Common Expenses, and any contributions to be made to the reserve account of the Association. As used herein, "Common Expenses" means the expenditures made by the Association in the performance of its obligations hereunder, under any Supplemental Declaration, under any Declarant Assignment of Maintenance Obligation, and the financial liabilities of the Association during the applicable fiscal year, including the costs and expenses of the daily operation of the Association and an allocation for reserves. Common Expenses include, but are not limited to, expenditures for the following purposes: (i) to perpetually fund, operate, manage, maintain and repair the Areas of Common Responsibility and other Association Property, and to administer the operation of the Association; (ii) to provide for reasonable reserves consistent with sound business practice for the repair, replacement and restoration of Improvements to the Areas of Common Responsibility and any other Association Property and for such other purposes as are consistent with good business practice, and otherwise as required by NRS 116.3115(2)(b) and Section 6.4.2 of this Declaration; and (iii) to provide for the possibility that some Assessments may not be paid on a current basis. Without limiting the generality of the foregoing, Common Expenses shall include: all charges, costs, and expenses whatsoever incurred by the Association for or in connection with the Association administration, including, but not limited to, the maintenance of the Areas of Common Responsibility, any taxes and assessments assessed against Association Property, any taxes assessed against the Association itself, insurance premiums, including fire and other casualty insurance, liability insurance, workman's compensation insurance, and other insurance obtained pursuant to this Declaration; payment of any liability of the Association whatsoever for loss or damage arising out of or in connection with the Areas of Common Responsibility or any fire, accident, or nuisance occurring within the Areas of Common Responsibility; the cost of repair, rebuilding and replacement of the Improvements to the Areas of Common Responsibility; the cost of all utility services to the Areas of Common Responsibility, including water, electricity, refuse removal, landscape maintenance services, and any other similar service attributable to the Areas of Common Responsibility; the unpaid share of any Assessment levied during the previous fiscal year against any Owner who has defaulted in payment thereof to the extent that the same becomes uncollectible; accounting and legal fees, management fees, and cleaning, janitorial and lawn care fees, and other necessary expenses of upkeep, maintenance, management and operation incurred with respect to the Areas of Common Responsibility, and the Improvements thereon.

6.4.2 Reserve Requirements. That portion of the Budget specific to the provision of adequate funding for the reserves required by NRS 116.3115(2)(b) must include all those items required by the Act (including, without limitation, Section 116.31151). Furthermore, in establishing, collecting, holding, and using reserves, the Board shall at all times comply with the Act (including, without limitation, Sections 116.31151, 116.31152, and 116.31153), as well as all applicable portions of the Nevada Administrative Code and the provisions of this Declaration. Money in the reserve account may not be withdrawn without the signatures of at least two (2) members of the Board or the signatures of at least one member of the Board and one officer of the Association who is not a member of the Board. The reserve account may be used only for Common Expenses that directly involve repairs, replacement or restoration of the major components of the Areas of Common Responsibility, including, without limitation, repairing and replacing roads, trails and sidewalks, and must not be used for daily maintenance or any other purpose.

6.4.3 Procedure for Establishing Annual Assessments. Not less than ninety (90) days before the beginning of each fiscal year of the Association, the Board shall meet for the purpose of adopting the proposed Budget for the next succeeding fiscal year and establishing the Annual Assessment for such fiscal year. Within sixty (60) days of this meeting, the Board shall provide a summary of the proposed Budget adopted by the Board to each Owner and shall set a date for a meeting of the Owners to consider ratification of such proposed Budget, which date shall be not less than fourteen (14) nor more than thirty (30) days after mailing of the summary of the proposed Budget. Unless at that meeting sixty six and two-thirds percent (66-2/3%) of the voting power of the Association votes to reject the proposed Budget, the proposed Budget shall be deemed ratified by the Owners, whether or not a quorum is present at such meeting. If the proposed Budget is so rejected, the Budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent Budget proposed by the Board. Upon ratification of the proposed budget by the Owners, and not less than thirty (30) nor more than sixty (60) days before the beginning of each fiscal year of the Association, the Board shall distribute a copy of the Budget to each Owner or a summary thereof in accordance with NRS 116.31151.

6.5 Special Assessments. If the Board determines that the estimated total amount of funds collected to defray the Common Expenses for a given fiscal year is or will become inadequate to meet the Common Expenses for any reason, including, but not limited to, delinquencies in the payment of Assessments, or in the event the Association has insufficient reserves to perform its obligations under this Declaration, then the Board shall determine the approximate amount of such shortfall, shall provide a summary thereof to all of the Owners with the Board's recommendation for a special assessment ("Special Assessment") to meet such shortfall, and shall set a date for a meeting of the Owners which is not less than fifteen (15) nor more than thirty (30) days after the mailing of the summary. Unless at that meeting a majority of the voting power of the Association votes to reject the proposed Special Assessment, the proposed Special Assessment shall be deemed ratified by the Owners, whether or not a quorum is present at such meeting, and shall become a Special Assessment against, and allocated equally to, the Owners of the Lots with the Golf Owner paying ten (10) times the amount an Owner of a Lot is required to pay. The Board may, in its discretion, provide for payment of any Special

Assessment in any number of installments or provide that it is payable in one (1) installment within such time period as the Board deems reasonable.

6.6 Capital Improvement Assessments.

6.6.1 Association's Power to Levy; Definition. The Association shall have the power to levy assessments for Capital Improvements ("Capital Improvement Assessments") on the terms and conditions set forth below. As used herein "Capital Improvement" means (i) any Improvement upon the Areas of Common Responsibility which is not a repair or replacement of an existing Improvement, or (ii) any expenditure relating to the Areas of Common Responsibility which is outside the ordinary course of business of the Association.

6.6.2 Petition; Association Approval.

(a) Owners of not less than twenty-five percent (25%) of the Lots comprising the Project from time to time may petition the Association for the construction, installation, or acquisition of, or expenditure for, a Capital Improvement. Such petition shall be in writing and be in such form and shall contain such information as the Board may reasonably require. The Board may, on its own motion, move for the construction, installation, or acquisition of, or expenditure for, a Capital Improvement, in which case such motion shall be treated as if it were a petition duly submitted by Owners of not less than twenty-five percent (25%) of the Lots comprising the Project.

(b) Upon receipt of a petition for a proposed Capital Improvement or if the Board desires to propose a Capital Improvement, the Board shall obtain three (3) estimates from licensed contractors for the construction of the Capital Improvement.

(c) The Board shall submit the Capital Improvement proposal to the Members at the annual meeting, or a special meeting called for such purpose. Written notice of any meeting during which an assessment for a capital improvement is to be considered shall be delivered to each Owner not less than twenty-one (21) days prior to such meeting and otherwise as required by this Declaration, the Bylaws and the Act. The Capital Improvement Assessment shall be deemed approved upon the affirmative vote of two-thirds (2/3rds) of the voting power of the Association and Declarant; provided, however, that in the event the proposed Capital Improvement relates specifically to a particular Cost Center or group of Cost Centers, the Capital Improvement Assessment shall be deemed approved upon the affirmative vote of a majority of the voting power of the Association, the affirmative vote of the Owners representing a majority of the Lots in the relevant Cost Center(s), and Declarant. Declarant's approval rights hereunder shall expire at such time as Declarant owns no Lots within the Project or any portion of the Annexable Property.

6.6.3 Levy of Capital Improvement Assessments. Capital Improvement Assessments shall be levied in equal proportions against all of the Lots, except for any portion of a Capital Improvement Assessment specifically related to a particular Cost Center or group of Cost Centers, which shall be levied equally and solely against those Lots within the Cost



Center(s) for which the Capital Improvement Assessment was levied. The Golf Owner shall pay ten (10) times the amount required to be paid by the Owner of a Lot. A Capital Improvement Assessment shall be paid in such installments and during such period or periods as shall be voted upon by the Members at the time such Assessment is approved. If no terms of payment are specified by such vote of the Membership, then the Capital Improvement Assessment shall be due and payable upon terms set by the Board.

6.6.4 Expenditure for Capital Improvement. After the levy of the Capital Improvement Assessment and the collection of the entire Capital Improvement Assessment, or a sufficient portion thereof as the Board deems prudent, then the Board shall cause the Capital Improvement to be constructed, installed, or acquired, or shall contract for the extraordinary expenditure constituting the Capital Improvement.

6.6.5 Deficiency in Capital Improvement Assessment. If at any time and from time to time a Capital Improvement Assessment proves or appears likely to be inadequate for any reason, including nonpayment of any Owner's share thereof, the Board may, subject to the limitations set forth in this Section levy a further Capital Improvement Assessment in the amount of such actual or estimated inadequacy, which shall be assessed to the Owners in the same manner set forth in Section 6.6.3 hereof. If such additional assessment is in excess of five percent (5%) of the original Capital Improvement Assessment, the affirmative vote or written consent of a majority of the voting power of the Association—and, as to a Capital Improvement that relates specifically to a particular Cost Center or group of Cost Centers, the affirmative vote of the Owners representing a majority of the Lots in the relevant Cost Center(s)—shall be required for any such further assessment.

6.7 Violation Assessments. The Board shall levy a violation assessment against the Owners of a Lot ("Violation Assessment"): (i) to pay for the cost of curing any Maintenance Violation of such Owners and/or any other work performed by the Association for such Owners' account pursuant to the provisions of this Declaration, and any costs or expenses incident thereto, including but not limited to attorneys' fees and court costs, (ii) to collect liquidated damages and fines levied by the Association pursuant to the terms of this Declaration and any and all attorneys' fees and court costs, (iii) to collect reimbursement from an Owner pursuant to any right to reimbursement hereunder, including, without limitation, Sections 2.3, 3.23 or 3.27, (iv) to collect on an unpaid transfer fee imposed pursuant to Section 4.4, and (v) to collect on an unpaid penalty imposed pursuant to a contract entered into under Section 8.8.

6.8 Rate of Assessment. All Assessments levied by the Association must be fixed at an equal rate for all Lots within the Project and subject to assessment (as provided in Section 6.9) at the time the Assessment is levied (collectively, the "Existing Lots"), except (i) as otherwise provided in Section 6.6, (ii) assessments levied pursuant to Section 6.7, and (iii) any portion of the Annual Assessment or Special Assessment related to Common Expenses (including reserves and insurance) for a particular Cost Center, which shall be levied equally and solely against those Lots included within the Cost Center. Notwithstanding the foregoing, Lots made subject to Assessments subsequent to the levy of an Assessment shall pay installments at the same rate as Existing Lots (provided regular installment payments are still being made), provided that such



newly subject Lot(s) shall not be responsible for installment payments coming due against Existing Lots prior to the time such Lot was made subject to Assessments. Thus, by way of example only, in the event the Annual Assessment for a fiscal year is \$1,200 per Existing Lot, to be paid in installments of \$100 on the first of each month from July through June, and a Lot is made subject to Assessments on the 20th of December, the Annual Assessment shall commence against that Lot and the Owner shall commence installment payments as of January 1, but shall not be responsible for any prior installment payment for the Annual Assessment for that fiscal year. The Golf Owner shall pay Annual Assessments at a rate equivalent to the ownership of ten (10) Lots.

6.9 Assessment Period. The Annual Assessment period shall coincide with the fiscal year of the Association, which shall commence on July 1 of each year and shall terminate on June 30 of the following year. However, the initial Annual Assessment period for the Lots shown on a particular Map shall not commence until the first day of the calendar month following the date on which the first sale to a non-Declarant Owner of a Lot shown on such Map is closed and recorded; and shall terminate on the following June 30th. The first Annual Assessment and all Special Assessments shall be adjusted according to the number of months remaining in the fiscal year and shall be payable in equal monthly installments unless the Board adopts some other basis for collection.

6.10 Notices of Assessments; Delinquencies. Any Assessment installment hereunder which is not paid within fifteen (15) days following the date it is due shall be deemed delinquent. All delinquent Assessments shall bear interest at the rate of eighteen percent (18%) per annum (or such higher or lower rate as is proscribed by the Act) from the date the Assessment becomes delinquent hereunder until paid, and, in addition, a late charge of \$25.00 shall be due for each delinquent installment. The Association shall give written notice of all Assessments, except Violation Assessments, to the Owners of the Lots, which notice shall specify the amount of the Assessment and the date or dates payment of the same is due and shall be given in the manner provided for notices in this Declaration. Notice of a Violation Assessment is required to be given only to the Owners of the Lot against whom the Violation Assessment is made. Nothing contained herein shall be construed so as to require the Association to give periodic notices of the same Assessment; and one notice of an Assessment shall be sufficient to meet the requirements of this Section, even though the Assessment may be payable in installments. Failure of the Association to give notice of any Assessment shall not affect the liability of the Owners for such Assessment; provided, however, that the date when payment of the first installment of such Assessment shall become due in such a case shall be deferred to a date fifteen (15) days after such notice shall have been given, and the first installment of such Assessment shall not be deemed delinquent until fifteen (15) days after such deferred due date.

6.11 Statement of Account. Upon payment of a reasonable fee, not to exceed \$25.00, and upon written request of any Owner or any mortgagee, prospective mortgagee, or prospective purchaser of a Lot or the Golf Course Property, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Lot or the Golf Course Property, the amount of the current periodic assessment, and the date that such assessment becomes or became due, and if there is any credit for advance payments. Such

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statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be complied with within ten (10) business days following receipt of the written request and fee, all unpaid assessments which became due prior to the date of making such request shall be subordinate to the lien of a mortgagee which acquired its interest subsequent to requesting such statement.

6.12 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 can enforce the obligations of the Owners to pay Assessments provided for in this Declaration by commencement and maintenance of a suit at law or in equity; or the Board may enforce by judicial proceedings or, to the extent permitted by applicable law, through the exercise of the power of sale granted to the Board pursuant to applicable statutes and laws, and this Declaration. Suit to recover a money judgment against an Owner for unpaid assessments together with all other amounts due hereunder shall be maintainable without first foreclosing against the property which is subject to the lien for such assessment or waiving the lien rights granted hereby. Furthermore, in the event of default in which any Owner does not make payment when due of any Assessment levied, the Board shall have the right, after granting notice and an opportunity to be heard (in the manner set forth in Section 5.1.3(b)), to declare all unpaid assessments for the pertinent fiscal year immediately due and payable.

6.13 Lien for Assessments; Priority. All sums assessed to any Lot or other property within the Project pursuant to this Declaration, and all fines imposed by the Association against the Owners, together with interest thereon as provided herein, shall be secured by a lien on such Lot or other property within the Project in favor of the Association from the date the Assessment or fine becomes due. If an Assessment or fine is payable in installments, the full amount of the Assessment or fine is a lien from the time the first installment thereof becomes due. Recording of this Declaration constitutes record notice and perfection of such, and further recording of a claim of lien for Assessments is not required. Such lien shall be prior to all other liens and encumbrances on such Lot or other property within the Project, except for: (a) valid tax and special assessment liens in favor of any governmental assessing authority; (b) liens and encumbrances recorded before the recordation of this Declaration; and (c) a First Deed of Trust recorded before the date on which the Assessment or fine sought to be enforced became delinquent, except to the extent the lien is for Annual Assessments for Common Expenses based on the Budget adopted by the Association pursuant to NRS 116.3115 which would have become due in the absence of acceleration during the six (6) months immediately preceding institution of an action to enforce the lien.

6.14 Enforcement of Lien. Except as otherwise provided in the Act, the Association may foreclose all liens by sale pursuant to and in accordance with the provisions of the Act (including, without limitation, NRS 116.31162, 116.31163, 116.311635, 116.31164, 116.31166, and 116.31168). The sale may be conducted in any manner permitted by law. Each Owner who is liable for payment of the Assessment shall be required to pay the costs and expenses of such foreclosure proceeding including, but not limited to, the cost of preparation of all notices (whether or not such notice has been given to the Owners at the time payment is made), reasonable attorneys' fees, and title insurance costs. All such costs and expenses of the

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foreclosure shall be secured by the lien being foreclosed. Each Owner who is liable for payment of the Assessment shall be required to pay to the Association any and all Assessments against such Owner which shall 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 improved Lot. The Association shall be entitled to bid on credit up to and including the amount secured by the lien being foreclosed. A further notice stating the satisfaction and release of any such lien shall be executed by the Association and recorded in the Douglas County, Nevada, real estate records, upon payment of all sums secured by such lien. Any encumbrancer holding a lien on a Lot or other property within the Project may, but shall not be required to, pay any amounts secured by a lien for unpaid assessments, and upon such payment, such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including rights of priority.

6.15 Surplus Funds. Any surplus funds of the Association remaining after payment of or provision for Common Expenses and any prepayment of reserves must be paid to the Owners in proportion to their liabilities for Common Expenses or credited to them to reduce their future assessments for Common Expenses.

6.16 Subsidy Agreements. Notwithstanding anything else herein to the contrary, the Association, through the Board, is specifically authorized and empowered to enter into a subsidy agreement or other similar agreement with the Declarant and/or a Participating Builder, whereby assessments otherwise payable by the Declarant or such Participating Builder on Lots owned by the Declarant or such Participating Builder, respectively, are deemed satisfied in exchange for the payment by the Declarant or such Participating Builder of shortfalls in the Association's operating expenses or the provision of maintenance of the Common Elements, the Association's easements and improvements upon the Areas of Common Responsibility, and/or the performance of certain other services which are Common Expenses of the Association ("Subsidy Agreements").

ARTICLE 7 INSURANCE

7.1 Insurance to be Obtained. The Association shall obtain and maintain in full force and effect at all times insurance coverage, provided by companies duly authorized to do business in Nevada, generally as set forth in this Article.

7.2 Casualty Insurance. The Association shall obtain a master policy of insurance equal to full replacement value (i.e., 100% of current "replacement cost" exclusive of land, foundation, excavation, and other items normally excluded from coverage) on all insurable Improvements upon the Areas of Common Responsibility and any other Improvements under the control of the Association (including all building service equipment and the like and any fixtures or equipment within such improvements) and all other personal property commonly owned by the Owners. Such insurance shall include fire and extended coverage, vandalism and malicious mischief, and such other risks and hazards against which the Association shall deem it appropriate to provide insurance protection. The Association shall comply with the above

requirements by the purchase of a policy containing such coverage with "deductible" provisions as in the Association's opinion are consistent with good business practice, provided that in no event shall such deductible be in an amount greater than the lesser of \$10,000.00 or one percent (1%) of the face amount of such policy.

7.3 Liability Insurance. The Association shall purchase broad form comprehensive liability coverage in such amounts and in such forms as it deems advisable to provide adequate protection. Such coverage shall be in an amount generally required by private institutional mortgage investors for projects similar in construction, location, and use, and in no event shall be less than \$2,000,000.00 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. 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 Areas of Common Responsibility, and the performance of any activities under a Supplemental Declaration. The liability insurance shall name as separately protected insureds Declarant, the Association, the Board, and their representatives, members, and employees, with respect to any liability arising out of the maintenance or use of any Association Property and/or the Areas of Common Responsibility. Every policy of insurance obtained by the Association shall contain an express waiver, if available, of any and all rights of subrogation against Declarant, the Board, and their representatives, members, and employees. After Declarant has no further interest in any portion of the Project or the Annexable Property, then the above insurance provisions regarding Declarant shall not apply.

7.4 Workmen's Compensation and Employer's 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 the amounts and in the forms now or hereafter required by law.

7.5 Fidelity Insurance. The Association shall purchase insurance covering officers and employees of the Association and employees of any Manager or managing agent, whether or not any such persons are compensated for their services, against dishonest acts on their part, or in lieu thereof, a fidelity bond, naming the Association as obligee, written in an amount equal to at least the estimated maximum of funds, including reserves in the custody of the Association or the management agent at any give time during the term of the fidelity bond. However, the bond shall not be less than a sum equal to three (3) months aggregate assessments on all Lots, plus reserve funds.

7.6 Other Insurance. The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the Project, including any personal property of the Association located thereon.

7.7 Premiums and Reviews. Except as provided above, 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 adjust the limits as the Board deems necessary or appropriate.

7.8 Form. Casualty insurance shall be carried in a form or forms naming the Association the insured. Each policy shall also provide that it cannot be canceled by either the insured or the insurance company until after ten (10) days written notice is first given to the Association and to each first mortgagee. All policies of insurance shall provide for a waiver of subrogation by the insurer as to claims against the Association, the Board, employees, and agents, and against each Owner and each Owner's employees, agents, and guests, and shall provide that the insurance cannot be canceled, invalidated, or suspended on account of the conduct of the Association, the Board, employees, and agents or of any Owner or such Owner's employees, agents, or guests, and shall provide that any "no other insurance" clause in the insurance policy shall exclude any policies of insurance maintained by any Owner or mortgagee and that the insurance policy shall not be brought into contribution with insurance maintained by any Owner or mortgagee.

7.9 Owner's Insurance Responsibilities. The following insurance coverages shall be the responsibility of each respective Owner, and Declarant and the Association recommend that each Owner obtain such insurance: insurance on items of personal property placed in an Improvement by Owner; insurance for hazard, casualty and public liability coverage within each Lot or other property within the Project, including, without limitation, all structures located therein; and insurance coverage for activities of the Owner, not acting for the Association, with respect to the Areas of Common Responsibility and any other Association Property.

ARTICLE 8 DESIGN REVIEW COMMITTEE

8.1 Organization. There shall be an Design Review Committee comprised of persons appointed by Declarant until such time as Declarant no longer owns a fee interest in any portion of the Project or the Annexable Property. Thereafter, the Design Review Committee shall be comprised of the Board; provided, however, that the Board may appoint an Design Review Committee of not less than three (3) members, at least one (1) of whom must be a Director, and remainder of whom need not be Members.

8.2 Duties. It shall be the duty of the Design Review Committee to consider and act upon such proposals or plans submitted to it pursuant to the terms hereof, to adopt Design Guidelines, to perform other duties delegated to it by the Association, and to carry out all other duties imposed upon it by this Declaration. Each Owner understands and acknowledges that Design Review Committee approval of any item (including, but not limited to, Improvements and alterations in drainage patterns) is in addition to, and not in lieu of, any approval that may be required by governmental entities having jurisdiction over the Project; similarly, approval of an Improvement or other modification by a governmental entity is in addition to, and not in lieu of, approval by the Design Review Committee. Declarant hereby declares that, during such time as Declarant holds the right to appoint the Design Review Committee under Section 8.1, the Design Review Committee shall be the sole entity authorized or entitled to issue a "homeowner's

association approval” regarding development plans, as contemplated under section 1.4.2 of the Specific Plan.

