06/19/2009 10:44 AM OFFICIAL RECORD Requested By: GAYLE A KERN LTD

AFTER RECORDING, MAIL TO:

Gayle A. Kern, Esq. Gayle A. Kern, Ltd. 5421 Kietzke Lane, Suite 200 Reno, NV 89511

Assessor's Parcel Numbers: 1318-23-310-046. 1318-23-310-045, 1318-23-310-048 and 1318-23-310-047

Douglas County - NV Karen Ellison - Recorder

16.00

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BK-0609



NOTICE OF NONRESPONSIBILITY

Lake Village Homeowners Association (the "Association") hereby provides notice it has no responsibility for payment of any construction that may be done to the Property identified herein that exceeds the scope of the construction as to original specifications and will not pay for any work, materials or equipment furnished for the construction of the Property that constitutes betterments and improvements, and is given this day of June, 2009.

1. The owners ("Owners"), listed in item 2 below, of certain real properties located in Douglas County, Nevada, that were destroyed by a fire that started on October 21, 2007, more particularly described as follows:

Lot 17 in Block B of Lake Village Second Amended Map of Unit No. 1 Lot 18 in Block B of Lake Village Second Amended Map of Unit No. 1 Lot 19 in Block B of Lake Village Second Amended Map of Unit No. 1 Lot 20 in Block B of Lake Village Second Amended Map of Unit No. 1

APNs 1318-23-310-046, 1318-23-310-045, 1318-23-310-048 and 1318-23-310-047, commonly known as 17 Manzanita Court, 18 Burke Creek Court, 