8.3 Meetings. The Design Review Committee shall meet from time to time as necessary to properly perform its duties hereunder. The vote or written consent of a majority of members of the Committee shall constitute an act by the Committee unless the unanimous decision of its members is otherwise required by this Declaration. The Design Review Committee may charge a filing fee to be used to pay an architect and/or engineer, who may or may not be a member of the Design Review Committee, to review the submitted plans and specifications. The Board may reimburse members for reasonable expenses incurred by them in the performance of any Design Review Committee function.

8.4 Design Guidelines. The Design Review Committee shall from time to time and in its sole discretion adopt, amend, and repeal by majority vote rules and regulations to be known as "Design Guidelines" interpreting, implementing, and enforcing the provisions of this Declaration and setting forth fees to be charged and procedures, and design, and construction criteria to be followed in submitting proposals to the Design Review Committee. A copy of the Design Guidelines, as they may from time to time be adopted, amended, or repealed, certified by any member of the Design Review Committee, shall be maintained by the office of the Association and shall be available for inspection and copying by any Owner at any reasonable time during the business hours of the Association. The Design Guidelines shall at all times be consistent with all Development Standards issued by Douglas County, including, without limitation, the Specific Plan and any design standards and design guidelines prepared in connection therewith. The Design Review Committee may, with the express prior written approval of Declarant, seek modifications to the design review plans of the Specific Plan, which modifications must be submitted to and approved by the Douglas County Department of Community Development before taking effect.

8.5 Application for Approval of Plans and Specifications. Any Owner of a Lot proposing to make any Improvements or to perform any work that requires the prior approval of the Design Review Committee shall apply to the Design Review Committee for approval by notifying the Design Review Committee of the nature of the proposed work. Prior to the commencement of construction, the Owner shall submit to the Design Review Committee for its review and approval such information and materials as the Design Review Committee in the exercise of its reasonable discretion deems necessary for it to be adequately informed with respect to the work to be undertaken by such Owner.

8.6 Basis for Approval of Improvements. Subject to the limitations relating to the approval of drought tolerant landscaping set forth in the Act, the Design Review Committee shall grant the required approval only if:

8.6.1 The Owner shall have strictly complied with the provisions of Section 8.5;
and

8.6.2 The Design Review Committee finds that the plans and specifications conform to this Declaration, the Development Standards, and to the Design Guidelines in effect at the time such plans were submitted to the Design Review Committee; and

8.6.3 The Design Review Committee in its sole and reasonable discretion determines that the proposed Improvements would be compatible with the other property in the Project and the purposes of the Declaration as to the quality of workmanship and materials, and as to harmony of external design with existing structures.

8.7 Basis for Disapproval of Improvements. Subject to the limitations relating to the approval of drought tolerant landscaping set forth in the Act, the Design Review Committee may disapprove any application on purely aesthetic grounds, and more specifically: (a) because of the reasonable dissatisfaction of the Committee with the Improvement proposed to be erected, because of the materials of which it is to be built, the harmony thereof with its surroundings, or any additional maintenance, repair or replacement burden such matter would impose upon the Association; or (b) because of non-compliance with any of the specific conditions and restrictions contained in this Declaration and the Development Standards, or with reasonable guidelines that the Design Review Committee may from time to time adopt (including, without limitation, the Design Guidelines); or (c) because the proposed Improvement represents an unreasonable risk to the health, safety, or welfare of the Owners within the Project; or (d) because the proposed Improvement would unreasonably increase the cost, difficulty, or risks associated with the Association's performance of any maintenance obligations on the Lot for which it is responsible under a Supplemental Declaration.

8.8 Form of Approval. All approvals or disapprovals given under Sections 8.6 or 8.7 shall be in writing; provided, however, any request for approval which has not been rejected within ninety (90) days from the date of submission of final plans thereof to the Design Review Committee shall be deemed approved. The approval may be conditional, including the condition of a deposit by the Owner of a performance bond, cash deposit, or other undertaking to assure completion of the approved Improvement in accordance with the terms of the approval once construction thereof is commenced. Furthermore, the approval may be given in the form of a contract between the affected Owner and the Design Review Committee, and such contract may provide for a penalty of a stated maximum amount, following notice and hearing in the manner set forth in Section 5.1.3(b), in the event the Owner fails to complete construction in accordance with the terms of the Design Review Committee's approval. Such penalty shall not be deemed a fine, but may be levied and collected as a Violation Assessment if not paid when due.

8.9 Proceeding with Work. Upon receipt of approval from the Design Review Committee pursuant to Section 8.6, the Owner shall, as soon as practicable, satisfy all conditions thereof and diligently proceed with the commencement and completion of all construction, reconstruction, refinishing, alterations, and excavations pursuant to the approval. Construction of the approved Improvements shall commence, in all cases, within one year from the date of such approval. If the Owner shall fail to comply with this Section, any approval given pursuant to Section 8.6 shall be deemed revoked unless the Design Review Committee, upon written request of the Owner made prior to the expiration of the one-year period, extends the time for



such commencement. No such extension shall be granted except upon a finding by the Design Review Committee that there has been no change in the circumstances upon which the original approval was granted.

8.10 Failure to Complete Work. The Owner shall in any event complete the construction, reconstruction, refinishing, or alteration of any such Improvement within eighteen (18) months after commencing construction thereof, and, once work has commenced, no cessation of work of more than ninety (90) consecutive days shall be allowed. The timelines of this Section shall be tolled for so long as performance 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.

8.11 Right to Inspect. Any member or authorized consultant of the Design Review Committee, or any authorized officer, employee or agent of the Association may enter upon any Lot at any reasonable time after notice to the Owner, without being deemed guilty of trespass, in order to inspect any structural addition, alteration or Improvement constructed or under construction in the Lot to determine whether the work has been or is being built in compliance with the plans and specifications approved by the Design Review Committee.

8.12 Waiver. The approval by the Design Review Committee of any plans, drawings, or specifications for any work done or proposed or for any other matter requiring the approval of the Design Review Committee under the Declaration shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification, or matter subsequently submitted for approval.

8.13 Liability. Provided that the Design Review Committee or a particular member of the Design Review Committee has acted in good faith on the basis of the information as may be possessed by the Design Review Committee or the member, as the case may be, then neither the Design Review Committee nor any member thereof shall be liable to the Association, to any Owner, or any other person for any damage, loss, or prejudice suffered or claimed on account of: (a) the approval or disapproval of any plans, drawings, and specifications, whether or not defective; (b) the construction or performance of any work, whether or not such performance complied with approved plans, drawings, and specifications or was rendered in a good and workmanlike manner; or (c) the development of any property subject to this Declaration. Without limiting the generality of the foregoing, the Design Review Committee and any member thereof may, but it is not required to, consult with or hear the views of the Association or any Owner with respect to any plans, drawings, specifications, or any other proposal submitted to the Design Review Committee.

8.14 Variations. The Design Review Committee may grant reasonable variations or adjustments from the provisions in this Article and the Design Guidelines where literal application thereof results in unnecessary hardship and if the granting thereof in the sole and absolute discretion of the Design Review Committee will not be materially detrimental or injurious to other Owners. Any variance, to be valid, must be in writing, and no variance granted

shall constitute a waiver or restrict enforcement of any other provision hereof, or constitute a precedent for granting another variance.

8.15 Enforcement. In the event an Owner fails to abide by the construction timelines set forth herein, or otherwise fails to construct and/or modify an Improvement in accordance with the approval granted by the Committee, or constructs or modifies an Improvement without the necessary approval by the Committee, or otherwise violates the Design Guidelines or any Development Standards—without limiting any other remedy that may be available to an Owner, the Association, or Declarant, at law or in equity—the Board and/or Declarant may immediately deem the relevant Improvement a nuisance under Section 3.4, and may pursue all remedies available under the Governing Documents, at law, or in equity, including, without limitation, imposition of a fine, and/or a Maintenance Violation proceeding. Additional rights and remedies related to the Design Review Committee's enforcement of this Declaration, the Design Guidelines, or any Development Standards shall be as set forth in the Design Guidelines.

8.16 Rights of Golf Owner. The Golf Owner shall be given fifteen (15) days' prior written notice of all meetings of the Design Review Committee wherein the Improvement under consideration or any portion thereof is contiguous to the Golf Course Property or in the direct line of sight from the Golf Course Property for the depth of one Lot. If in the reasonable opinion of the Golf Owner the Improvement being reviewed has a material adverse impact on the Golf Course Property, whether by restriction of view, hazards to person or otherwise, then, in that event, the Golf Owner may disapprove the proposed Improvement irrespective of the approval of same by the Design Review Committee and the Owner shall resubmit to the Design Review Committee the proposed Improvement so as to take into account the objection of the Golf Owner which shall be given in writing to the Owner by the Design Review Committee.

ARTICLE 9 PROTECTION OF LENDERS

9.1 Encumbrance of Parcels Permitted. Any Owner may encumber such Owner's Lot and the property thereon with a Deed of Trust.

9.2 Subordination. Except as provided otherwise by the Act or Article VI hereof, any lien created or claimed under Article VI of this Declaration is subject and subordinate to the lien of any First Deed of Trust encumbering any Lot, unless the priority of such First Deed of Trust is expressly subordinated to such assessment lien by a written instrument duly recorded.

9.3 Non-Liability for Unpaid Assessments. Any beneficiary of a First Deed of Trust who acquires title to a Lot or other property within the Project pursuant to the judicial or non-judicial foreclosure remedies provided in the First Deed of Trust shall take the Lot or other property within the Project free of any claims for unpaid assessments or Association charges against the encumbered Lot or other property within the Project that accrue greater than six (6) months prior to the time such beneficiary so acquires ownership of the Lot or other property within the Project; provided, however, after the foreclosure of any Deed of Trust, such Lot or



other property within the Project shall remain subject to the Declaration; and the amount of all regular and special assessments, to the extent they relate to expenses incurred subsequent to such foreclosure sale, shall be assessed hereunder to the grantee or purchaser thereunder.

9.4 Breach of Covenants. A breach by an Owner of any of the provisions of this Declaration, shall not defeat or render invalid the lien of any Deed of Trust made in good faith and for value as to the Project or any portion thereof; provided, however, the provisions of this Declaration shall be binding upon the Owners whose title thereto is acquired under foreclosure, trustee's sale, or otherwise.

9.5 Notice to Eligible Mortgage Holders. The holder of any Deed of Trust shall be entitled to become an "Eligible Mortgage Holder" pursuant to the provisions of this Declaration by notifying the Association of its name, address and the address of the Lot encumbered by the Deed of Trust which it holds in the manner provided in Section 14.5 below. Such notification shall be deemed to be a request with respect to such Lot or other property within the Project for written notice from the Association of: (i) any default in the payment of Assessments which remains uncured for a period of sixty (60) days; (ii) any condemnation or casualty loss that affects a material portion of the Project or the Lot; and (iii) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association. The Association shall give written notice to Eligible Mortgage Holders in accordance with the provisions of this Section and in the manner prescribed in Section 14.5 below. Any holder of a Deed of Trust encumbering any Lot or any portion of the Project who does not so request notice, shall not be deemed to be an Eligible Mortgage Holder under the terms of this Declaration. Unless and until notice is given to the Association as provided in this Declaration by a mortgage holder, such mortgage holder shall not be entitled to notice of default, nor to any right, distribution or notice pursuant to this Declaration.

9.6 Insurance Proceeds and Condemnation Awards. No provision of this Declaration or the Articles shall give an Owner, or any other party, priority over any rights of the holders of First Deeds of Trust in the case of a distribution to Owners of insurance proceeds or condemnation awards.

9.7 Appearance at Meetings. Because of its financial interest in the Project, any beneficiary of a Deed of Trust 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.

9.8 Examination of Records. The holders of Deeds of Trust shall have the right to examine at reasonable times the books and records of the Association and can require the submission of financial data concerning the Association, including annual audit reports and operating statements as and when furnished to the Owners.

ARTICLE 10 DECLARANT'S RIGHTS

10.1 General. Declarant and Participating Builders may be undertaking the work of constructing Improvements to and upon the Project and adding real property to the Project in accordance with the terms and provisions of this Article X. The completion of such construction and the sale or other disposition of Lots within the Project is essential to the establishment and welfare of the Project as a planned community.

10.2 Special Declarant's Rights.

10.2.1 Declarant hereby reserves unto itself the rights to:

(a) Complete all Improvements within the Project, including, but not limited to, those indicated on a Map or Plans or described in this Declaration;

(b) Maintain model residences within the Project for use in Declarant's sales activities, and maintain sales offices and construction offices within the Project which may be relocated from time to time (provided, however, that all temporary sales offices shall conform at all times to the standards set forth in applicable provisions of the Douglas County Development Code, as amended and/or superseded from time to time);

(c) Maintain signs advertising the Project, which signs may be maintained anywhere on the Project, excluding Lots owned by Owners other than Declarant;

(d) Use easements through the Common Elements for the purpose of making Improvements within the Project;

(e) Maintain storage facilities and parking facilities within the Project for its materials, equipment, staff, and contractors;

(f) Add Numeric Exhibits to this Declaration (corresponding to Lots created within the Project from time to time), provided that any such additional Numeric Exhibit may correspond solely to a Lot owned by Declarant at the time such Numeric Exhibit is added, and the addition of a Numeric Exhibit shall be accomplished by Declarant's execution of a Notice of Addition of Numeric Exhibit and recordation of the same in the Office of the County Recorder, Douglas County, Nevada (which Notice shall include, as an exhibit or otherwise, the Numeric Exhibit whose addition to this Declaration is to be effected by said Notice, complete with the appropriate numeric designation for identifying the corresponding Lot to which the Numeric Exhibit relates);

(g) Create Cost Centers and assign to those Cost Centers certain Limited Common Elements, Improvements, and/or services for which the Association shall be responsible, provided that a Cost Center may be created solely over Lots owned by Declarant at the time such Cost Center is created, and the creation of a Cost Center, and its related rights and responsibilities, shall be accomplished by Declarant's execution of a Supplemental Declaration and recordation of the same in the Office of the County Recorder, Douglas County, Nevada (which shall include, as an exhibit or otherwise, the Lots included or to

be included within the Cost Center created thereby, as well as a description of the Limited Common Elements, Improvements, and/or services to which the Cost Center relates, and any additional terms of the Association's obligations involving such Cost Center);

(h) Appoint or remove any officer of the Association or any member of the Board at any time and from time to time prior to the Declarant's Control Termination Date; and

(i) As long as Declarant owns any portion of the Project and/or Annexable Property, Declarant shall have the right to use all Common Elements, including any recreational facilities, for up to eight (8) days each year to sponsor special events for charitable, philanthropic, political, or marketing purposes as determined by Declarant in its sole discretion. Any such event shall be subject to the following conditions:

(i) the availability of the facilities at the time a request is submitted to the Association;

(ii) Declarant shall pay all costs and expenses incurred and shall indemnify the Association against any loss or damage (excluding lost revenue) resulting from the special event; and

(iii) Declarant shall return the facilities and personal property owned by the Association and used in conjunction with the special event to the Association in the same condition as existed prior to the special events.

Declarant shall have the right to assign the rights contained in this Section to charitable organizations or foundations selected by Declarant. Declarant's right to use the Common Elements for special events shall be enforceable by injunction, by any other remedy in law or equity, and by the terms of this Declaration.

10.2.2 Declarant hereby reserves unto each Participating Builder (subject to Article VIII) the rights to:

(a) Maintain model residences upon such Participating Builder's Lots for use in such Participating Builder's sales activities, and maintain sales offices and construction offices upon such Participating Builder's Lots which may be relocated from time to time (provided, however, that all temporary sales and/or construction offices shall conform at all times to the standards set forth in applicable provisions of the Douglas County Development Code, as amended and/or superseded from time to time);

(b) Maintain signs advertising the Project, which signs may be maintained anywhere on the Project, excluding Lots owned by Owners other than the Participating Builder;

(c) Use easements through the Common Elements for the purpose of making Improvements to Lots owned by such Participating Builder; and

(d) Maintain storage facilities upon such Participating Builder's Lots.

10.3 Declarant's Development Rights. Declarant reserves the following Development Rights:

10.3.1 The right to add real estate to the Project and to create Lots and Common Elements (including Limited Common Elements) within such real estate as follows:

(a) Property Subject to Annexation. Declarant hereby reserves unto itself the right to cause to be annexed to this Declaration as part of the Project from time to time all or a portion of the Annexable Property, and to create within the real property so annexed additional Lots, together with Common Elements (including Limited Common Elements), for a maximum total of three hundred eighty four (384) Lots in the Project. In addition, Declarant reserves the right to add unspecified real property to the Project in the manner provided in Section 116.2122 of the Act. No assurances are made by Declarant prior to the annexation of any portion of a parcel of such real property as to the size or configuration of such portion, or the order in which any such portion may be annexed. If any portion of a parcel of such real property is annexed to the Project, there are no assurances that any other portion or all of such parcel will be annexed.

(b) Manner of Annexation. Such real property shall be annexed by recording in the real estate records of the County Recorder of Douglas County, Nevada, a notice of annexation executed by Declarant (and any other owner of such real property) describing the real property to be so annexed and declaring that such property shall thereafter be deemed to be Annexed Property as defined in this Declaration and declaring that such Annexed Property shall be held, conveyed, sold, encumbered, leased, rented, used, occupied, improved or otherwise affected in any manner subject to the provisions of this Declaration. Such notice of annexation may set forth any additional restrictions or covenants that may be applicable to such Annexed Property. Furthermore, the notice of annexation may take the form of a Supplemental Declaration, provided it includes the information set forth in this subsection 10.3.1, and may create one or more Cost Centers on the relevant Annexed Property; provided, however, that any additional restrictions or other provisions contained in a notice of annexation (including one in the form of a Supplemental Declaration) shall not be in any manner inconsistent with the provisions of this Declaration. In the event of any inconsistency between the provisions of this Declaration and those of any notice of annexation, the provisions of this Declaration shall control.

(c) Effect of Annexation. Upon recordation of the notice of annexation described in Section 10.3.1(b) above, the real property described in the notice of annexation shall become Annexed Property, as defined herein, and part of the Project, and shall be subject to all of the provisions of this Declaration. Without limiting the generality and effect



of the foregoing, after the required annexation procedures are fulfilled, the following shall have been effected thereby:

(i) all Owners shall be entitled to use the Common Elements in such Annexed Property, subject to the provisions of the Declaration (including, without limitation, the provisions herein limiting the use of Common Elements designated and allocated as Limited Common Elements);

(ii) Owners of Lots in such Annexed Property shall thereupon become Members of the Association, shall be subject to the provisions of the Declaration, and shall be entitled to use the Common Elements of the Project, subject to the provisions of the Declaration (including, without limitation, the provisions herein limiting the use of Common Elements designated and allocated as Limited Common Elements); and

(iii) all Owners of Lots in such Annexed Property shall have the same membership and voting rights as other Owners. Votes shall not be cast separately by phase.

10.3.2 The right to create Lots and Areas of Common Responsibility within the Project.

10.3.3 The right, but not the obligation, to convert any Lot or Lots owned by Declarant into Common Elements or Limited Common Elements, and to allocate Common Elements as Limited Common Elements.

10.3.4 As to each portion of the Project, the right, but not the obligation, to withdraw such portion of the Project from this Declaration at any time prior to the sale or conveyance of a Lot created by a Map covering that portion of the Project.

10.3.5 The right, but not the obligation, to annex unspecified real estate into this Declaration and the jurisdiction of the Association, as provided in Section 116.2122 of the Act, upon which all the provisions of this Declaration shall apply to such annexed property.

10.3.6 The right, but not the obligation, to unilaterally amend this Declaration at any time prior to the close of the first sale of a Lot.

The Development Rights reserved in this Section may be exercised at any time within twenty (20) years after the recording of the initial Declaration, and shall be exercised in accordance with Section 116.211 of the Act. The Development Rights reserved in this Section may be exercised with respect to different parcels of real estate at different times, and no assurances are made as to the boundaries of such parcels or the order in which they may be subjected to the exercise of a development right, nor is any representation made that a development right must be exercised as to an entire parcel if such right is exercised as to a portion of that parcel.

10.4 Declarant's Right to Complete. No provision of this Declaration (including, without limitation, any provision of Article III) shall be construed to prevent or limit Declarant's rights to complete the development, construction, promotion, maintenance, marketing, and sale of properties within the Project; to construct or alter Improvements on any property owned by Declarant or the Association; to maintain construction equipment, model homes, offices for construction, sales or leasing purposes or similar facilities on any property owned by Declarant or owned by the Association; or to post signs incidental to the development, construction, promotion, marketing, sale and leasing of property. Nothing contained in this Declaration shall limit the right of Declarant or require Declarant to obtain approval to: (a) excavate, cut, fill or grade any property owned by Declarant or to construct, alter, remodel, demolish or replace any Improvements on any part of the Project or any property owned by Declarant; (b) use any structure on any part of the Project or any property owned by Declarant as a construction, model home or real estate sales or leasing office in connection with the sale of any property within such boundaries; or (c) require Declarant to seek or obtain the approval of the Board of Directors, the Design Review Committee or the Association for any such activity or Improvement to property by Declarant on any part of the Project or any property owned by Declarant. Nothing in this Section shall limit or impair the reserved rights of Declarant or a Participating Builder as elsewhere provided in this Declaration.

10.5 Priority of Declarant's Rights; Amendment. Declarant shall have, and hereby retains and reserves, certain rights as set forth in this Declaration with respect to the Association and the Project. The rights and reservations of Declarant set forth in this Declaration shall be deemed excepted and reserved in each recorded amendment and supplement to this Declaration, in each conveyance of property by Declarant to the Association and in each deed or other instrument by which any property encumbered hereby is conveyed by Declarant, whether or not specifically stated therein. The rights, reservations and easements of Declarant set forth in this Declaration shall be prior and superior to any other provisions of this Declaration and may not, without Declarant's prior written consent, be modified, amended, rescinded or affected by any amendment of this Declaration, including, without limitation, any amendment of this Article. Declarant's consent to anyone such amendment shall not be construed as consent to any other or subsequent amendment.

10.6 Assignment of Declarant's Rights. Any and all of the rights, powers and reservations of Declarant herein contained may be fully or partially assigned by Declarant to any person or entity that will assume any or all of the duties of Declarant hereunder, and upon any such assignee's evidencing consent in writing to accept such assignment, said assignee shall, to the extent of such assignment, assume Declarant's duties hereunder, have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein. Upon such assignment, and to the extent thereof, Declarant shall be relieved from all liabilities, obligations and duties hereunder.

10.7 Limitations on Declarant's Rights. Nothing in this Article shall give the Declarant the right to damage any Lot or Improvement not owned by Declarant or interfere unreasonably with the Owners' use of the Areas of Common Responsibility; and Declarant's rights hereunder shall terminate at such time as Declarant no longer owns any portion of the Project or the

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Annexable Property, or twenty (20) years from the recordation of this Declaration, whichever first occurs, except as required for maintenance and repair obligations conducted by Declarant which may continue after such date. Neither the Association nor any Owner may take any action or adopt any rule that will interfere with or diminish any of Declarant's rights, including Special Declarant's Rights and Development Rights, without the prior written consent of Declarant.

ARTICLE 11 BOARD'S POWER TO COMMENCE SUIT

The Board of Directors may not commence a civil suit or arbitration on behalf of the Association, except as otherwise permitted under the Act and this Declaration. In the event the Act permits commencement of a civil suit or arbitration without the assent of a majority of the voting power of the Association (a "Majority of Members"), the Association may not maintain such an action and shall be required to dismiss the action within 120 days after its commencement if the action is not ratified by a Majority of Members within 90 days after the commencement of the action (unless the action is to enforce the payment of an assessment; to enforce the Governing Documents; or to proceed with a counterclaim). Prior to seeking any assent of a Majority of Members under this Section, the Board of Directors shall first comply with the provisions of Article XII.

ARTICLE 12 ASSOCIATION'S POWER TO BRING SUIT

To protect the Association and the Owners from being subjected to potentially costly or prolonged controversies without full disclosure, analysis and consent; to protect the Board and individual Directors from any charges of negligence, breach of fiduciary duty, conflict of interest or acting in excess of their authority or in a manner not in the best interests of the Association and the Owners; and to ensure voluntary and well-informed consent and clear and express authorization by the Owners, the Board, in seeking the assent of the Members to commence an action or maintain an action pursuant to the Act, shall take the steps set forth below. Any action that may be commenced or maintained only upon the assent of a Majority of Members is referred to in this Article as a Major Controversy.

12.1 Negotiation. The Board shall first endeavor to resolve any Major Controversy by good faith negotiations with the adverse party or parties.

12.2 Alternative Dispute Resolution. In the event that good faith negotiations fail to reasonably resolve the Major Controversy, the Board shall then endeavor in good faith to resolve such controversy by mediation, provided that the Board shall not incur liability for or spend more than Two Thousand Dollars (\$2,000.00) in connection therewith (provided that, if more than said sum is reasonably required in connection with such mediation, then the Board shall be required first to reasonably seek approval of a Majority of the Members for such additional amount for mediation before proceeding to arbitration or litigation). In the event that the adverse party or parties refuse mediation, or if such good faith mediation still fails to reasonably resolve the Major Controversy, the Board shall not be authorized to commence, institute or maintain any

arbitration or litigation of such Major Controversy until the Board has fully complied with the following procedures:

(a) The Board shall first investigate the legal merit, feasibility and expense of prosecuting the Major Controversy, and shall obtain, if reasonably available, the written opinions of each and every one of: (1) a licensed Nevada attorney regularly residing in Douglas County, Nevada, with a Martindale-Hubbell rating of "AV", expressly stating that such attorney has reviewed the underlying facts and data in sufficient, verifiable detail to render the opinion, and expressly opining that the Association has a substantial likelihood of prevailing on the merits with regard to the Major Controversy, without substantial likelihood of incurring any material liability with respect to any counterclaim which may be asserted against the Association ("Legal Opinion"); and (2) a reputable appraiser and/or real estate consultant regularly conducting business in Douglas County, Nevada, expressly opining how the marketability and market value of Lots will likely be affected by such Major Controversy ("Appraiser's Opinion"). (The Legal Opinion and Appraiser's Opinion are sometimes collectively referred to herein as the "Opinions"). The Board shall be authorized to spend up to an aggregate of Two Thousand Dollars (\$2,000.00) to obtain such Opinions, including all amounts paid to said attorney therefor, and all amounts paid to any consultants, contractors and/or experts preparing or processing reports and/or information in connection therewith. The Board may increase said \$2,000.00 limit, with the express consent of seventy-five percent (75%) or more of the voting power of the Association, at a special meeting called for such purpose.

(b) The Legal Opinion shall also contain the attorney's best good faith estimate of the aggregate maximum "not-to-exceed" amount of legal fees and costs, including without limitation court costs, costs of investigation and all further reports or studies, costs of court reporters and transcripts, and costs of expert witnesses and forensic specialists (all collectively, "Quoted Litigation Costs") which are reasonably expected to be incurred for prosecution to completion (including appeal) of the Major Controversy. Said Legal Opinion shall also include a draft of any proposed fee agreement with such attorney. If the attorney's proposed fee arrangement is contingent, the Board shall nevertheless obtain the Quoted Litigation Costs with respect to all costs other than legal fees, and shall also obtain a written draft of the attorney's proposed contingent fee agreement. (Such written Legal Opinion, including the Quoted Litigation Costs, and also including any proposed fee agreement, contingent or non-contingent, are collectively referred to herein as the "Attorney Letter").

(c) Upon receipt and review of the Attorney Letter and the Appraiser's Opinion, if two-thirds (2/3) or more of the Board affirmatively vote to proceed with the institution or prosecution of, intervention in, or maintenance of the Major Controversy, the Board thereupon shall duly notice and call a special meeting of the Members. The written notice to each Member of the Association shall include a copy of the Attorney Letter, including the Quoted Litigation Costs and any proposed fee agreement, contingent or non-contingent, and the Appraiser's Opinion together with a written report ("Special Assessment Report") prepared by the Board: (1) itemizing the amount necessary to be assessed to each Member, on a monthly basis, to fund the Quoted Litigation Costs ("Special Litigation Assessment"), and (2) specifying the probable duration and aggregate amount of such Special Litigation Assessment. At said

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special meeting, following review of the Attorney Letter, Quoted Litigation Costs, the Appraiser's Opinion, and Special Assessment Report, and full and frank discussion thereof, including balancing the desirability of instituting, prosecuting and/or intervening in the Major Controversy against the desirability of accepting any settlement proposals from the adversary party or parties, the Board shall call for a vote of the Members, whereupon: (i) if less than Majority of the Members vote in favor of pursuing such Major Controversy and levying the Special Litigation Assessment, then the Major Controversy shall not be pursued further, but (ii) if a Majority of the Members affirmatively vote in favor of pursuing such Major Controversy, and in favor of levying a Special Litigation Assessment on the Members in the amounts and for the duration set forth in the Special Assessment Report, then the Board shall be authorized to proceed to institute, prosecute, maintain, and/or intervene in the Major Controversy. In such event, the Board shall engage the attorney who gave the opinion and quote set forth in the Attorney Letter, which engagement shall be expressly subject to the Attorney Letter. The terms of such engagement shall require (x) that said attorney shall be responsible for all attorneys' fees and costs and expenses whatsoever in excess of one hundred ten percent (110%) of the Quoted Litigation Costs, and (y) that said attorney shall provide, and the Board shall distribute to the Members, not less frequently than monthly, a written update of the progress and current status of, and the attorney's considered prognosis for, the Major Controversy, including any offers of settlement and/or settlement prospects, together with an itemized summary of attorneys fees and costs incurred to date in connection therewith.

12.3 Settlement. In the event of any bona fide settlement offer from the adverse party or parties in the Major Controversy, if the Association's attorney advises the Board that acceptance of the settlement offer would be reasonable under the circumstances, or would be in the best interests of the Association, or that said attorney no longer believes that the Association is assured of a substantial likelihood of prevailing on the merits without prospect of material liability on any counterclaim, then the Board shall have the authority to accept such settlement offer. In all other cases, the Board shall submit any settlement offer to the Owners, who shall have the right to accept any such settlement offer upon assent by a Majority of the Members. If any civil action in which the Association is a party is settled (whether or not a Major Controversy), the Board shall disclose the terms and conditions of the settlement at the next regularly scheduled meeting of the Board after the settlement has been reached.

12.4 No Use of Reserves. In no event shall any Association reserves be used as the source of funds to institute, prosecute, maintain and/or intervene in proceeding, including any Major Controversy.

12.5 Failure to Comply. Any provision in this Declaration notwithstanding other than as set forth in this Article, the Association shall have no power whatsoever to institute, prosecute, maintain, or intervene in any Major Controversy Proceeding. Any institution, prosecution, or maintenance of, or intervention in, a Major Controversy by the Board without first strictly complying with, and thereafter continuing to comply with, each of the provisions of this Article, shall be unauthorized and ultra vires as to the Association, and shall subject any Director who voted or acted in any manner to violate or avoid the provisions and/or requirements of this Article to personal liability to the Association for all costs and liabilities incurred by reason of

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the unauthorized institution, prosecution, or maintenance of, or intervention in, the Major Controversy. This Article may not be amended or deleted at any time without the express prior written approval of both: (1) Members representing not less than seventy-five percent (75%) of the total voting power of Association, and (2) not less than seventy-five percent (75%) of the total voting power of the Board of Directors; and any purported amendment or deletion of this Article, or any portion hereof, without both of such express prior written approvals shall be void.

ARTICLE 13 GOLF PROVISIONS

13.1 The Golf Course Property Generally. The Golf Course Property is part of the Project, but is not Common Area. Instead, the Golf Course Property is private property owned and operated by the Golf Owner and administered according to its membership policies and rules and regulations adopted from time to time. The Golf Course Property, and any golf course or related facilities thereon, shall be developed and provided at the discretion of the Golf Owner. The Golf Owner has the exclusive right to determine from time to time, in its sole discretion and without notice or approval of any change, how and by whom the Golf Course Property shall be used, if at all. By way of example, but not limitation, the Golf Owner has the right to approve users and determine eligibility for use, to reserve use rights, to terminate use rights, to change, eliminate or cease operations of the facilities, to limit the availability of use privileges, and to require the payment of a purchase price, membership contribution, initiation fee, membership deposit, dues, use charges and other charges for use privileges. Ownership of a Lot or any other portion of the Project or Membership in the Association shall not give any vested right, license, or easement, prescriptive or otherwise, to use the Golf Course Property, and does not grant any ownership or membership interest therein.

13.2 Rights of Access and Parking. The Golf Owner, its employees, agents, contractors and designees, and the persons permitted to use the Golf Course Property by the Golf Owner (regardless of whether such persons are Owners hereunder) and their guests shall at all times have the right and non-exclusive easement of access and use over all roadways within the Project, whether by automobile, maintenance vehicle, golf cart, or other means, as reasonably necessary to travel to and from the entrances to the Project from and to the Golf Course Property (including, without limitation, the maintenance facilities) respectively, and further, over those portions of the Common Elements reasonably necessary to the use, operation, maintenance, repair and replacement of the Golf Course Property. Without limiting the generality of the foregoing, persons who are permitted to use of the Golf Course Property and permitted members of the public shall have the right to park their vehicles on the roadways located within and coadjacent to the Project at reasonable times before, during and after golf tournaments and other similar functions held by or at the Golf Course Property so long as such parking does not impede or obstruct access to any Lot or Area of Common Responsibility.

13.3 Additional Golf Course Property Easements. Declarant hereby reserves for the benefit of the Golf Course Property and the Golf Owner and its successors and assigns, and for the benefit of their employees, contractors, agents, guests, invitees, licensees or members (collectively referred to as "beneficiaries") a perpetual non-exclusive easement over the Project

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for (i) maintenance of a clean, attractive fairway edge and transition from the Golf Course facilities to the unimproved areas, if any, of adjacent Lots, and (ii) all those adverse impacts on neighboring property associated with the operation of the Golf Course facilities upon the Golf Course Property, including, without limitation, overspray of irrigation water, golf ball intrusion, and the noise, odors, and sights associated with the use of golf course maintenance and operating equipment and supplies (such as irrigation systems, compressors, blowers, mulchers, tractors, mowers, fertilizers, sod, reclaimed water, pesticides, utility vehicles and pumps), and the negative impacts related to the conduct of tournaments and events upon the Golf Course Property (collectively, "Golf Course Impacts"). The phrase "Golf Course Impacts" is intended to be construed liberally to include all adverse consequences of golf course operation and activity which might be an annoyance or nuisance, particularly without limitation water overspray and maintenance activities. Any person or entity for whose benefit the right and easement herein is reserved shall not be liable to any Owner or the Association for any damage to person or property occasioned by the exercise of such right. Notwithstanding the foregoing, the easements reserved in this Section are not intended to confer on any beneficiary (as defined in this Section) the right to enter any Lot for the purpose of retrieving or playing any golf ball that falls within the boundaries of the Lot.

13.4 Issues Resulting from Proximity to Golf Course. Each Owner who acquires a Lot that is near or adjacent to any portion of the Golf Course Property, by acceptance of a deed to the Lot, acknowledges, accepts and assumes the risk of the special benefits and burdens associated with any Golf Course facilities now or hereafter located thereon, including, without limitation, those matters more particularly described below. Declarant, the Golf Owner, and each and every member, guest, golfer, employee or agent of the Golf Course Property, disclaims any liability for personal injury or property damage resulting in any way, all or in part, from any of the following items set forth in subparagraphs (a) through (h), inclusive, and each Owner accepts such disclaimer and agrees to release and waive any claims that the Owner, or any guest, invitee, employee or contractor of Owner, may have as a result of any such following items:

(a) Errant Golf Balls. Owners of Lots, particularly Lots abutting the Golf Course Property, acknowledge the inherent risk of errant golf balls (including, without limitation, the risk of personal injury or property damage, broken windows, and house damage) and assume and accept such risk, as to themselves, the members of their family, lessees, guests and invitees. Owners acknowledge and accept the risk that golfers may attempt to retrieve or play errant golf balls from any Lot and each Owner agrees to release and waive any claims that the Owner or any person visiting or residing on the Owner's Lot may have as a result of such retrieval.

(b) View Impairment/Privacy. Owners of Lots, including Owners of Lots abutting the Golf Course Property, have no guarantee that their view over and across the Golf Course Property will be forever preserved without impairment or that the view from the Golf Course Property will not be impaired. The Golf Owner has no obligation to prune or not prune trees or other landscaping and Declarant hereby reserves for the benefit of the Golf Course Property and the Golf Owner the right, at the Golf Owner's sole and absolute discretion, to add, change or reconfigure the Golf Course Property and Improvements thereon, including,

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without limitation, Golf Course facilities, any trees, landscapes, tees, bunkers, fairways and greens of the Golf Course, regardless of whether such changes diminish or obstruct the view from any Lot. In addition, Owners of Lots accept and assume the risk of noise and a reduction in privacy caused by vehicular traffic and exterior audio systems customarily associated with the operation and maintenance of golf and clubhouse facilities, including traffic and noise associated with golf tournaments.

(c) Pesticides and Fertilizers. Pesticides, fertilizers and other chemicals will be utilized in connection with the maintenance and operation of the Golf Course Property and the Owners acknowledge, accept the use and assume the risk of such pesticides, fertilizers and chemicals, including, without limitation, the risk that such pesticides, fertilizers and chemicals may migrate or be blown onto a Lot, and the risk that some pesticides, fertilizers and chemicals may produce unpleasant odors.

(d) Over Spray. Owners of Lots, particularly Owners of Lots abutting the Golf Course Property, may experience "over spray" from the irrigation systems and/or water features on the Golf Course Property, particularly when the wind blows, and the Owners acknowledge, accept and assume the risk of such "over spray." Additionally, Owners acknowledge that treated effluent will be used to irrigate the Golf Course Property.

(e) Noise and Light. Owners of Lots, particularly Owners of Lots in proximity to any clubhouse or maintenance facilities on the Golf Course Property, may be exposed to lights, noise or activities resulting from use of the clubhouse for dining and entertainment and use of the parking lot, and the Owners acknowledge, accept and assume the risk of such light, noise or activities.

(f) No Direct Access to Golf Course Property from Adjacent Lots. Notwithstanding the proximity of the Golf Course Property to any Lot, and notwithstanding that the Owner of any Lot may have a right to use the Golf Course facilities as a result of membership or other rights acquired separately from ownership of a Lot or membership in the Association, neither the Association nor any Owner, resident or occupant of a Lot has a right of access to the Golf Course Property or Golf Course facilities directly from their Lot or Common Elements without the prior written consent of the Golf Owner. Neither the Association nor any Owner may permit any irrigation water to over spray to drain from their Common Elements or Lot onto any portion of the Golf Course Property except through storm drainage Improvements constructed by Declarant. Neither the Association nor any Owner may permit any fertilizer, pesticides or other chemical substances to over spray, drain, flow or be disposed of in any manner upon the Golf Course Property. If the Association or any Owner violates the provisions of this subparagraph, they shall be liable to the Golf Owner for all damages to the turf resulting from their violation and all damages, including consequential damages, suffered by the Golf Owner.

(g) Maintenance. Golf courses require daily maintenance, including mowing, irrigation and grooming, during early morning and evening hours, including without limitation the use of tractors, blowers, pumps, compressors and utility vehicles. Owners

of Lots, particularly Owners of Lots in proximity to the Golf Course Property, will be exposed to the noise and other effects of such maintenance, and the Owners acknowledge, accept and assume the risk of such noise and effects.

(h) Water Features. The Golf Course Property may include or be improved with one or more water features, including lakes and ponds. Each Owner shall be strictly prohibited from accessing any such water features, and accepts all risks imposed by such water features, including, without limitation, the risk that such water features may present an attractive nuisance to children and pets.

(i) Risk of Injury. Each Owner expressly assumes the above detriments and risks of owning property adjacent to the golf course and agrees that neither Declarant, the Golf Owner or manager, the architect or designer of the golf course facilities nor any of their successors or assigns shall be liable to the Owner or to anyone claiming any loss, damage or personal injury, destruction of property, trespass or any other alleged wrong or entitlement to remedy based upon or arising out of the proximity of the Owner's Lot to the Golf Course Property or alleged errors in the design of any golf course fairways in relation to Lots, Common Elements, Areas of Common Responsibility, or other property in the Project. Each Owner of a Lot hereby agrees to indemnify and to hold harmless, the Declarant and the Golf Owner and manager and their successors and assigns, against any and all such claims by the Owner or his or her family, guests, or invitees.

13.5 Representation or Warranties. Ownership or operation of the Golf Course Property may change at any time. The consent of the Association or any Owner is not required to effect any change in the ownership or operation of the Golf Course Property.

13.6 Maintenance Issues.

13.6.1 Golf Course Property Appearance. Each Owner acknowledges and agrees that neither any Owner nor the Association shall have any right to compel the Golf Owner to maintain the Golf Course Property or any improvements thereon to any particular standard of care and that the appearance of the Golf Course Property and improvements shall be determined in the sole discretion of the Golf Owner.

13.6.2 Golf Course Cart Paths. Portions of the golf cart path system may be situated within the Common Elements, and easements for such cart paths may be reserved in the deed conveying such Common Elements to the Association or created pursuant to Section 2.4.2 above. Notwithstanding anything else herein to the contrary, the Association shall have no right to restrict or regulate the use of any cart paths located upon the Common Elements pursuant to a valid easement right. Furthermore, and notwithstanding anything else herein to the contrary, no Owner or invitee shall have any right to use any portion of the golf cart path system, including any portion situated on the Common Elements without the prior approval of the Golf Owner. The Golf Owner shall have the sole duty and obligation to maintain, repair and replace any portion of the golf cart path system which may be situated on the Common Elements.

13.6.3 Authority To Maintain Property Adjacent To Club Property. If either the Association or an Owner fails to maintain any landscaping, situated within 30 feet of the Golf Course Property ("defaulting party"), the Golf Owner shall have the right, but not the duty, to maintain the landscaping or to clear brush at the sole cost and expense of the defaulting party. If the Golf Owner desires to perform any such maintenance authorized by the preceding sentence, the Golf Owner shall first notify the defaulting party in writing and provide the defaulting party with at least 30 days from the date of the notice to perform such maintenance. If the defaulting party fails to commence and complete such maintenance within such 30-day period, the Golf Owner shall have the right, in the nature of an easement, to enter the Lot or Common Elements on which the maintenance is required (i.e., the 30 foot area adjacent to the Golf Course Property) during reasonable business hours and perform such maintenance. The defaulting party shall reimburse the Golf Owner for the costs of performing any such maintenance within 10 days after receipt of a demand for reimbursement.

13.7 Golf Owner's Disapproval Rights. Golf Owner shall have the right to disapprove actions of the Board which in its reasonable judgment materially and adversely affects the use of the Golf Course Property or the Golf Owner's rights or obligations under this Declaration. This right may be exercised by Golf Owner at any time within ten (10) days after the Golf Owner's receipt of the notice of such proposed action.

13.8 Amendment. No portion of this Article XIII, or any other provision of this Declaration expressly referencing the Golf Course Property, the Golf Course, or the Golf Owner (such as, by way of example, the initial clause of Section 2.3) may be amended without the prior written consent of Declarant, for so long as the Declarant owns any portion of the Project or Annexable Property, and the prior written consent of the Golf Owner.

ARTICLE 14 CONSERVATION AREA

14.1 Conservation Areas; Maintenance Protection. Portions of the Project may be designated and dedicated by Declarant as "Conservation Areas" on Maps for the Project. The restoration, conservation, preservation and maintenance of the Conservation Areas shall be the perpetual responsibility of the _____ Conservation Trust (the "Conservation Trust"). Certain Lots may be adjacent to such Conservation Areas. The Conservations Areas may be described in any permits, plans and ordinances issued by any applicable governmental agencies ("Permits"). The permits may set forth various use, protection, and other restrictions respecting the Project. The Association shall permit representatives of all appropriate governmental agencies to enter and monitor such portions of the Project upon reasonable notice.

14.2 Conservation Fees.

14.2.1 As a funding source for the "Conservancy Trust Fund" referred to more particularly below, a "Conservation Transfer Fee" will be payable upon each transfer of title to a Lot. The obligation of Owners to pay Conservation Transfer Fees shall be secured by the

Association's lien for Assessments described herein. The Conservation Transfer Fee shall be charged to each seller of a Lot and shall be payable to the Association at the closing of the transfer. Each Owner shall notify the Association's Secretary or designee at least seven (7) days prior to the scheduled closing and provide the name of the buyer, the date of title transfer, and other information the Board may reasonably require.

14.2.2 The Conservation Transfer Fee shall be equal to one-half of one percent (.5%) of the Lot's gross selling price. The gross selling price of a Lot is the total cost to the purchaser of the Lot, excluding any real estate transfer taxes and fees imposed by applicable law.

14.2.3 Purpose. The Conservation Transfer Fees shall be placed by the Association in a separate account designated as the "Conservancy Trust Fund" and used by the Conservation Trust to provide funding for the maintenance of Project Conservation Areas or any conservation easement within the Project or lands associated with the Project, and activities and such other purposes as the Conservation Trust deems beneficial to the general good and welfare of _____. For example, Conservation Fees might be used in funding:

(i) the preservation and maintenance of natural areas, wildlife preserves, or similar Conservation Areas or any conservation easement and sponsorship of educational programs and activities that contribute to the overall understanding, appreciation, and preservation of the natural environment within and surrounding _____.

(ii) programs and activities which enhance the welfare, benefit, and lifestyle of residents within and outside of _____.

(iii) programs, services, and activities which serve to promote a sense of community within _____, such as recreational leagues, cultural programs, educational programs, festivals and holiday celebrations and activities, a _____ computer network, and recycling programs.

(iv) social services, educational programs, community outreach programs, and other charitable causes; and

(v) promotion of _____ as a desirable place to live.

14.2.4 Notwithstanding the above, no Conservation Transfer Fee shall be levied upon transfer of title to a Lot:

(i) by or to the Declarant;

(ii) to a participating Builder designated by the Declarant who holds title solely for purposes of development and resale;

(iii) by a co-Owner to any person who was a co-Owner of the same Lot immediately prior to such transfer;

(iv) to the Owner's estate, surviving spouse, or heirs at law upon the death of the Owner;

(v) to an entity wholly owned by the grantor or to a family trust created by the grantor for the benefit of grantor, his or her spouse, and/or heirs at law; provided, upon any subsequent transfer of an ownership interest in such entity, the Conservation Transfer Fee shall become due;

(vi) to a Beneficiary pursuant to a Deed of Trust or upon foreclosure of a Deed of Trust; or

(vii) under circumstances which the Board, in its discretion, deems to warrant classification as an exempt transfer (e.g., a transfer made solely for estate planning purposes may be but is not required to be, deemed exempt from payment of the Conservation Transfer Fee).

ARTICLE 15 MISCELLANEOUS PROVISIONS

15.1 Duration. The provisions of this Declaration shall continue and be effective for a period of fifty (50) years from the date of recordation hereof and shall be automatically extended for successive periods of ten (10) years each until (i) the Owners of at least eighty percent (80%) of the Lots within the Project shall execute a written instrument, which may be executed in counterparts, in recordable form declaring that the provisions of this Declaration shall terminate, and (ii) such written instrument is recorded in the office of the Recorder of Douglas County, Nevada.

15.2 Amendment. Except as otherwise provided in NRS Section 116.2117, Section 2-A.13, Section 10.5, Section 12.5, Section 13.9, and this Section 14.2, this Declaration may be amended by vote or agreement of not less than a majority of the voting power of the Association. All such amendments must be in writing, and prepared, executed, recorded and certified on behalf of the Association by an officer of the Association designated for such purpose or by the President of the Association in the absence of such designation. Such amendment shall be recorded in the office of the Douglas County Recorder. An action to challenge the validity of an amendment adopted by the Association under this Section may not be brought more than one year after the amendment is recorded. Nothing herein shall be deemed to limit or expand any of the rights or duties arising under Section 116.21175 of the Act.

Notwithstanding the foregoing, Declarant hereby reserves the right to amend this Declaration unilaterally prior to the close of the first sale of a Lot. Furthermore, notwithstanding the foregoing or anything else herein to the contrary, (i) the Numeric Exhibit for a Lot may not be amended without the prior written consent of the Owner of the Lot to which the Numeric

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Exhibit relates, and the prior written consent of the Golf Owner if the Numeric Exhibit includes a nondevelopment area for the benefit of the Golf Course Property, (ii) the provisions hereof related to Cost Centers may not be materially amended without the prior written consent of Owners representing a majority of the Lots included in Cost Centers in the Project, and (iii) the provisions of any Supplemental Declaration may not be materially amended without the prior written consent of Owners representing a majority of the Lots included in the Cost Center to which the Supplemental Declaration relates.

15.3 Enforcement and Waiver.

15.3.1 Owner's Right of Enforcement. In addition to the rights of enforcement granted to the Association pursuant to the provisions of Section 5.1.3 hereof, any Owner shall have the right (but not the duty) to enforce any and all of the covenants, conditions, and restrictions now or hereafter imposed by this Declaration upon the Owners or upon any of the Project.

15.3.2 Violations and Nuisance. Every act or omission whereby a covenant, condition, or restriction of the Declaration is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action.

15.3.3 Violation of Law. Any violation of any state, municipal, or local law, ordinance, or regulation pertaining to the ownership, occupation, or use of any portion of the Project is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures herein set forth.

15.3.4 Remedies Cumulative. Each remedy provided by the Declaration is cumulative and not exclusive.

15.3.5 Nonwaiver. The failure to enforce the provisions of any covenant, condition, or restriction contained in this Declaration shall not constitute a waiver of any right to enforce any such provisions or any other provisions of this Declaration.

15.4 Termination of Former Owner's Liability for Assessments. Upon the conveyance, sale, assignment, or other transfer of a Lot to a new Owner, the transferring Owner shall not be liable for any Assessments levied with respect to such Lot after notification of the Association of such transfer in the manner provided in Sections 4.4 and 14.5 hereof and the payment of a transfer fee as provided in Section 4.4 hereof. No person, after the termination of his status as an Owner and prior to his again becoming an Owner, shall incur any of the obligations or enjoy any of the benefits of an Owner under this Declaration.

15.5 Notices. All notices hereunder to the Association or the Board shall be sent by regular mail, or registered or certified mail, return receipt requested, addressed to the Board at the address of the Manager, or to such other place as the Board may designate from time to time

15.3.5 Nonwaiver. The failure to enforce the provisions of any covenant, condition, or restriction contained in this Declaration shall not constitute a waiver of any right to enforce any such provisions or any other provisions of this Declaration.

15.4 Termination of Former Owner's Liability for Assessments. Upon the conveyance, sale, assignment, or other transfer of a Lot to a new Owner, the transferring Owner shall not be liable for any Assessments levied with respect to such Lot after notification of the Association of such transfer in the manner provided in Sections 4.4 and 14.5 hereof and the payment of a transfer fee as provided in Section 4.4 hereof. No person, after the termination of his status as an Owner and prior to his again becoming an Owner, shall incur any of the obligations or enjoy any of the benefits of an Owner under this Declaration.

15.5 Notices. All notices hereunder to the Association or the Board shall be sent by regular mail, or registered or certified mail, return receipt requested, addressed to the Board at the address of the Manager, or to such other place as the Board may designate from time to time by notice in writing to the Owners of all of the Lots. Until the Owners are notified otherwise, all notices to the Association or to the Board shall be addressed as follows:

Clear Creek Tahoe Homeowners Association
c/o Clear Creek Ranch, LLC
990 Ironwood Drive
Minden, NV 89423

All notices given by the Association to any Owner shall be sent by regular mail, or by registered or certified mail, return receipt requested, to such Owner's Lot address or to such other address as may be designated by such Owner from time to time, in writing, to the Board. All notices to Eligible Mortgage Holders shall be sent by registered or certified mail, return receipt requested, at the address to which such Eligible Mortgage Holder has last requested that notice be sent by notifying the Association in the manner provided in this Section 15.5. All notices shall be deemed to have been received within seventy-two (72) hours after the mailing thereof, except notices of change of address which shall be deemed to have been given when actually received.

15.6 Approvals. Any consent or approvals by the Board or Design Review Committee shall be in writing.

15.7 Construction and Severability; Singular and Plural; Titles.

15.7.1 Restrictions and Easements Construed Together. All of the covenants, conditions, restrictions and easements of this Declaration shall be liberally construed together to promote the purposes of this Declaration as set forth herein.

15.7.2 Restrictions and Easements Severable. The covenants, conditions, restrictions and easements contained in this Declaration shall be deemed independent and severable; and the invalidity or partial invalidity of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

liable for any loss or damage by reason of failure to provide adequate security or of ineffectiveness of security measures undertaken (including, without, limitation, operation of the entry gate). No representation or warranty is made that any fire protection or security system cannot 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, understands and covenants to inform its occupants that the Association, the Board and Declarant, are not insurers or liable to persons living in or visiting the Project for conduct resulting from acts of third parties.

15.9 Grantee's Acceptance. Each grantee or purchaser of any Lot within the Project shall, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent owner of such Lot, accept such deed or contract upon and subject to each and all of the provisions of this Declaration and to the jurisdiction, rights, powers, privileges and immunities of Declarant and of the Association. By acceptance, such grantee or purchaser shall for himself (his heirs, personal representatives, successors and assigns) covenant, consent and agree to and with Declarant, and to and with the grantees and subsequent owners of each of the other Lots in the Project, to keep, observe, comply with and perform all of the provisions of this Declaration and shall further agree to the continuation to completion of the Project and all parts and projected Lots therein in substantially the manner heretofore approved by Douglas County.

15.10 School Disclosure. The Douglas County School District ("School District") operates schools nearby the Project. The School District is solely responsible for the timing of any new public school construction and whether or not new schools are built. No representation or warranty is given by Declarant that the School District will construct new schools in the future in the vicinity of the Project. Similarly, the School District is solely responsible for and controls attendance zoning for all schools, and the Association and Declarant make no representation, warranty or guaranty that the children living in the Project will be allowed to attend any particular school. Furthermore, Owner hereby acknowledges that students within the Project may not be zoned for the closest elementary, middle, or high school and may be bused to the nearest school with the capacity to accept new students. All potential buyers should contact the School District for the latest attendance zoning information before purchasing a Lot within the Project.

15.11 Rockery Wall Rodent Disclosure. Each Owner, by acceptance of a deed to a Lot, acknowledges that rockery walls provide a favorable habitat for wild rodents such as ground squirrels, chipmunks, and others that can acquire plague through the bite of an infected flea. The rock surface provides an urban interface with these wild rodents. There is a risk of disease transmission to humans and domestic animals, especially cats. For this reason the public should not handle any wild rodents. An awareness of this risk by residents moving into developments having rockery walls will reduce the risk of disease transmission.

15.12 Notice to Bulk Purchasers. Any potential purchaser of a portion of the Project, other than a consumer homebuyer purchasing a Lot, is hereby directed to contact the Douglas



County Department of Community Development to review conditions of approval for the Project prior to the finalization of such sale.

15.13 Disclosure Regarding Agricultural Uses. Douglas County has declared it a policy to protect and encourage agricultural operations. If any portion of the Project is located near an agricultural operation, the Owners near that portion may at some time be subject to inconvenience or discomfort arising from agricultural operations. If conducted in a manner consistent with proper and accepted standards, these inconveniences and discomforts do not constitute a nuisance for purposes of the Douglas County Code.

15.14 Indemnification for County Roads. Each Owner (including, without limitation, each Participating Builder) shall indemnify, protect, defend and hold harmless Declarant, without limitation, on any claims arising from any damage caused by such Owner to any right-of-way owned and/or maintained by Douglas County.

15.15 Disclosure Regarding Growth Restrictions. Declarant makes no representation, covenant, or warranty of any type whatsoever that any Owner (including, without limitation, any Participating Builder) will be able to obtain a building permit from Douglas County within any particular timeframe. Declarant encourages each Owner to consult with qualified planning and legal professionals to determine how any applicable growth restrictions may impact such Owner's plans for development of any Lot. Each Owner, by acceptance of a deed to a Lot, agrees to release Declarant from any and all liability related to application to such Owner's Lot of any growth restrictions now or hereafter in place in Douglas County.

15.16 Reservation of Rights. Notwithstanding anything else herein to the contrary, no Owner may use the name "Clear Creek Tahoe" or "Clear Creek Ranch", the logo or mark of either of these, in any advertisement or promotional material of any kind or nature whatsoever without first obtaining the prior written consent of Declarant. Declarant hereby reserves all rights associated with the names "Clear Creek Tahoe" and "Clear Creek Ranch", and the logo and/or mark of each, and expressly reserves the right to use such names in relation to the Golf Course Property and/or other real estate developments undertaken by Declarant, its subsidiaries, and its affiliates

15.17 Golf Course Disclosure. Ownership of property near a golf course has special considerations and risks attached to it. Owner and Owner's family, guests, pets, house, yard, furniture, vehicles, equipment, facilities and other property may be damaged by golf balls which are hit into a Lot or Area of Common Responsibility. Golf balls can cause serious injury or death as well as broken glass and other house damage. Golfers may trespass on property to retrieve their golf balls. Water used to irrigate the Golf Course may spray over on a Lot, particularly when the wind blows. Golf course maintenance and operating equipment (such as irrigation systems, compressors, blowers, mulchers, tractors, mowers, utility vehicles and pumps, including those vehicles using the Golf Course maintenance path along the northerly boundary of the Project) may be noisy and may be operated at all times of the day and night. Light from nighttime clubhouse activities or maintenance operations may be offensive to nearby residents. There may be odors caused by irrigation and fertilizer on the turf of the Golf Course, including,



without limitation, odors caused by the treated effluent used to irrigate the Golf Course. An Owner may be disturbed or suffer a loss of privacy because of golf cart traffic and golfers. Tournaments held on the Golf Course are likely to increase the noise and traffic and result in further loss of privacy. Pesticides and chemicals may be applied to the Golf Course throughout the year and reclaimed water, treated wastewater or other sources of nonpotable water may be used for irrigation on the Golf Course. Access directly from any home site in the Project to the Golf Course is prohibited, including, hiking or jogging. Views of the Golf Course may be obscured in the future by growth and planting of trees and foliage, and changes in the location of holes and other features may impair views or advantages to proximity of the Golf Course.

None of Declarant, the Golf Owner, or the Association has any obligation to provide insurance, indemnity or other protection to homeowners or residents within the Project, or their guests and pets, from any such light, noise, damage or injury. Furthermore, no representations or warranties of any kind have been or are being made with respect to the continued existence, use, physical condition, operation or regulation of the Golf Course. Each Owner, by acceptance of a deed to a Lot, expressly assumes the risk of damage from golf balls and other golf course activities, including activities detrimental to the use and enjoyment of Owner's property.


Each Owner agrees to hold harmless Declarant and affiliated companies, Golf Owner, officers, directors, employees and agents or any of them, from any liability for all injury, damage, costs or expenses caused by any activity on or in connection with the Golf Course causing injury or damage to Owner and Owner's family, guests, property and pets.

[Signature on Following Page]

IN WITNESS WHEREOF, the undersigned have executed this Declaration as of the day and year first above written.

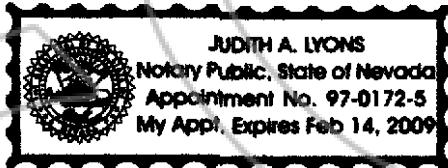
CLEAR CREEK RANCH, LLC,
a Nevada limited liability company

By: Clear Creek At Tahoe LLC,
a Nevada limited liability company
Its: Managing Member

By: 
Leo Andrew "Chip" Hanly
Its: Managing Member

STATE OF NEVADA)
)ss.
COUNTY OF DOUGLAS)

This instrument was acknowledged before me on July 28, 2008, by Leo Andrew "Chip Hanly" as Managing Member of Clear Creek At Tahoe LLC, a Nevada limited liability company, as Managing Member of Clear Creek Ranch, LLC, a Nevada limited liability company.



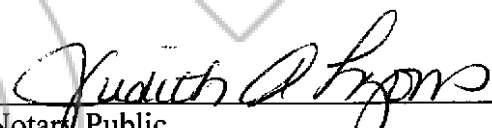
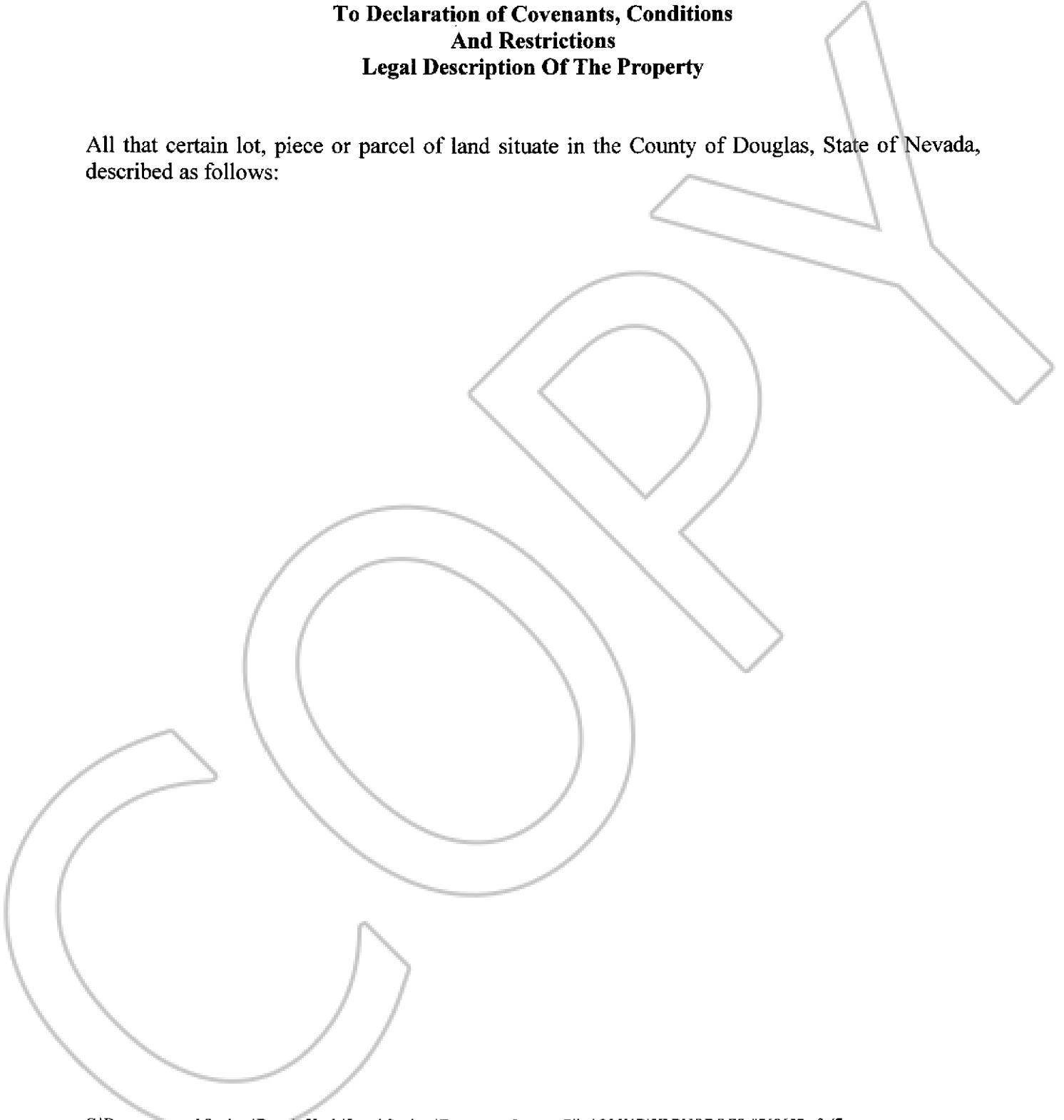

Notary Public
My Commission Expires: Feb 14, 2009

EXHIBIT "A"
To Declaration of Covenants, Conditions
And Restrictions
Legal Description Of The Property

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada,
described as follows:



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Adjusted Parcel I

A parcel of land situate in Section 3 and 4, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

BEGINNING at the Southwest corner of said Section 4;
Thence along the West line of said Section 4, North 00°07'40" East a distance of 2637.55 feet to the West One Quarter Corner of said Section 4;
Thence continuing along said West line of said Section 4, North 00°09'26" West a distance of 2682.92 feet to the Northwest corner of said Section 4;
Thence along the North line of said Section 4, North 89°19'56", East a distance of 1325.69 feet to the Northeast corner of the Northwest Quarter of the Northwest Quarter;
Thence along the East line of the West half of the said Northwest Quarter, South 00°08'36" West a distance of 1320.92 feet;
Thence leaving said East line, North 88°54'35" East a distance of 454.91 feet;
Thence South 64°51'04" East a distance of 147.82 feet;
Thence South 32°11'13" West a distance of 325.00 feet;
Thence South 27°18'19" East a distance of 320.00 feet;
Thence South 00°29'11" West a distance of 487.30 feet;
Thence North 88°49'34" East a distance of 2179.55 feet;
Thence North 00°27'38" East a distance of 1460.08 feet;
Thence South 89°06'10" West a distance of 1128.09 feet;
Thence South 00°27'37" West a distance of 457.50 feet;
Thence North 59°11'13" West a distance of 347.56 feet;
Thence North 00°27'38" East a distance of 574.77 feet;
Thence North 89°06'10" East a distance of 2651.73 feet;
Thence North 00°24'53" East a distance of 50.00 feet;
Thence North 31°21'59" East a distance of 45.79 feet to the centerline of Clear Creek Road;
Thence along the centerline of Clear Creek Road the following courses and distances;
South 58°38'01" East a distance of 835.11 feet;
Along the arc of a curve to the left having a radius of 500.00 feet; a central angle of 32°31'50", a distance of 283.88 feet;
Thence leaving said centerline, South 01°09'51" East a distance of 18.51 feet; Thence North 87°53'03" East a distance of 5.00 feet;
Thence along the arc of a curve to the right having a radius of 28.50 feet, a central angle of 113°23'21", a distance of 56.40 feet;
Thence along the arc of a compound curve to the right having a radius of 252.50 feet, a central angle of 76°27'17", a distance of 336.93 feet;
Thence North 82°16'19" West a distance of 36.21 feet;
Thence along the arc of a curve to the right having a radius of 28.50 feet, a central angle of 24°03'56", a distance of 11.97 feet;
Thence North 00°51'05" East a distance of 16.66 feet;

Thence along the arc of a curve to the left having a radius of 175.00 feet, a central angle of $91^{\circ}42'33''$, a distance of 280.11 feet;
 Thence South $89^{\circ}08'32''$ West a distance of 111.90 feet;
 Thence along the arc of a curve to the right having a radius of 100.00 feet, a central angle of $30^{\circ}08'50''$, a distance of 52.62 feet;
 Thence along the arc of a reverse curve to the left having a radius of 200.00 feet, a central angle of $60^{\circ}15'12''$, a distance of 210.32 feet;
 Thence North $04^{\circ}00'45''$ West a distance of 298.51 feet;
 Thence North $88^{\circ}40'41''$ West a distance of 130.03 feet;
 Thence South $31^{\circ}48'42''$ West a distance of 112.59 feet;
 Thence along the arc of a curve to the right having a radius of 100.00 feet, a central angle of $57^{\circ}32'59''$, a distance of 100.44 feet;
 Thence South $89^{\circ}21'41''$ West a distance of 272.37 feet;
 Thence South $07^{\circ}31'50''$ West a distance of 169.98 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South $33^{\circ}50'04''$ East, a radius of 191.85 feet, a central angle of $90^{\circ}10'10''$, a distance of 301.92 feet;
 Thence along the arc of a reverse curve to the right having a radius of 230.00 feet, a central angle of $66^{\circ}13'03''$, a distance of 265.81 feet;
 Thence South $57^{\circ}47'11''$ East a distance of 5.35 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South $32^{\circ}12'49''$ West, a radius of 200.00 feet, a central angle of $134^{\circ}44'09''$, a distance of 470.32 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South $28^{\circ}43'23''$ West, a radius of 332.50 feet, a central angle of $139^{\circ}17'08''$, a distance of 808.30 feet;
 Thence along the arc of a reverse curve to the right having a radius of 307.50 feet, a central angle of $111^{\circ}37'46''$, a distance of 599.10 feet;
 Thence South $01^{\circ}04'01''$ West a distance of 381.06 feet;
 Thence along the arc of a curve to the left having a radius of 372.50 feet, a central angle of $30^{\circ}40'27''$, a distance of 199.42 feet;
 Thence South $66^{\circ}57'11''$ West a distance of 86.33 feet;
 Thence South $45^{\circ}00'41''$ West a distance of 112.75 feet;
 Thence South $10^{\circ}52'22''$ West a distance of 117.98 feet;
 Thence South $16^{\circ}38'50''$ West a distance of 95.61 feet;
 Thence North $73^{\circ}21'10''$ West a distance of 168.01 feet;
 Thence along the arc of a non-tangent curve to the left having a tangent bearing of North $71^{\circ}28'59''$ West, a radius of 161.05 feet, a central angle of $59^{\circ}14'49''$, a distance of 166.53 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of North $57^{\circ}54'12''$ West, a radius of 117.02 feet, a central angle of $57^{\circ}34'32''$, a distance of 117.59 feet;
 Thence South $59^{\circ}39'19''$ West a distance of 352.28 feet;
 Thence North $36^{\circ}35'53''$ West a distance of 180.59 feet;
 Thence South $71^{\circ}44'39''$ West a distance of 107.51 feet;
 Thence South $80^{\circ}11'32''$ West a distance of 83.62 feet;
 Thence South $88^{\circ}48'52''$ West a distance of 30.27 feet;
 Thence North $72^{\circ}40'31''$ West a distance of 14.68 feet;
 Thence South $62^{\circ}13'07''$ West a distance of 189.17 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of North $75^{\circ}48'58''$ West, a radius of 322.50 feet, a central angle of $12^{\circ}46'03''$, a distance of 71.86 feet;
 Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of $31^{\circ}20'11''$, a distance of 151.77 feet;
 Thence North $74^{\circ}04'28''$ East a distance of 169.17 feet;
 Thence North $08^{\circ}49'37''$ East a distance of 67.76 feet;
 Thence North $75^{\circ}25'24''$ East a distance of 308.30 feet;
 Thence North $70^{\circ}28'48''$ East a distance of 595.82 feet;
 Thence North $07^{\circ}44'18''$ East a distance of 234.97 feet;
 Thence North $85^{\circ}58'00''$ West a distance of 873.38 feet;



Thence North 87°23'11" West a distance of 226.13 feet;
Thence North 79°48'06" West a distance of 219.12 feet;
Thence South 44°21'15" West a distance of 173.27 feet;
Thence South 89°04'30" West a distance of 180.31 feet;
Thence South 31°37'15" West a distance of 310.39 feet;
Thence North 64°18'43" West a distance of 383.46 feet;
Thence North 00°26'56" West a distance of 120.69 feet;
Thence North 88°57'09" West a distance of 1126.33 feet;
Thence South 26°56'31" West a distance of 164.39 feet;
Thence South 63°02'22" East a distance of 65.29 feet;
Thence South 56°34'18" East a distance of 57.53 feet;
Thence South 13°31'46" East a distance of 231.61 feet;
Thence South 05°17'16" West a distance of 269.78 feet;
Thence North 39°46'59" West a distance of 347.54 feet;
Thence North 72°20'47" West a distance of 262.36 feet;
Thence South 39°21'07" West a distance of 317.38 feet;
Thence South 06°09'45" West a distance of 314.73 feet;
Thence South 43°34'46" West a distance of 75.90 feet;
Thence South 83°57'07" West a distance of 132.37 feet;
Thence South 15°59'13" West a distance of 1018.32 feet;
Thence South 29°04'35" West a distance of 257.50 feet;
Thence South 85°17'33" West a distance of 352.35 feet;
Thence South 61°22'11" West a distance of 255.88 feet;
Thence South 01°00'02" East a distance of 500.52 feet to a point on the South line of said Section 4;
Thence along said South line, South 88°59'58" West a distance of 842.78 feet to the POINT OF BEGINNING.

Adjusted Parcel 2

A parcel of land situate in Section 10, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Northwest corner of Section 10;
Thence South 35°22'45" East a distance of 1474.78 feet to the POINT OF BEGINNING
Thence South 19°33'34" East a distance of 153.33 feet;
Thence North 71°52'48" East a distance of 383.67 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 31°52'24" East, a radius of 322.50 feet, a central angle of 13°04'56", a distance of 73.64 feet;
Thence South 66°21'21" West a distance of 445.22 feet;
Thence South 33°34'49" East a distance of 161.94 feet;
Thence South 18°09'34" East a distance of 157.47 feet;
Thence North 72°59'38" East a distance of 171.93 feet;
Thence South 85°10'02" East a distance of 339.19 feet;
Thence South 12°59'43" East a distance of 110.39 feet;
Thence along the arc of a non tangent curve to the right having a tangent bearing of South 70°59'30" West, a radius of 777.50 feet, a central angle of 21°36'58", a distance of 293.33 feet;
Thence along the arc of a reverse curve to the left having a radius of 222.50 feet, a central angle of 99°38'14", a distance of 386.93 feet;
Thence South 66°06'49" West a distance of 300.78 feet;
Thence North 00°57'54" West a distance of 183.86 feet;
Thence North 35°14'49" West a distance of 192.44 feet;
Thence North 02°25'17" West a distance of 369.11 feet;

Thence North 21°07'41" East a distance of 236.11 feet;
Thence North 46°13'23" East a distance of 165.58 feet to the POINT OF BEGINNING.

Adjusted Parcel 3

A parcel of land situate in Section 3, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

BEGINNING at the Southeast corner of Southwest Quarter of the Northwest Quarter of said Section 3;
Thence South 89°13'59" West a distance of 106.22 feet;
Thence along the arc of a non tangent curve to the right having a tangent bearing of North 05°56'08" West, a radius of 327.50 feet, a central angle of 07°00'09", a distance of 40.03 feet;
Thence North 01°04'01" East a distance of 381.06 feet;
Thence along the arc of a curve to the left having a radius of 352.50 feet, a central angle of 111°37'46", a distance of 686.78 feet;
Thence along the arc of a reverse curve to the right having a radius of 287.50 feet, a central angle of 147°34'19", a distance of 740.49 feet;
Thence along the arc of a compound curve to the right having a radius of 51.50 feet, a central angle of 46°38'06", a distance of 41.92 feet;
Thence along the arc of a reverse curve to the left having a radius of 352.00 feet, a central angle of 32°50'41", a distance of 201.78 feet;
Thence along the arc of a reverse curve to the right having a radius of 66.50 feet, a central angle of 46°55'42", a distance of 54.47 feet;
Thence South 82°16'19" East a distance of 104.19 feet;
Thence along the arc of a curve to the left having a radius of 297.50 feet, a central angle of 86°05'35", a distance of 447.03 feet;
Thence along the arc of a reverse curve to the right having a radius of 28.50 feet, a central angle of 65°42'06", a distance of 32.68 feet;
Thence North 77°20'12" East a distance of 5.00 feet;
Thence North 14°03'31" West a distance of 17.78 feet to the centerline of Clear Creek Road;
Thence along the centerline of said Clear Creek Road the following courses and distances;
Along the arc of a non tangent curve to the left having a tangent bearing of North 75°56'29" East, a radius of 500.00 feet, a central angle of 03°26'02", a distance of 29.97 feet;
North 72°30'27" East a distance of 109.80 feet;
Along the arc of a curve to the right having a radius of 475.00 feet, a central angle of 09°03'38", a distance of 75.11 feet;
Thence leaving said centerline and along the East line of the West Half of the Northwest Quarter of said Section 3, South 00°54'30" West a distance of 1629.37 feet to the POINT OF BEGINNING.

Adjusted Parcel 4

A parcel of land situate in Sections 2, 3, 9 and 10, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

BEGINNING at the Southeast Corner of said Section 3;
Thence along the South line of said Section 3, South 89°34'15" West a distance of 1326.70 feet to the Southwest corner of the Southeast Quarter of the Southeast Quarter of said Section 3;
Thence leaving said South line and along the East line of the Northwest Quarter of the

Northeast Quarter of said Section 10, South 00°09'31" East a distance of 1305.60 feet to the Southeast corner of the Northwest Quarter of the Northeast Quarter of said Section 10;
Thence leaving said East line and along the North line of the Southeast Quarter of the Northeast Quarter of said Section 10, North 89°23'41" East a distance of 1326.12 feet to the Northeast corner of the Southeast Quarter of the Northeast Quarter of said Section 10;
Thence leaving said North line and along the East line of the Southeast Quarter of the Northeast Quarter of said Section 10, South 00°08'31" East a distance of 1301.16 feet to the East One Quarter corner of said Section 10;
Thence leaving said East line and along the East - West Center Section line of said Section 10, South 89°12'38" West a distance of 5303.16 feet to the West One Quarter corner of said Section 10;
Thence along the East - West Center Section line of the Northeast Quarter of said Section 9, South 88°27'48" West a distance of 2625.05 feet to the Center One Quarter Corner of said Section 9;
Thence along the North - South Centerline of said Section 9, North 00°06'48" West a distance of 537.94 feet;
Thence leaving said North - South Centerline, North 89°53'12" East a distance of 129.49 feet;
Thence South 37°47'17" East a distance of 279.89 feet;
Thence South 26°26'09" East a distance of 102.30 feet;
Thence South 58°25'55" East a distance of 358.95 feet;
Thence North 88°27'48" East a distance of 754.76 feet;
Thence North 01°58'29" West a distance of 164.85 feet;
Thence North 75°04'27" West a distance of 272.32 feet;
Thence North 29°44'43" East a distance of 273.84 feet;
Thence North 65°01'01" West a distance of 350.51 feet;
Thence North 49°01'05" West a distance of 112.90 feet;
Thence North 07°09'01" West a distance of 99.58 feet;
Thence North 41°44'56" East a distance of 122.39 feet;
Thence North 04°06'30" East a distance of 309.64 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 41°27'25" East, a radius of 447.50 feet, a central angle of 19°33'06", a distance of 152.71 feet;
Thence South 04°06'30" West a distance of 235.44 feet;
Thence South 39°52'47" East a distance of 240.95 feet;
Thence North 84°16'51" East a distance of 200.65 feet;
Thence North 00°00'44" East a distance of 360.19 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of North 74°23'02" East, a radius of 447.50 feet, a central angle of 03°43'19", a distance of 29.07 feet;
Thence along the arc of a reverse curve to the right having a radius of 827.50 feet, a central angle of 09°43'46", a distance of 140.52 feet;
Thence South 36°06'05" East a distance of 182.48 feet;
Thence South 03°16'11" East a distance of 102.76 feet;
Thence South 33°02'41" East a distance of 97.44 feet;
Thence South 48°10'38" West a distance of 250.56 feet;
Thence South 18°35'42" East a distance of 355.78 feet;
Thence South 87°21'11" East a distance of 401.73 feet;
Thence North 68°12'46" East a distance of 223.25 feet;
Thence South 44°59'13" East a distance of 122.09 feet;
Thence South 00°19'56" East a distance of 218.89 feet;
Thence North 88°27'48" East a distance of 253.72 feet;
Thence North 89°12'38" East a distance of 120.46 feet;
Thence North 41°21'31" East a distance of 277.29 feet;
Thence North 05°30'33" West a distance of 213.63 feet;
Thence North 73°42'36" East a distance of 150.46 feet;
Thence South 31°34'52" East a distance of 533.97 feet;



Thence North 89°12'38" East a distance of 1278.35 feet;
 Thence North 19°04'56" West a distance of 157.36 feet;
 Thence North 60°08'27" West a distance of 504.99 feet;
 Thence North 45°41'12" West a distance of 254.66 feet;
 Thence South 87°11'10" West a distance of 62.67 feet;
 Thence North 48°43'34" West a distance of 71.37 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of North 52°21'40" East, a radius of 177.50 feet, a central angle of 40°14'48", a distance of 124.68 feet;
 Thence along the arc of a reverse curve to the left having a radius of 822.50 feet, a central angle of 22°41'53", a distance of 325.84 feet;
 Thence South 20°05'25" East a distance of 221.51 feet;
 Thence South 89°41'55" East a distance of 242.05 feet;
 Thence North 77°37'58" East a distance of 202.15 feet;
 Thence North 07°49'37" West a distance of 204.84 feet;
 Thence North 28°18'38" East a distance of 131.62 feet;
 Thence North 65°35'22" East a distance of 246.75 feet;
 Thence North 22°55'09" West a distance of 520.09 feet;
 Thence North 77°09'37" East a distance of 396.2 feet;
 Thence along the arc of a curve to the left having a radius of 222.50 feet, a central angle of 27°24'31", a distance of 106.44 feet;
 Thence South 17°00'43" East a distance of 388.80 feet;
 Thence South 77°20'33" East a distance of 227.19 feet;
 Thence North 48°03'07" East a distance of 603.96 feet;
 Thence North 88°47'11" East a distance of 332.64 feet;
 Thence North 03°15'33" East a distance of 152.47 feet;
 Thence North 56°21'23" West a distance of 350.44 feet;
 Thence North 05°03'22" West a distance of 226.16 feet;
 Thence North 51°38'15" West a distance of 230.44 feet;
 Thence North 73°12'58" East a distance of 486.50 feet;
 Thence North 49°31'10" East a distance of 161.10 feet;
 Thence North 00°11'11" West a distance of 402.80 feet;
 Thence North 43°30'42" West a distance of 78.34 feet;
 Thence North 87°06'37" West a distance of 68.92 feet;
 Thence North 34°03'09" West a distance of 86.27 feet;
 Thence North 71°31'17" West a distance of 159.92 feet;
 Thence North 60°36'42" West a distance of 127.48 feet;
 Thence North 33°17'27" East a distance of 51.59 feet;
 Thence North 10°03'37" West a distance of 192.97 feet;
 Thence North 70°42'27" West a distance of 138.76 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of North 14°43'20" East, a radius of 1522.50 feet, a central angle of 07°18'25", a distance of 194.16 feet;
 Thence along the arc of a reverse curve to the right having a radius of 477.50 feet, a central angle of 17°26'19", a distance of 145.33 feet;
 Thence along the arc of a reverse curve to the left having a radius of 522.50 feet, a central angle of 06°29'26", a distance of 59.19 feet;
 Thence South 80°15'05" East a distance of 78.65 feet;
 Thence North 31°53'08" East a distance of 183.02 feet;
 Thence South 84°39'19" East a distance of 107.67 feet;
 Thence North 31°37'04" East a distance of 139.55 feet;
 Thence North 01°18'09" East a distance of 172.42 feet;
 Thence North 30°35'03" East a distance of 438.91 feet;
 Thence North 41°29'41" East a distance of 165.63 feet;
 Thence North 05°18'35" East a distance of 611.29 feet to a point on the North line of the Northwest Quarter of the Southeast Quarter of said Section 3;



Thence along said North line, North 89° 12'25" East a distance of 171.41 feet to the Northeast Corner of the said Northwest Quarter of the Southeast Quarter;
 Thence leaving said North line and along the West line of the East Half of the Northeast Quarter of said Section 3, North 00°32'52" East a distance of 1871.23 feet to the centerline of Clear Creek Road;
 Thence along the said centerline of Clear Creek Road the following course and distances;
 Along the arc of a non tangent curve to the left having a tangent bearing of South 74°19'18" East, a radius of 357.00 feet, a central angle of 14°38'26", a distance of 91.22 feet;
 Along the arc of a compound curve to the left having a radius of 285.01 feet, a central angle of 19°33'47", a distance of 97.31 feet;
 Along the arc of a compound curve to the left having a radius of 526.21 feet, a central angle of 20°04'46", a distance of 184.41 feet;
 North 51°23'41" East a distance of 206.15 feet;
 Along the arc of a curve to the right having a radius of 425.00 feet, a central angle of 25°46'08", a distance of 191.14 feet;
 North 77°09'49" East a distance of 98.24 feet;
 Along the arc of a curve to the left having a radius of 325.00 feet, a central angle of 35°48'45" a distance of 203.14 feet;
 North 41°21'04" East a distance of 174.02 feet;
 Along the arc of a curve to the right having a radius of 1450.00 feet, a central angle of 13°08'54", a distance of 332.75 feet;
 Thence leaving said centerline and along the North line of the Northwest Quarter of the Northwest Quarter of said Section 2, North 89°23'06" East a distance of 1309.48 feet to the Northeast corner of the said Northwest Quarter of the Northwest Quarter;
 Thence leaving said North line and along the East line of the Northwest Quarter of the Northwest Quarter of said Section 2, South 00°14'39" West a distance of 1313.66 feet to the Southeast corner of the Northwest Quarter of the Northwest Quarter of said Section 2;
 Thence leaving said East line and along the North line of the Southeast Quarter of the Northwest Quarter, North 88°44'35" East a distance of 1311.79 feet to the Northeast corner of the Southeast Quarter of the Northwest Quarter of said Section 2;
 Thence leaving said North line and along the East line of said Southeast Quarter of the Northwest Quarter, South 00°25'29" West a distance of 1325.44 feet;
 Thence leaving said East line and along the said South line of the Southeast Quarter of the Northwest Quarter, South 89°15'15" West a distance of 1307.36 feet;
 Thence leaving said South line and along the East line of the West Half of the Southwest Quarter of said Section 2, South 00°30'46" West a distance of 2667.19 feet, to a point on the South line of said Section 2;
 Thence along the South line of said Section 2, South 88°31'25" West a distance of 1311.83 feet to the POINT OF BEGINNING.

Adjusted Parcel 5

A parcel of land situate in Section 3, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;
 Thence North 10°36'18" East a distance of 4098.10 feet to the POINT OF BEGINNING;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of North 58°12'23" West, a radius of 28.50 feet, a central angle of 54°40'16", a distance of 27.19 feet;
 Thence North 65°56'11" West a distance of 53.79 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 15°46'51" East, a radius of 28.50 feet, a central angle of 107°46'41", a distance of 53.61 feet;
 Thence along the arc of a reverse curve to the left having a radius of 332.50 feet, a central angle of 00°32'58", a distance of 3.19 feet'

Thence along the arc of a reverse curve to the right having a radius of 91.50 feet, a central angle of 19°22'28", a distance of 30.94 feet;
Thence along the arc of a reverse curve to the left having a radius of 108.50 feet, a central angle of 35°07'11", a distance of 66.51 feet;
Thence along the arc of a compound curve to the left having a radius of 353.00 feet, a central angle of 17°52'07", a distance of 11009 feet;
Thence along the arc of a compound curve to the left having a radius of 108.50 feet, a central angle of 35°07'11", a distance of 66.51 feet;
Thence along the arc of a reverse curve to the right having a radius of 91.50 feet, a central angle of 19°22'28", a distance of 30.94 feet;
Thence along the arc of a reverse curve to the left having a radius of 332.50 feet, a central angle of 13°21'56", a distance of 77.56 feet;
Thence along the arc of a non tangent curve to the right having a tangent bearing of South 77°28'29" West, a radius of 200.00 feet, a central angle of 221°48'43" a distance of 774.27 feet;
Thence along the arc of a reverse curve to the left having a radius of 100.00 feet, a central angle of 30°08'50", a distance of 52.62 feet;
Thence North 89°08'32" East a distance of 111.90 feet;
Thence along the arc of a curve to the right having a radius of 175.00 feet, a central angle of 91°42'33", a distance of 280.11 feet to the POINT OF BEGINNING.

Adjusted Parcel 6

A parcel of land situate in Sections 3 and 4, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows

:

COMMENCING at the Southwest corner of said Section 3;
Thence North 02°01'40" East a distance of 4168.23 feet to the POINT OF BEGINNING;
Thence North 57°47'11" West a distance of 5.35 feet;
Thence along the arc of a curve to the left having a radius of 230.00 feet, a central angle of 66°13'03", a distance of 265.81 feet;
Thence along the arc of a reverse curve to the right having a radius of 191.85 feet, a central angle of 90°1 0' 0", a distance of 301.92 feet;
Thence North 07°31'50" East a distance of 169.98 feet;
Thence North 89°21'41" East a distance of 272.37 feet;
Thence along the arc of a curve to the right having a radius of 100.00 feet, a central angle of 57°32'59", a distance of 100.44 feet;
Thence North 31°48'42" East a distance of 112.59 feet;
Thence South 88°40'41" East a distance of 130.03 feet;
Thence South 04°00'45" East a distance of 298.51 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 59°02'10" West, a radius of 200.00 feet, a central angle of 26°49'21", a distance of 93.63 feet to the POINT OF BEGINNING.

Adjusted Parcel 7

A parcel of land situate in Section 3, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;
Thence North 42°58'36" East a distance of 2807.20 feet to the POINT OF BEGINNING;
Thence North 47°21'02" East a distance of 127.01 feet;
Thence North 57°11'57" East a distance of 105.37 feet;
Thence South 88°18'58" East a distance of 475.67 feet;
Thence North 66°44'07" East a distance of 117.97 feet;



Thence North 70°40'55" East a distance of 202.10 feet;
 Thence North 03°18'44" East a distance of 98.96 feet;
 Thence North 27°32'44" East a distance of 107.74 feet;
 Thence North 06°08'05" East a distance of 99.36 feet;
 Thence North 01°38'41" West a distance of 110.72 feet to the North line of the Southeast Quarter of said Section 3;
 Thence along said North line, North 89°12'25" East a distance of 872.60 feet,
 Thence leaving said North line, South 05°18'35" West a distance of 611.29 feet;
 Thence South 41°29'41" West a distance of 165.63 feet;
 Thence South 30°35'03" West a distance of 438.91 feet;
 Thence South 01°18'09" West a distance of 172.42 feet;
 Thence South 31°37'04" West a distance of 139.55 feet;
 Thence North 84°39'19" West a distance of 107.67 feet;
 Thence South 31°53'08" West a distance of 183.02 feet;
 Thence North 80°15'05" West a distance of 78.65 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of North 18°21'48" East, a radius of 522.50 feet, a central angle of 11°44'21", a distance of 107.05 feet;
 Thence North 06°37'27" East a distance of 160.14 feet;
 Thence along the arc of a curve to the left having a radius of 322.50 feet, a central angle of 39°45'11", a distance of 223.16 feet;
 Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 84°38'56", a distance of 37.67 feet;
 Thence along the arc of a compound curve to the right having a radius of 227.50 feet, a central angle of 00°51'15", a distance of 3.39 feet;
 Thence North 37°37'33" West a distance of 45.00 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 52°22'27" West, a radius of 272.50 feet, a central angle of 01°41'11", a distance of 8.02 feet;
 Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 80°18'58", a distance of 35.75 feet;
 Thence along the arc of a reverse curve to the left having a radius of 322.50 feet, a central angle of 40°28'09", a distance of 227.79 feet;
 Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 75°56'33", a distance of 33.80 feet;
 Thence along the arc of a reverse curve to the left having a radius of 172.50 feet, a central angle of 07°26'18", a distance of 22.39 feet;
 Thence South 69°02'20" West a distance of 45.00 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 20°57'40" East, a radius of 127.50 feet, a central angle of 01°41'27", a distance of 3.76 feet;
 Thence along the arc of a compound curve to the right having a radius of 25.50 feet, a central angle of 93°46'26", a distance of 41.73 feet;
 Thence along the arc of a reverse curve to the left having a radius of 322.50 feet, a central angle of 00°35'33", a distance of 3.33 feet;
 Thence South 73°54'40" West a distance of 121.58 feet;
 Thence along the arc of a curve to the right having a radius of 527.50 feet, a central angle of 68°52'38", a distance of 634.13 feet;
 Thence along the arc of a reverse curve to the left having a radius of 1522.50 feet, a central angle of 05°26'16", a distance of 144.50 feet to the POINT OF BEGINNING.

Adjusted Parcel 8

A parcel of land situate in Section 3, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;

Thence North 24°44'22" East a distance of 2429.01 feet to the POINT OF BEGINNING;
Thence North 16°38'50" East a distance of 9561 feet;
Thence North 10°52'22" East a distance of 117.98 feet;
Thence North 45°00'41" East a distance of 112.75 feet;
Thence North 66°57'11" East a distance of 86.33 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 29°36'26" East, a radius of 372.50 feet, a central angle of 36°17'40", a distance of 235.96 feet; Thence along the arc of a reverse curve to the right having a radius of 1477.50 feet, a central angle of 13°33'47", a distance of 34975 feet;
Thence along the arc of a compound curve to the right having a radius of 28.50 feet, a central angle of 111°41'32", a distance of 55.56 feet;
Thence along the arc of a reverse curve to the left having a radius of 322.50 feet, a central angle of 27°43'31", a distance of 156.06 feet;
Thence North 73°21'10" West a distance of 591.78 feet to the POINT OF BEGINNING.

Adjusted Parcel 9

A parcel of land situate in Section 3, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;
Thence North 83°52'51" East a distance of 1647.97 feet to the POINT OF BEGINNING;
Thence North 31°57'03" East a distance of 115.43 feet;
Thence North 11°56'56" East a distance of 42.32 feet;
Thence North 05°49'43" West a distance of 39.22 feet;
Thence South 88°56'22" East a distance of 43.02 feet;
Thence North 60°28'16" East a distance of 54.92 feet;
Thence North 35°48'00" East a distance of 42.21 feet;
Thence North 06°53'04" East a distance of 46.51 feet;
Thence North 08°37'32" West a distance of 806.80 feet;
Thence North 09°28'15" East a distance of 419.47 feet;
Thence North 27°03'03" East a distance of 215.25 feet;
Thence North 52°00'43" East a distance of 110.26 feet;
Thence along the arc of a non tangent curve to the right having a tangent bearing of South 37°59'17" East, a radius of 1477.50 feet, a central angle of 00°46'35", a distance of 20.02 feet; Thence along the arc of a reverse curve to the left having a radius of 572.50 feet, a central angle of 23°49'21", a distance of 238.03 feet;
Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 94°29'13", a distance of 42.05 feet;
Thence along the arc of a compound curve to the right having a radius of 137.50 feet, a central angle of 01°32'28" a distance of 3.70 feet;
Thence South 55°00'22" East a distance of 45.00 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of North 34°59'38" East, a radius of 182.50 feet, a central angle of 05°45'59", a distance of 18.37 feet;
Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 80°28'02", a distance of 35.81 feet;
Thence along the arc of a reverse curve to the left having a radius of 572.50 feet, a central angle of 35°47'01", a distance of 357.55 feet;
Thence North 73°54'40" East a distance of 121.58 feet;
Thence along the arc of a curve to the right having a radius of 277.50 feet, a central angle of 112°42'47", a distance of 545.90 feet;
Thence South 06°37'27" West a distance of 160.14 feet;
Thence along the arc of a curve to the right having a radius of 477.50 feet, a central angle of 18°13'47", a distance of 151.93 feet;



Thence along the arc of a reverse curve to the left having a radius of 522.50 feet, a central angle of 17°26'19", a distance of 159.03 feet;
 Thence along the arc of a reverse curve to the right having a radius of 1477.50 feet, a central angle of 05°52'23", a distance of 151.45 feet;
 Thence along the arc of a compound curve to the right having a radius of 25.50 feet, a central angle of 110°04'52", a distance of 48.99 feet;
 Thence along the arc of a compound curve to the right having a radius of 177.50 feet, a central angle of 10°05'21", a distance of 31.26 feet;
 Thence South 43°27'31" West a distance of 45.00 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 46°32'29" East, a radius of 222.50 feet, a central angle of 17°13'24", a distance of 66.88 feet;
 Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 80°57'36", a distance of 36.03 feet;
 Thence along the arc of a compound curve to the right having a radius of 1477.50 feet, a central angle of 01°27'32", a distance of 37.62 feet;
 Thence South 18°39'15" West a distance of 178.21 feet;
 Thence along the arc of a curve to the right having a radius of 25.50 feet, a central angle of 90°00'00", a distance of 40.06 feet;
 Thence North 71°20'45" West a distance of 12.00 feet;
 Thence along the arc of a curve to the left having a radius of 322.50 feet, a central angle of 10°57'02", a distance of 6164 feet;
 Thence South 07°42'13" West a distance of 45.00 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 82°17'47" East, a radius of 277.50 feet, a central angle of 10°57'02", a distance of 53.04 feet;
 Thence South 71°20'45" East a distance of 14.15 feet;
 Thence along the arc of a curve to the right having a radius of 25.50 feet, a central angle of 84°40'20", a distance of 37.68 feet;
 Thence along the arc of a reverse curve to the left having a radius of 472.50 feet, a central angle of 33°10'47", a distance of 273.62 feet;
 Thence North 86°37'44" West a distance of 888.56 feet;
 Thence South 78°50'35" West a distance of 296.06 feet to the POINT OF BEGINNING.

Adjusted Parcel 10

A parcel of land situate in Sections 3 and 10, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southeast corner of said Section 3;
 Thence North 82°44'50" West a distance of 1751.11 feet to the POINT OF BEGINNING;
 Thence South 00°11'11" East a distance of 402.80 feet;
 Thence South 49°31'10" West a distance of 161.10 feet;
 Thence North 65°01'02" West a distance of 192.69 feet;
 Thence North 22°40'01" West a distance of 186.87 feet;
 Thence North 13°45'40" East a distance of 121.96 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of North 67°27'25" West, a radius of 322.50 feet, a central angle of 24°48'51", a distance of 139.67 feet;
 Thence along the arc of a reverse curve to the left having a radius of 177.50 feet, a central angle of 55°30'26", a distance of 171.96 feet;
 Thence North 08°09'00" West a distance of 45.00 feet;
 Thence South 81°51'00" West a distance of 52.27 feet;
 Thence along the arc of a curve to the right having a radius of 25.50 feet, a central angle of 96°51'28", a distance of 43.11 feet;
 Thence along the arc of a compound curve to the right having a radius of 427.50 feet, a central angle of 19°56'47", a distance of 148.83 feet;

Thence North 18°39'15" East a distance of 227.97 feet;
Thence along the arc of a curve to the left having a radius of 1522.50 feet, a central angle of 03°55'55", a distance of 104.48 feet;
Thence South 70°42'27" East a distance of 138.76 feet;
Thence South 10°03'37" East a distance of 192.97 feet;
Thence South 33°1 727" West a distance of 51.59 feet;
Thence South 60°36'42" East a distance of 127.48 feet;
Thence South 71°31'17" East a distance of 159.92 feet;
Thence South 34°03'09" East a distance of 86.27 feet;
Thence South 87°06'37" East a distance of 68.92 feet;
Thence South 43°30'42" East a distance of 78.34 feet to the POINT OF BEGINNING.

Adjusted Parcel 11

A parcel of land situate in Section 3, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;
Thence North 42°58'36" East a distance of 2807.20 feet to the POINT OF BEGINNING;
Thence along the arc of a non tangent curve to the left having a tangent bearing of North 42°38'58" West, a radius of 1522.50 feet, a central angle of 23°15'08", a distance of 617.87 feet;
Thence along the arc of a reverse curve to the right having a radius of 327.50 feet, a central angle of 59°57'58", a distance of 342.76 feet to a point on the North line of the Southwest Quarter of said Section 3;
Thence along the North line of the said Southwest Quarter, North 89°13'59" East a distance of 1436.81 feet;
Thence leaving said North line and along the North line of the Northwest Quarter of the Southeast Quarter of said Section 3, North 89°12'25" East a distance of 273.07 feet;
Thence leaving said North line, South 01°38'41" East a distance of 110.72 feet;
Thence South 06°08'05" West a distance of 99.36 feet;
Thence South 27°32'44" West a distance of 107.74 feet;
Thence South 03°18'44" West a distance of 98.96 feet;
Thence South 70°40'55" West a distance of 202.10 feet;
Thence South 66°44'07" West a distance of 117.97 feet;
Thence North 88°18'58" West a distance of 475.67 feet;
Thence South 57°11'57" West a distance of 10537 feet;
Thence South 47°21'02" West a distance of 127.01 to the POINT OF BEGINNING.

Adjusted Parcel 12

A parcel of land situate in Section 3, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;
Thence North $13^{\circ}09'03''$ East a distance of 1827.13 feet to the POINT OF BEGINNING;
Thence North $68^{\circ}42'00''$ West a distance of 295.69 feet;
Thence along the arc of a curve to the left having a radius of 322.50 feet, a central angle of $11^{\circ}44'24''$, a distance of 66.08 feet;
Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of $06^{\circ}12'11''$, a distance of 30.04 feet;
Thence North $61^{\circ}58'38''$ East a distance of 276.39 feet;
Thence North $36^{\circ}35'53''$ West a distance of 14.28 feet;
Thence North $59^{\circ}39'19''$ East a distance of 352.28 feet;
Thence along the arc of a curve to the right having a radius of 117.02 feet; a central angle of $57^{\circ}34'32''$, a distance of 117.59 feet;
Thence along the arc of a non tangent curve to the right having a tangent bearing of North $49^{\circ}16'12''$ East, a radius of 161.05 feet, a central angle of $59^{\circ}14'49''$, a distance of 166.53 feet;
Thence South $73^{\circ}21'10''$ East a distance of 759.79 feet;
Thence along the arc of a non tangent curve to the right having a tangent bearing of South $31^{\circ}37'42''$ West, a radius of 377.50 feet, a central angle of $48^{\circ}38'31''$, a distance of 320.48 feet;
Thence along the arc of a reverse curve to the left having a radius of 272.50 feet, a central angle of $09^{\circ}31'15''$, a distance of 45.28 feet;
Thence North $20^{\circ}23'08''$ West a distance of 27.59 feet;
Thence North $87^{\circ}41'11''$ West a distance of 439.95 feet;
Thence along the arc of a curve to the right having a radius of 150.00 feet, a central angle of $46^{\circ}45'37''$, a distance of 122.42 feet;
Thence North $40^{\circ}55'34''$ West a distance of 73.05 feet;
Thence South $49^{\circ}41'07''$ West a distance of 343.67 feet to the POINT OF BEGINNING.



Adjusted Parcel 13

A parcel of land situate in Sections 3 and 4, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;
Thence North 05°40'03" West a distance of 689.88 feet to the POINT OF BEGINNING;
Thence South 85°00'14" West a distance of 534.04 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of North 65°49'46" West, a radius of 222.50 feet, a central angle of 16°27'06", a distance of 63.89 feet;
Thence North 07°43'08" East a distance of 29.40 feet;
Thence North 46°20'38" West a distance of 49.78 feet;
Thence North 68°02'52" West a distance of 618.70 feet;
Thence North 50°16'20" West a distance of 291.77 feet;
Thence North 45°23'56" West a distance of 550.14 feet;
Thence North 28°04'26" West a distance of 97.08 feet;
Thence North 01°10'43" West a distance of 128.24 feet;
Thence North 36°11'32" East a distance of 172.82 feet;
Thence North 67°19'25" East a distance of 626.05 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 68°41 '59" East, a radius of 272.50 feet, a central angle of 44°47'51 " , a distance of 213.06 feet;
Thence South 61°11'42' East a distance of 933.74 feet;
Thence North 40°18'09" East a distance of 293.13 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 60°24'31" East, a radius of 322.50 feet, a central angle of 20°01'53", a distance of 112.75 feet;
Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of 11°44'24", a distance of 56.86 feet;
Thence South 68°42'00" East a distance of 260.74 feet;
Thence South 47°08'37" West a distance of 532.92 feet'
Thence along the arc of a non tangent curve to the right having a tangent bearing of South 40°40'26" East, a radius of 205.00 feet, a central angle of 137°48'08", a distance of 493.05 feet;
Thence North 73°26'00" West a distance of 773.35 feet;
Thence South 68°03'39" West a distance of 457.83 feet;
Thence South 00°37'40" West a distance of 32.62 feet;
Thence South 61°24'58" East a distance of 620.39 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 35°59'42" East, a radius of 223.07 feet, a central angle of 38°53'48", a distance of 151.44 feet;

Thence along the arc of a non tangent curve to the left having a tangent bearing of South 20°44'56" East, a radius of 50.00 feet, a central angle of 122°54'51", a distance of 107.26 feet;
Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 45°30'42", a distance of 20.26 feet;
Thence North 81°50'55" East a distance of 28.01 feet;
Thence South 67°19'03" East a distance of 188.26 feet;
Thence along the arc of a curve to the right having a radius of 160.00 feet, a central angle of 60°22'49", a distance of 168.61 feet;
Thence South 06°56'14" East a distance of 43.86 feet;
Thence North 64°46'43" East a distance of 434.49 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 85°41'44" East, a radius of 437.50 feet, a central angle of 00°34'52", a distance of 4.44 feet;
Thence along the arc of a reverse curve to the right having a radius of 302.50 feet, a central angle of 21°57'01", a distance of 115.89 feet;
Thence South 64°19'35" East a distance of 7.54 feet;
Thence along the arc of a curve to the right having a radius of 2550 feet, a central angle of 78°50'25", a distance of 35.09 feet;
Thence along the arc of a reverse curve to the left having a radius of 222.50 feet, a central angle of 33°45'55", a distance of 131.12 feet;
Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of 48°15'35", a distance of 233.74 feet;
Thence South 29°00'30" West a distance of 67.42 feet;
Thence North 47°39'18" West a distance of 101.73 feet to the POINT OF BEGINNING.

Adjusted Parcel 14

A parcel of land situate in Sections 3, 4, 9 and 10, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;
Thence South 58°18'31" West a distance of 331.86 feet to the POINT OF BEGINNING;
Thence North 22°33'05" East a distance of 39.91 feet;
Thence along the arc of a curve to the right having a radius of 215.00 feet, a central angle of 57°01'16", a distance of 213.97 feet;
Thence North 79°34'20" East a distance of 265.30 feet;
Thence South 83°49'43" East a distance of 234.37 feet;
Thence North 65°07'48" East a distance of 324.52 feet;
Thence North 22°11'41" West a distance of 37.34 feet;
Thence along the arc of a non tangent curve to the right having a tangent bearing of South 82°04'30" West, a radius of 310.00 feet, a central angle of 48°47'14", a distance of 263.96 feet;
Thence along the arc of a reverse curve to the left having a radius of 365.00 feet, a central angle of 28°02'36", a distance of 178.65 feet;
Thence along the arc of a reverse curve to the right having a radius of 240.00 feet, a central angle of 52°59'50", a distance of 221.99 feet;
Thence along the arc of a reverse curve to the left having a radius of 150.00 feet, a central angle of 42°21'11", a distance of 110.88 feet;
Thence North 29°00'30" East a distance of 120.56 feet;
Thence along the arc of a curve to the left having a radius of 322.50 feet; a central angle of 48°15'35", a distance of 271.64;
Thence along the arc of a reverse curve to the right having a radius of 177.50 feet, a central angle of 32°14'34", a distance of 99.89 feet;
Thence South 50°39'58" East a distance of 705.40 feet;
Thence North 89°15'43" East a distance of 401.46 feet;

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Thence along the arc of a curve to the right having a radius of 150.00 feet; a central angle of 61°28'23", a distance of 160.94 feet;
 Thence South 29°15'54" East a distance of 8.03 feet;
 Thence North 74°22'53" East a distance of 321.90 feet;
 Thence North 13°33'21" West a distance of 418.99 feet;
 Thence North 13°00'35" West a distance of 208.16 feet;
 Thence North 06°15'21" East a distance of 198.49 feet;
 Thence North 10°23'00" East a distance of 480.75 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of North 63°07'05" East, a radius of 422.50 feet, a central angle of 31°29'23" a distance of 232.21 feet;
 Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of 27°49'16", a distance of 134.75 feet;
 Thence along the arc of a reverse curve to the left having a radius of 222.50 feet; a central angle of 08°01'37", a distance of 31.17 feet;
 Thence along the arc of a reverse curve to the right having a radius of 28.50 feet; a central angle of 80°25'13", a distance of 40.00 feet;
 Thence along the arc of a compound curve to the right having a radius of 1477.50 feet, a central angle of 10°10'09", a distance of 262.23 feet;
 Thence South 52°00'43" West a distance of 110.26 feet;
 Thence South 27°03'03" West a distance of 215.25 feet;
 Thence South 09°28'15" West a distance of 419.47 feet;
 Thence South 08°37'32" East a distance of 806.80 feet;
 Thence South 06°53'04" West a distance of 46.51 feet;
 Thence South 35°48'00" West a distance of 42.21 feet;
 Thence South 60°28'16" West a distance of 54.92 feet;
 Thence North 88°56'22" West a distance of 43.02 feet;
 Thence South 05°49'43" East a distance of 39.22 feet;
 Thence South 11°56'56" West a distance of 42.32 feet;
 Thence South 31°57'03" West a distance of 115.43 feet;
 Thence North 78°50'35" East a distance of 296.06 feet;
 Thence South 86°37'44" East a distance of 888.56 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 19°51'12" East, a radius of 177.50 feet, a central angle of 122°13'33", a distance of 378.65 feet;
 Thence along the arc of a reverse curve to the left having a radius of 672.50 feet, a central angle of 36°16'17", a distance of 425.73 feet;
 Thence South 66°06'04" West a distance of 140.48 feet;
 Thence along the arc of a curve to the right having a radius of 527.50 feet, a central angle of 16°06'40", a distance of 148.33 feet;
 Thence North 47°18'21" West a distance of 67.11 feet;
 Thence South 80°22'34" West a distance of 474.82 feet;
 Thence South 04°27'19" East a distance of 192.36 feet;
 Thence North 86°49'18" West a distance of 252.56 feet;
 Thence along the arc of a curve to the left having a radius of 274.50 feet, a central angle of 32°24'16", a distance of 155.25 feet, to the beginning of a non tangent line;
 Thence along said non tangent line, South 68°51'58" West a distance of 188.80 feet;
 Thence South 65°50'16" West a distance of 720.59 feet;
 Thence North 20°29'28" West a distance of 206.77 feet;
 Thence North 51°38'14" West a distance of 48.93 feet;
 Thence North 23°01'02" West a distance of 65.53 feet;
 Thence North 59°36'49" East a distance of 291.94 feet;
 Thence North 82°59'40" West a distance of 591.93 feet;
 Thence South 55°47'42" West a distance of 82.54 feet;
 Thence North 78°38'33" West a distance of 589.01 feet;
 Thence South 27°29'02" West a distance of 38.46 feet;



Thence South 62°40'45" East a distance of 825.79 feet;
 Thence South 86°07'21" East a distance of 77.83 feet;
 Thence North 67°49'41" East a distance of 100.01 feet;
 Thence South 79°30'35" East a distance of 80.02 feet;
 Thence South 60°37'57" East a distance of 63.14 feet;
 Thence South 20°29'28" East a distance of 199.68 feet;
 Thence along the arc of a curve to the left having a radius of 350.00 feet, a central angle of 00°54'03", a distance of 5.50 feet;
 Thence along the arc of a non tangent reverse curve to the right having tangent bearing of South 23°22'57" West, a radius of 190.24 feet, a central angle of 132°21'15", a distance of 439.46 feet;
 Thence North 70°20'38" West a distance of 472.32 feet;
 Thence North 46°59'26" West a distance of 666.05 feet;
 Thence South 51°44'09" West a distance of 89.47 feet;
 Thence South 17°56'11" East a distance of 240.68 feet;
 Thence South 11°37'48" East a distance of 370.70 feet;
 Thence along the arc of a curve to the right having a radius of 250.00 feet, a central angle of 45°32'37", a distance of 198.72 feet;
 Thence South 33°54'49" West a distance of 200.32 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 80°36'29" West, a radius of 872.50 feet, a central angle of 09°56'46", a distance of 151.46 feet;
 Thence along the arc of a reverse curve to the right having a radius of 402.50 feet, a central angle of 17°51'58", a distance of 125.51 feet;
 Thence North 15°02'27" West a distance of 331.55 feet;
 Thence North 04°56'54" West a distance of 223.97 feet;
 Thence North 47°17'26" West a distance of 598.02 feet;
 Thence North 44°07'51" West a distance of 451.25 feet;
 Thence North 53°16'52" East a distance of 249.86 feet;
 Thence South 58°39'12" East a distance of 601.85 feet;
 Thence North 30°58'50" East a distance of 200.22 feet;
 Thence North 35°15'29" East a distance of 100.57 feet;
 Thence North 30°11'41" West a distance of 89.77 feet;
 Thence South 80°58'33" West a distance of 25.01 feet;
 Thence along the arc of a curve to the right having a radius of 80.00, a central angle of 96°00'50", a distance of 134.06 feet;
 Thence North 03°00'37" West a distance of 2.63 feet;
 Thence North 56°33'27" West a distance of 29.30 feet;
 Thence along the arc of a curve to the right having a radius of 40.00 feet, a central angle of 74°00'00", a distance of 51.66 feet;
 Thence North 1726'33" East a distance of 23.22 feet;
 Thence along the arc of a curve to the left having a radius of 60.00 feet, a central angle of 107°26'33", a distance of 112.51 feet;
 Thence North 90°00'00" West a distance of 28.33 feet;
 Thence along the arc of a curve to the right having a radius of 80.00 feet, a central angle of 68°59'07", a distance of 96.32 feet;
 Thence North 21°00'53" West a distance of 25.90 feet;
 Thence South 50°41'00" West a distance of 357.90 feet;
 Thence South 54°11'24" West a distance of 346.67 feet;
 Thence North 32°34'32" West a distance of 114.56 feet;
 Thence North 25°36'13" West a distance of 116.47 feet;
 Thence North 25°32'10" East a distance of 68.64 feet;
 Thence North 29°30'12" East a distance of 207.42 feet;
 Thence North 64°46'58" East a distance of 886.88 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South



48°51'07" East, a radius of 372.50 feet, a central angle of 22°10'16", a distance of 144.14 feet;
Thence South 13°03'16" West a distance of 57.96 feet;
Thence South 43°10'33" East a distance of 410.79 feet;
Thence South 65°59'00" East a distance of 830.67 feet to the POINT OF BEGINNING.

Adjusted Parcel 15

A parcel of land situate in Section 10, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Northwest corner of Section 10;
Thence South 69°30'40" East a distance of 1288.77 feet to the POINT OF BEGINNING;
Thence South 86°49'18" East a distance of 309.87 feet;
Thence along the arc of a curve to the left having a radius of 247.50 feet, a central angle of 59°33'55", a distance of 257.30 feet;
Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of 48°35'57", a distance of 235.38 feet,
Thence along the arc of a reverse curve to the left having a radius of 57250 feet, a central angle of 16°06'40", a distance of 160.98 feet;
Thence North 66°06'04" East a distance of 140.48 feet;
Thence along the arc of a curve to the right having a radius of 627.50 feet, a central angle of 04°36'22", a distance of 50.45 feet;
Thence South 69°06'18" East a distance of 729.87 feet;
Thence South 51°38'15" East a distance of 230.44 feet;
Thence South 05°03'22" East a distance of 226.16 feet;
Thence South 52°11'03" West a distance of 126.80 feet;
Thence North 89°59'02" West a distance of 139.18 feet;
Thence North 45°36'05" West a distance of 167.23 feet;
Thence North 66°27'30" West a distance of 546.81 feet;
Thence South 75°01'43" West a distance of 698.78 feet;
Thence along the arc of a non tangent curve to the right having a tangent bearing of South 18°00'42" West, a radius of 210.00 feet, a central angle of 135°28'23", a distance of 496.53 feet;
Thence North 02°48'16" West a distance of 247.01 feet to the POINT OF BEGINNING.

Adjusted Parcel 16

A parcel of land situate in Sections 3 and 10, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;
Thence South 87°01'18" East a distance of 2262.72 feet to the POINT OF BEGINNING;
Thence along the arc of a non tangent curve to the right having a tangent bearing of North 70°42'26" East, a radius of 627.50 feet, a central angle of 31°39'55", a distance of 346.80 feet;
Thence along the arc of a reverse curve to the left having a radius of 222.50 feet, a central angle of 122°13'33", a distance of 474.65 feet;
Thence along the arc of a reverse curve to the right having a radius of 427.50 feet, a central angle of 04°50'44", a distance of 36.15 feet;
Thence along the arc of a compound curve to the right having a radius of 25.50 feet, a central angle of 96°51'28", a distance of 43.11;
Thence North 81°51'00" East a distance of 52.27 feet;

Thence along the arc of a curve to the right having a radius of 177.50 feet, a central angle of 55°30'26", a distance of 171.96 feet;
Thence along the arc of a reverse curve to the left having a radius of 322.50 feet, a central angle of 24°48'51", a distance of 139.67 feet;
Thence South 13°45'40" West a distance of 121.96 feet;
Thence South 22°40'01" East a distance of 186.87 feet;
Thence South 65°01'02" East a distance of 192.69 feet;
Thence South 73°12'58" West a distance of 486.50 feet;
Thence North 69°06'18" West a distance of 729.87 feet to the POINT OF BEGINNING.

Adjusted Parcel 17

A parcel of land situate in Sections 3, 4, 9 and 10, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;
Thence South 69°30'40" East a distance of 1288.77 feet to the POINT OF BEGINNING;
Thence South 86°49'18" East a distance of 309.87 feet;
Thence along the arc of a curve to the left having a radius of 247.50 feet, a central angle of 59°33'55", a distance of 257.30 feet;
Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of 48°35'57", a distance of 235.38 feet;
Thence along the arc of a reverse curve to the left having a radius of 572.50 feet, a central angle of 16°06'40", a distance of 160.98 feet;
Thence North 66°06'04" East a distance of 140.48 feet;
Thence along the arc of a curve to the right having a radius of 627.50 feet, a central angle of 36°16'17", a distance of 397.24 feet;
Thence along the arc of a reverse curve to the left having a radius of 222.50 feet, a central angle of 122°13'33", a distance of 474.65 feet;
Thence along the arc of a reverse curve to the right having a radius of 427.50 feet, a central angle of 04°50'44", a distance of 36.15 feet;
Thence along the arc of a compound curve to the right having a radius of 25.50 feet, a central angle of 96°51'28", a distance of 43.11 feet;
Thence North 81°51'00" East a distance of 52.27 feet;
Thence North 08°09'00" West a distance of 45.00 feet;
Thence South 81°51'00" West a distance of 52.27 feet;
Thence along the arc of a curve to the right having a radius of 25.50 feet, a central angle of 96°51'28", a distance of 43.11 feet;
Thence along the arc of a compound curve to the right having a radius of 427.50 feet, a central angle of 19°56'47", a distance of 148.83 feet;
Thence North 18°39'15" East a distance of 227.97 feet;
Thence along the arc of a curve to the left having a radius of 1522.50 feet, a central angle of 11°14'20", a distance of 298.65 feet;
Thence along the arc of a reverse curve to the right having a radius of 477.50 feet, a central angle of 17°26'19", a distance of 145.33 feet;
Thence along the arc of a reverse curve to the left having a radius of 522.50 feet, a central angle of 18°13'47", a distance of 166.24 feet;
Thence North 06°37'27" East a distance of 160.14 feet;
Thence along the arc of a curve to the left having a radius of 322.50 feet, a central angle of 39°45'11", a distance of 223.76 feet;
Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 84°38'56", a distance of 37.67 feet;

Thence along the arc of a compound curve to the right having a radius of 227.50 feet, a central angle of 00°51'15", a distance of 3.39 feet;
 Thence North 37°37'33" West a distance of 45.00 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 52°22'27" West, a radius of 272.50 feet, a central angle of 01°41'11", a distance of 8.02 feet;
 Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 80°18'58", a distance of 35.75 feet;
 Thence along the arc of a reverse curve to the left having a radius of 322.50 feet, a central angle of 40°28'09", a distance of 227.79 feet;
 Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 75°56'33", a distance of 33.80 feet;
 Thence along the arc of a reverse curve to the left having a radius of 172.50 feet, a central angle of 07°26'18", a distance of 22.39 feet;
 Thence South 69°02'20" West a distance of 45.00 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 20°57'40" East, a radius of 127.50 feet, a central angle of 01°41'27", a distance of 3.76 feet;
 Thence along the arc of a compound curve to the right having a radius of 25.50 feet, a central angle of 93°46'26", a distance of 41.73 feet;
 Thence along the arc of a reverse curve to the left having a radius of 322.50 feet, a central angle of 00°35'33", a distance of 3.33 feet;
 Thence South 73°54'40" West a distance of 121.58 feet;
 Thence along the arc of a curve to the right having a radius of 527.50 feet, a central angle of 68°52'38", a distance of 634.13 feet;
 Thence along the arc of a reverse curve to the left having a radius of 1522.50 feet, a central angle of 28°41'24", a distance of 762.37 feet;
 Thence along the arc of a reverse curve to the right having a radius of 327.50 feet, a central angle of 66°58'07", a distance of 382.79 feet;
 Thence North 01°04'01" East a distance of 381.06 feet;
 Thence along the arc of a curve to the left having a radius of 352.50 feet, a central angle of 111°37'46", a distance of 686.78 feet;
 Thence along the arc of a reverse curve to the right having a radius of 287.50 feet, a central angle of 147°34'19", a distance of 740.49 feet;
 Thence along the arc of a compound curve to the right having a radius of 51.50 feet, a central angle of 46°38'06", a distance of 41.92 feet;
 Thence along the arc of a reverse curve to the left having a radius of 352.00 feet, a central angle of 32°50'41", a distance of 201.78 feet;
 Thence along the arc of a curve to the right having a radius of 66.50 feet, a central angle of 46°55'42", a distance of 54.47 feet;
 Thence South 82°16'19" East a distance of 104.19 feet;
 Thence along the arc of a curve to the left having a radius of 297.50 feet, a central angle of 86°05'35", a distance of 447.03 feet;
 Thence along the arc of a reverse curve to the right having a radius of 28.50 feet, a central angle of 65°42'06", a distance of 32.68 feet;
 Thence North 77°20'12" East a distance of 5.00 feet;
 Thence North 14°03'31" West a distance of 17.78 feet to a point on the centerline of Clear Creek Road;
 Thence continuing along said centerline, along the arc of a non tangent curve to the right having a tangent bearing of South 75°56'29" West. A radius of 500.00 feet, a central angle of 12°53'40", a distance of 112.53 feet;
 Thence departing said centerline, South 01°09'51" East a distance of 18.51 feet; Thence North 87°53'03" East a distance of 5.00 feet;
 Thence along the arc of a curve to the right having a radius of 28.50 feet, a central angle of 113°23'21", a distance of 56.40 feet;

Thence along the arc of a compound curve to the right having a radius of 252.50 feet, a central angle of 76°27'17", a distance of 336.93 feet;
 Thence North 82°16'19" West a distance of 36.21 feet;
 Thence along the arc of a curve to the right having a radius of 28.50 feet, a central angle of 78°44'13", a distance of 39.16 feet;
 Thence North 65°56'11" West a distance of 53.79 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 15°46'51" East, a radius of 28.50 feet, a central angle of 107°46'41", a distance of 53.61 feet; Thence along the arc of a reverse curve to the left having a radius of 332.50 feet, a central angle of 00°32'58", a distance of 3.19 feet;
 Thence along the arc of a reverse curve to the right having a radius of 91.50 feet, a central angle of 19°22'28", a distance of 30.94 feet;
 Thence along the arc of a reverse curve to the left having a radius of 108.50 feet, a distance of 35°07'11", a distance of 66.51 feet;
 Thence along the arc of a compound curve to the left having a radius of 353.00 feet, a central angle of 17°52'07", a distance of 110.09 feet;
 Thence along the arc of a compound curve to the left having a radius of 108.50 feet, a central angle of 35°07'11", a distance of 66.51 feet;
 Thence along the arc of a reverse curve to the right having a radius of 91.50 feet, a central angle of 19°22'28", a distance of 30.94 feet;
 Thence along the arc of a reverse curve to the left having a radius of 332.50 feet, a central angle of 152°39'04", a distance of 885.87 feet;
 Thence along the arc of a reverse curve to the right having a radius of 307.50 feet, a central angle of 111°37'46", a distance of 599.10 feet;
 Thence South 01°04'01" West a distance of 381.06 feet;
 Thence along the arc of a curve to the left having a radius of 372.50 feet, a central angle of 66°58'07", a distance of 435.39 feet;
 Thence along the arc of a reverse curve to the right having a radius of 1477.50 feet, a central angle of 13°33'47", a distance of 349.75 feet;
 Thence along the arc of a compound curve to the right having a radius of 28.50 feet, a central angle of 111°41'32", a distance of 55.56 feet;
 Thence along the arc of a reverse curve to the left having a radius of 322.50 feet, a central angle of 27°43'31", a distance of 156.06 feet;
 Thence along the arc of a reverse curve to the right having a radius of 377.50 feet, a central angle of 48°38'31", a distance of 320.48 feet;
 Thence along the arc of a reverse curve to the left having a radius of 272.50 feet, a central angle of 09°31'15", a distance of 45.28 feet;
 Thence North 20°23'08" West a distance of 27.59 feet;
 Thence North 87°41'11" West a distance of 439.95 feet;
 Thence along the arc of a curve to the right having a radius of 150.00 feet, a central angle of 46°45'37", a distance of 122.42 feet;
 Thence North 40°55'34" West a distance of 73.05 feet;
 Thence South 49°41'07" West a distance of 343.67 feet;
 Thence North 68°42'00" West a distance of 295.69 feet;
 Thence along the arc of a curve to the left having a radius of 32250 feet, a central angle of 11°44'24" a distance of 66.08 feet;
 Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of 06°12'11", a distance of 30.04 feet;
 Thence North 61°58'38" East a distance of 276.39 feet;
 Thence North 36°35'53" West a distance of 194.88 feet;
 Thence South 71°44'39" West a distance of 107.51 feet;
 Thence South 80°11'32" West a distance of 83.62 feet;
 Thence South 88°48'52" West a distance of 30.27 feet;
 Thence North 72°40'31" West a distance of 14.68 feet;



Thence South 62°13'07" West a distance of 189.17 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of North 75°48'58"
 West, a radius of 322.50 feet, a central angle of 12°46'03", a distance of 71.86 feet;
 Thence along the arc of a curve to the right having a radius of 277.50 feet, a central angle of
 31°20'11", a distance of 151.77 feet;
 Thence North 74°04'28" East a distance of 169.17 feet;
 Thence North 08°49'37" East a distance of 67.76 feet;
 Thence North 75°25'24" East a distance of 308.30 feet;
 Thence North 70°28'48" East a distance of 595.82 feet;
 Thence North 07°44'18" East a distance of 234.97 feet;
 Thence North 85°58'00" West a distance of 873.38 feet;
 Thence North 87°23'11" West a distance of 226.13 feet;
 Thence North 79°48'06" West a distance of 219.12 feet;
 Thence South 44°21'15" West a distance of 173.27 feet;
 Thence South 89°04'30" West a distance of 180.31 feet;
 Thence South 31°37'15" West a distance of 310.39 feet;
 Thence North 64°18'43" West a distance of 383.46 feet;
 Thence North 00°26'56" West a distance of 120.89 feet;
 Thence North 88°57'09" West a distance of 1126.33 feet;
 Thence South 26°56'31" West a distance of 164.39 feet;
 Thence South 63°02'22" East a distance of 65.29 feet;
 Thence South 13°31'46" East a distance of 231.61 feet;
 Thence South 05°17'16" West a distance of 878.37 feet;
 Thence South 87°41'38" East a distance of 159.24 feet;
 Thence South 26°48'06" East a distance of 222.07 feet;
 Thence South 48°57'17" East a distance of 205.33 feet;
 Thence South 61°44'44" East a distance of 283.36 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 45°27'14"
 West, a radius of 187.50 feet, a central angle of 07°10'40", a distance of 23.49 feet;
 Thence along the arc of a reverse curve to the left having a radius of 672.50 feet, a central angle of
 13°08'44", a distance of 154.29 feet;
 Thence South 50°30'50" East a distance of 45.00 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 39°29'10"
 West, a radius of 627.50 feet, a central angle of 07°42'42", a distance of 84.46 feet;
 Thence along the arc of a reverse curve to the right having a radius of 1622.50 feet, a central
 angle of 00°39'51", a distance of 18.81 feet;
 Thence South 67°27'15" East a distance of 221.90 feet;
 Thence North 58°54'05" East a distance of 108.17 feet;
 Thence South 31°51'37" East a distance of 279.81 feet;
 Thence North 64°46'58" East a distance of 250.07 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 48°51'07"
 East, a radius of 372.50 feet, a central angle of 22°10'16", a distance of 144.14 feet;
 Thence South 13°03'16" West a distance of 57.96 feet;
 Thence South 43°10'33" East a distance of 410.79 feet;
 Thence South 65°59'00" East a distance of 830.67 feet;
 Thence North 22°33'05" East a distance of 39.91 feet;
 Thence along the arc of a curve to the right having a radius of 215.00 feet, a central angle of
 57°01'15", a distance of 213.97 feet;
 Thence North 79°34'20" East a distance of 265.30 feet;
 Thence South 83°49'43" East a distance of 234.37 feet;
 Thence North 65°07'48" East a distance of 324.52 feet;
 Thence North 22°11'41" West a distance of 37.34 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 82°04'30"
 West, a radius of 310.00 feet, a central angle of 48D4714, a distance of 263.96 feet;



Thence along the arc of a reverse curve to the left having a radius of 365.00 feet, a central angle of 28°02'36", a distance of 178.65 feet;
Thence along the arc of a reverse curve to the right having a radius of 240.00 feet, a central angle of 52°59'50", a distance of 221.99 feet;
Thence along the arc of a reverse curve to the left having a radius of 150.00 feet, a central angle of 42°21'11", a distance of 110.88 feet;
Thence North 29°00'30" East a distance of 120.56 feet;
Thence along the arc of a curve to the left having a radius of 322.50 feet, a central angle of 48°15'35", a distance of 271.64 feet;
Thence along the arc of a reverse curve to the right having a radius of 177.50 feet, a central angle of 32°14'34", a distance of 99.89 feet;
Thence South 50°39'58" East a distance of 705.40 feet;
Thence North 89°15'43" East a distance of 401.46 feet;
Thence along the arc of a curve to the right having a radius of 150.00 feet, a central angle of 61°28'23", a distance of 160.94 feet;
Thence South 29°15'54" East a distance of 8.03 feet;
Thence North 74°22'53" East a distance of 321.90 feet;
Thence North 13°33'21" West a distance of 418.99 feet;
Thence North 13°00'35" West a distance of 208.16 feet;
Thence North 06°15'21" East a distance of 198.49 feet;
Thence North 10°23'00" East a distance of 480.75 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of North 63°07'05" East, a radius of 422.50 feet, a central angle of 31°29'23", a distance of 232.21 feet;
Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of 27°49'16", a distance of 134.74 feet;
Thence along the arc of a reverse curve to the left having a radius of 222.50 feet, a central angle of 08°01'37", a distance of 31.17 feet;
Thence along the arc of a reverse curve to the right having a radius of 28.50 feet, a central angle of 80°25'13", a distance of 40.00 feet;
Thence along the arc of a compound curve to the right having a radius of 1477.50 feet, a central angle of 10°56'44", a distance of 282.26 feet;
Thence along the arc of a reverse curve to the left having a radius of 572.50 feet, a central angle of 23°49'21", a distance of 238.03 feet;
Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 94°29'13", a distance of 42.05 feet;
Thence along the arc of a compound curve to the right having a radius of 137.50 feet, a central angle of 01°32'28", a distance of 3.70 feet;
Thence South 55°00'22" East a distance of 45.00 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of North 34°59'38" East, a radius of 182.50 feet, a central angle of 05°45'59", a distance of 18.37 feet;
Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 80°28'02", a distance of 35.81 feet;
Thence along the arc of a reverse curve to the left having a radius of 572.50 feet, a central angle of 35°47'01", a distance of 357.55 feet;
Thence North 73°54'40" East a distance of 121.58 feet;
Thence along the arc of a curve to the right having a radius of 277.50 feet, a central angle of 112°42'47", a distance of 545.90 feet;
Thence South 06°37'27" West a distance of 160.14 feet;
Thence along the arc of a curve to the right having a radius of 477.50 feet, a central angle of 18°13'47", a distance of 151.93 feet;
Thence along the arc of a reverse curve to the left having a radius of 522.50 feet, a central angle of 17°26'19", a distance of 159.03 feet;
Thence along the arc of a reverse curve to the right having a radius of 1477.50 feet, a central angle of 05°52'23", a distance of 151.45 feet;

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Thence along the arc of a compound curve to the right having a radius of 25.50 feet, a central angle of 110°04'52", a distance of 48.99 feet;

Thence along the arc of a compound curve to the right having a radius of 177.50 feet, a central angle of 10°05'21", a distance of 31.26 feet;

Thence South 43°27'31" West a distance of 45.00 feet;

Thence along the arc of a non tangent curve to the left having a tangent bearing of South 46°32'29" East, a radius of 222.50 feet, a central angle of 17°13'24", a distance of 66.88 feet;

Thence along the arc of a reverse curve to the right having a radius of 25.50 feet, a central angle of 80°57'36", a distance of 36.03 feet;

Thence along the arc of a compound curve to the right having a radius of 1477.50 feet, a central angle of 01°27'32" a distance of 37.62 feet;

Thence South 18°39'15" West a distance of 178.21 feet;

Thence along the arc of a curve to the right having a radius of 25.50 feet, a central angle of 90°00'00," a distance of 40.06 feet;

Thence North 71°20'45" West a distance of 12.00 feet;

Thence along the arc of a curve to the left having a radius of 322.50 feet, a central angle of 10°57'02", a distance of 61.64 feet;

Thence South 07°42'13" West a distance of 45.00 feet;

Thence along the arc of a non tangent curve to the right having a tangent bearing of South 82°17'47" East, a radius of 277.50 feet, a central angle of 10°57'02", a distance of 53.04 feet;

Thence South 71°20'45" East a distance of 14.15 feet;

Thence along the arc of a curve to the right having a radius of 25.50 feet, a central angle of 84°40'20", a distance of 37.68 feet;

Thence along the arc of a reverse curve to the left having a radius of 472.50 feet, a central angle of 33°10'47", a distance of 273.62 feet;

Thence along the arc of a reverse curve to the right having a radius of 177.50 feet, a central angle of 122°13'33", a distance of 378.65 feet;

Thence along the arc of a reverse curve to the left having a radius of 672.50 feet, a central angle of 36°16'17", a distance of 425.73 feet;

Thence South 66°06'04" West a distance of 140.48 feet;

Thence along the arc of a curve to the right having a radius of 527.50 feet, a central angle of 16°06'40", a distance of 148.33 feet;

Thence North 47°18'21" West a distance of 67.11 feet;

Thence South 80°22'34" West a distance of 474.82 feet;

Thence South 04°27'19" East a distance of 192.36 feet;

Thence North 86°49'18" West a distance of 252.56 feet;

Thence along the arc of a curve to the left having a radius of 274.50 feet, a central angle of 32°24'16", a distance of 155.25 feet;

Thence South 68°51'58" West a distance of 188.80 feet;

Thence South 65°50'16" West a distance of 353.47 feet;

Thence South 23°47'33" East a distance of 334.23 feet;

Thence along the arc of a non tangent curve to the left having a tangent bearing of North 74°51'05" East, a radius of 302.50 feet, a central angle of 10°49'08", a distance of 57.12 feet;

Thence South 25°58'06" East a distance of 45.00 feet;

Thence along the arc of a tangent curve to the left having a radius of 347.50 feet, a central angle of 25°23'48", a distance of 154.03 feet;

Thence South 42°28'35" East a distance of 266.97 feet;

Thence South 54°46'19" West a distance of 214.17 feet;

Thence South 19°33'34" East a distance of 153.33 feet; Thence North 71°52'48" East a distance of 383.67 feet;

Thence along the arc of a non tangent curve to the left having a tangent bearing of South 31°52'24" East, a radius of 322.50 feet, a central angle of 13°04'56", a distance of 73.64 feet;

Thence South 66°21'21" West a distance of 445.22 feet;

Thence South 33°34'49" East a distance of 161.94 feet;



Thence South 18°09'34" East a distance of 157.47 feet;
 Thence North 72°59'38" East a distance of 171.93 feet;
 Thence South 85°10'02" East a distance of 339.19 feet;
 Thence South 12°59'43" East a distance of 110.39 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 70°59'30" West, a radius of 777.50 feet, a central angle of 21°36'58" a distance of 293.33 feet;
 Thence along the arc of a reverse curve to the left having a radius of 222.50 feet, a central angle of 99°38'14", a distance of 386.93 feet;
 Thence South 66°06'49" West a distance of 300.78 feet;
 Thence South 65°09'05" West a distance of 272.90 feet;
 Thence South 31°34'52" East a distance of 276.31 feet;
 Thence North 89°12'38" East a distance of 1278.35 feet;
 Thence North 19°04'56" West a distance of 157.36 feet;
 Thence North 60°08'27" West a distance of 504.99 feet;
 Thence North 45°41'12" West a distance of 254.66 feet;
 Thence South 87°11'10" West a distance of 62.67 feet;
 Thence North 48°43'34" West a distance of 71.37 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of North 52°21'40" East, a radius of 177.50 feet, a central angle of 40°14'48", a distance of 124.68 feet;
 Thence along the arc of a reverse curve to the left having a radius of 822.50 feet, a central angle of 22°41'53", a distance of 325.84 feet;
 Thence South 20°05'25" East a distance of 221.51 feet;
 Thence South 89°41'55" East a distance of 242.05 feet;
 Thence North 77°37'58" East a distance of 202.15 feet;
 Thence North 07°49'37" West a distance of 204.84 feet;
 Thence North 28°18'38" East a distance of 131.62 feet;
 Thence North 65°35'22" East a distance of 246.75 feet;
 Thence North 22°55'09" West a distance of 520.09 feet;
 Thence North 77°09'37" East a distance of 39.62 feet;
 Thence along the arc of a curve to the left having a radius of 222.50 feet, a central angle of 27°24'31", a distance of 106.44 feet;
 Thence South 17°00'43" East a distance of 388.80 feet;
 Thence South 77°20'33" East a distance of 227.19 feet;
 Thence North 48°03'07" East a distance of 603.96 feet;
 Thence North 88°47'11" East a distance of 332.64 feet;
 Thence North 03°15'33" East a distance of 152.47 feet;
 Thence North 56°21'23" West a distance of 350.44 feet;
 Thence South 52°11'03" West a distance of 126.80 feet;
 Thence North 89°59'02" West a distance of 139.18 feet;
 Thence North 45°36'05" West a distance of 167.23 feet;
 Thence North 66°27'30" West a distance of 546.81 feet;
 Thence South 75°01'43" West a distance of 698.78 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 18°00'42" West, a radius of 210.00 feet, a central angle of 135°28'23", a distance of 496.53 feet;
 Thence North 02°48'16" West a distance of 247.01 feet to the POINT OF BEGINNING;

Excepting therefrom all that certain parcel previously described as "Parcel 13" being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 3;
 Thence North 05°40'03" West a distance of 689.88 feet to the POINT OF BEGINNING;
 Thence South 85°00'14" West a distance of 534.04 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of North 65°49'46" West, a radius of 222.50 feet, a central angle of 16°27'06", a distance of 63.89 feet;



Thence North 07°43'08" East a distance of 29.40 feet;
 Thence North 46°20'38" West a distance of 49.78 feet;
 Thence North 68°02'52" West a distance of 618.70 feet;
 Thence North 50°16'20" West a distance of 291.77 feet;
 Thence North 45°23'56" West a distance of 550.14 feet;
 Thence North 28°04'26" West a distance of 97.08 feet;
 Thence North 01°10'43" West a distance of 128.24 feet;
 Thence North 36°11'32" East a distance of 172.82 feet;
 Thence North 67°19'25" East a distance of 626.05 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 68°41'59" East, a radius of 272.50 feet, a central angle of 44°47'51", a distance of 213.06 feet;
 Thence South 61°11'42" East a distance of 933.74 feet;
 Thence North 40°18'09" East a distance of 293.13 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 60°24'31" East, a radius of 322.50 feet, a central angle of 20°01'53", a distance of 112.75 feet;
 Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of 11°44'24", a distance of 56.86 feet;
 Thence South 68°42'00" East a distance of 260.74 feet;
 Thence South 47°08'37" West a distance of 532.92 feet;
 Thence along the arc of a non tangent curve to the right having a tangent bearing of South 40°40'26" East, a radius of 205.00 feet, a central angle of 137°48'08", a distance of 493.05 feet;
 Thence North 73°26'00" West a distance of 773.35 feet;
 Thence South 68°03'39" West a distance of 457.83 feet;
 Thence South 00°37'40" West a distance of 3262 feet;
 Thence South 61°24'58" East a distance of 620.39 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 35°59'42" East, a radius of 223.07 feet, a central angle of 38°53'48", a distance of 151.44 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 20°44'56" East, a radius of 50.00 feet, a central angle of 122°54'51", a distance of 107.26 feet;
 Thence along the arc of a reverse curve to the right having a radius of 2550 feet, a central angle of 45°30'42", a distance of 20.26 feet;
 Thence North 81°50'55" East a distance of 28.01 feet;
 Thence South 67°19'03" East a distance of 188.26 feet;
 Thence along the arc of a curve to the right having a radius of 160.00 feet, a central angle of 60°22'49", a distance of 168.61 feet;
 Thence South 06°56'14" East a distance of 43.86 feet;
 Thence North 64°46'43" East a distance of 434.49 feet;
 Thence along the arc of a non tangent curve to the left having a tangent bearing of South 85°41'44" East, a radius of 437.50 feet, a central angle of 00°34'52", a distance of 4.44 feet;
 Thence along the arc of a reverse curve to the right having a radius of 302.50 feet, a central angle of 21°57'01", a distance of 115.89 feet;
 Thence South 64°19'35" East a distance of 7.54 feet;
 Thence along the arc of a curve to the right having a radius of 25.50 feet, a central angle of 78°50'25", a distance of 35.09 feet;
 Thence along the arc of a reverse curve to the left having a radius of 222.50 feet, a central angle of 33°45'55", a distance of 131.12 feet;
 Thence along the arc of a reverse curve to the right having a radius of 277.50 feet, a central angle of 48°15'35", a distance of 233.74 feet;
 Thence South 29°00'30" West a distance of 67.42 feet;
 Thence North 47°39'18" West a distance of 101.73 feet to the POINT OF BEGINNING.

Adjusted Parcel 18:

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A parcel of land situate in Sections 4, 9 and 10, Township 14 North, Range 19 East, MDM, Douglas County, Nevada and being more particularly described as follows:

BEGINNING at the North Quarter corner of said Section 9;
Thence along the South line of the Southwest Quarter of said Section 4, South 88°59'58" West a distance of 1763.32 feet;
Thence leaving said South line, North 01°00'02" West a distance of 500.52 feet;
Thence North 61°22'11" East a distance of 255.88 feet;
Thence North 85°17'33" East a distance of 352.35 feet;
Thence North 29°04'35" East a distance of 257.50 feet;
Thence North 15°59'13" East a distance of 1018.32 feet;
Thence North 83°57'07" East a distance of 132.37 feet;
Thence North 43°34'46" East a distance of 75.90 feet;
Thence North 06°09'45" East a distance of 314.73 feet;
Thence North 39°21'07" East a distance of 317.38 feet;
Thence South 72°20'47" East a distance of 262.36 feet;
Thence South 39°46'59" East a distance of 347.54 feet;
Thence South 05°17'16" West a distance of 608.59 feet;
Thence South 87°41'38" East a distance of 15924 feet;
Thence South 26°48'06" East a distance of 222.07 feet;
Thence South 48°57'17" East a distance of 205.33 feet;
Thence South 61°44'44" East a distance of 283.36 feet;
Thence along the arc of a non tangent curve to the right having a tangent bearing of South 45°27'14" West, a radius of 187.50 feet, a central angle of 07°10'40", a distance of 23.49 feet;
Thence along the arc of a reverse curve to the left having a radius of 672.50 feet, a central angle of 13°08'44", a distance of 154.29 feet;
Thence South 50°30'50" East a distance of 45.00 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 39°29'10" West, a radius of 627.50 feet, a central angle of 07°42'42", a distance of 84.46 feet,
Thence along the arc of a reverse curve to the left having a radius of 1622.50 feet, a central angle of 00°39'51", a distance of 18.81 feet;
Thence South 67°27'15" East a distance of 221.90 feet;
Thence North 58°54'05" East a distance of 108.17 feet;
Thence South 31°05'37" East a distance of 279.81 feet;
Thence South 64°46'58" West a distance of 636.80 feet;
Thence South 29°30'12" West a distance of 207.42 feet;
Thence South 25°32'10" West a distance of 68.64 feet;
Thence South 25°36'13" East a distance of 116.47 feet;
Thence South 32°34'32" East a distance of 114.56 feet;
Thence North 54°11'24" East a distance of 346.67 feet;
Thence North 50°41'00" East a distance of 357.90 feet;
Thence South 21°00'53" East a distance of 25.90 feet;
Thence along the arc of a curve to the left having a radius of 80.00 feet, a central angle of 68°59'07", a distance of 96.32 feet;
Thence South 90°00'00" East a distance of 28.33 feet;
Thence along the arc of a curve to the right having a radius of 60.00 feet, a central angle of 107°26'33", a distance of 112.51 feet;
Thence South 17°26'33" West a distance of 23.22 feet;
Thence along the arc of a curve to the left having a radius of 40.00 feet, a central angle of 74°00'00", a distance of 51.66 feet;
Thence South 56°33'27" East a distance of 29.30 feet;
Thence South 03°00'37" East a distance of 2.63 feet;
Thence along the arc of a curve to the left having a radius of 80.00 feet, a central angle of 96°00'50", a distance of 134.06 feet;

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Thence North 80°58'33" East a distance of 25.01 feet;
Thence South 30°11'41" East a distance of 89.77 feet;
Thence South 35°15'29" West a distance of 100.57 feet;
Thence South 30°58'50" West a distance of 200.22 feet;
Thence North 58°39'12" West a distance of 601.85 feet;
Thence South 53°16'52" West a distance of 249.86 feet;
Thence South 44°07'51" East a distance of 451.25 feet;
Thence South 47°17'26" East a distance of 598.02 feet;
Thence South 04°56'54" East a distance of 223.97 feet;
Thence South 15°02'27" East a distance of 331.55 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of North 88°31'41" East, a radius of 402.50 feet, a central angle of 17°51'58", a distance of 125.51 feet;
Thence along the arc of a reverse curve to the right having a radius of 872.50 feet, a central angle of 09°56'46", a distance of 151.46 feet;
Thence North 33°54'49" East a distance of 200.32 feet;
Thence along the arc of a curve to the left having a radius of 250.00 feet, a central angle of 45°32'37", a distance of 198.72 feet;
Thence North 11°37'48" West a distance of 370.70 feet;
Thence North 17°56'11" West a distance of 240.68 feet;
Thence North 51°44'09" East a distance of 89.47 feet;
Thence South 46°59'26" East a distance of 666.05 feet;
Thence South 70°20'38" East a distance of 472.32 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 71°01'42" East, radius of 190.24 feet, a central angle of 132°21'15", a distance of 439.46 feet;
Thence along the arc of a non tangent reverse curve to the right having a tangent bearing of North 21°23'31" West, a radius of 350.00 feet, a central angle of 00°54'03", a distance of 5.50 feet;
Thence North 20°29'28" West a distance of 199.68 feet;
Thence North 60°37'57" West a distance of 63.14 feet;
Thence North 79°30'35" West a distance of 80.02 feet;
Thence South 67°49'41" West a distance of 100.01 feet;
Thence North 86°07'21" West a distance of 77.83 feet;
Thence North 62°40'45" West a distance of 825.79 feet;
Thence North 27°29'02" East a distance of 38.46 feet;
Thence South 78°38'33" East a distance of 589.01 feet;
Thence North 55°47'42" East a distance of 82.54 feet;
Thence South 82°59'40" East a distance of 591.92 feet;
Thence South 59°36'49" West a distance of 291.94 feet;
Thence South 23°01'02" East a distance of 65.53 feet;
Thence South 51°38'14" East a distance of 48.93 feet;
Thence South 20°29'28" East a distance of 206.77 feet;
Thence North 65°50'16" East a distance of 367.11 feet;
Thence South 23°47'33" East a distance of 334.23 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of North 74°51'05" East, a radius of 302.50 feet, a central angle of 10°49'08", a distance of 57.12 feet;
Thence South 25°58'06" East a distance of 45.00 feet;
Thence along the arc of a tangent curve to the left having a radius of 347.50 feet, a central angle of 25°23'48", a distance of 154.03 feet;
Thence South 42°28'35" East a distance of 266.97 feet;
Thence South 54°46'19" West a distance of 214.17 feet;
Thence South 46°13'22" West a distance of 165.58 feet;
Thence South 21°07'41" West a distance of 236.11 feet;
Thence South 02°25'17" East a distance of 369.11 feet;
Thence South 35°14'49" East a distance of 192.44 feet;
Thence South 00°57'54" East a distance of 183.86 feet;

Thence South 65°09'05" West a distance of 272.90 feet;
Thence North 31°34'52" West a distance of 257.65 feet;
Thence South 73°42'36" West a distance of 150.46 feet;
Thence South 05°30'33" East a distance of 213.63 feet;
Thence South 41°21'31" West a distance of 277.29 feet;
Thence South 89°12'38" West a distance of 120.46 feet;
Thence South 88°27'48" West a distance of 253.72 feet;
Thence North 00°19'56" West a distance of 218.89 feet;
Thence North 44°59'13" West a distance of 122.09 feet;
Thence South 68°12'46" West a distance of 223.25 feet;
Thence North 87°21'11" West a distance of 401.73 feet;
Thence North 18°35'42" West a distance of 355.78 feet;
Thence North 48°10'38" East a distance of 250.56 feet;
Thence North 33°02'41" West a distance of 97.44 feet;
Thence North 03°16'11" West a distance of 102.76 feet;
Thence North 36°06'05" West a distance of 182.48 feet;
Thence along the arc of a non tangent curve to the left having a tangent bearing of South 80°23'29" West, a radius of 827.50 feet, a central angle of 09°43'46", a distance of 140.52 feet;
Thence along the arc of a reverse curve to the right having a radius of 447.50 feet, a central angle of 03°43'19", a distance of 29.07 feet;
Thence South 00°00'44" West a distance of 360.19 feet;
Thence South 84°16'51" West a distance of 200.65 feet;
Thence North 39°52'47" West a distance of 240.95 feet;
Thence North 04°06'30" East a distance of 235.44 feet;
Thence along the arc of a non tangent curve to the right having a tangent bearing of North 61°00'31" West, a radius of 447.50 feet, a central angle of 19°33'06", a distance of 152.71 feet;
Thence South 04°06'30" West a distance of 309.64 feet;
Thence South 41°44'56" West a distance of 122.39 feet;
Thence South 07°09'01" East a distance of 99.58 feet;
Thence South 49°01'05" East a distance of 112.90 feet;
Thence South 65°01'01" East a distance of 350.51 feet;
Thence South 29°44'43" West a distance of 273.84 feet;
Thence South 75°04'27" East a distance of 272.32 feet;
Thence South 01°58'29" East a distance of 164.85 feet;
Thence South 88°27'48" West a distance of 754.75 feet;
Thence North 58°25'55" West a distance of 358.95 feet;
Thence North 26°26'09" West a distance of 102.30 feet;
Thence North 37°47'17" West a distance of 279.89 feet;
Thence South 89°53'12" West a distance of 129.49 feet to a point on the West line of the Northeast Quarter of said Section 9;
Thence along said West line, North 00°06'48" West a distance of 2120.31 feet to the POINT OF BEGINNING.

Reference is further made to Adjusted Parcels 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 on Record of Survey recorded in the office of the Douglas County Recorder on June 27, 2008 in Book 0608, Page 7354 as Document No. 725936, Official Records of Douglas County, State of Nevada.

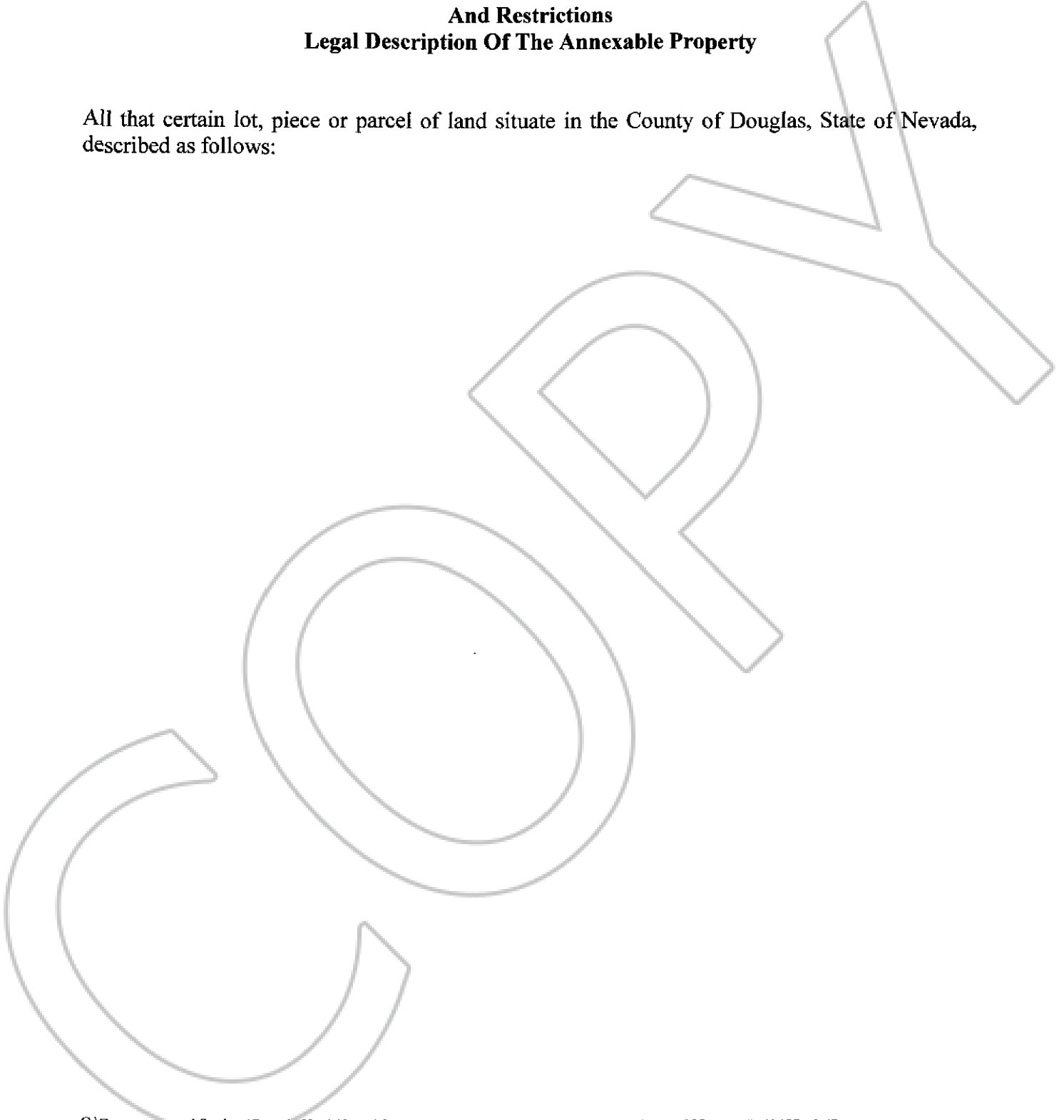
"IN COMPLIANCE WITH NEVADA REVISED STATUTE 111.312, THE HEREIN ABOVE LEGAL DESCRIPTION WAS TAKEN FROM INSTRUMENT RECORDED JUNE 27, 2008, BOOK 0608, PAGE 7290, AS FILE NO. 0725935, RECORDED IN THE OFFICIAL RECORDS OF 0725935 COUNTY, STATE OF NEVADA."

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EXHIBIT "B"
To Declaration of Covenants, Conditions
And Restrictions
Legal Description Of The Annexable Property

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada,
described as follows:



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EXHIBIT "C"
To Declaration of Covenants, Conditions
And Restrictions
Description Of The Golf Course Property



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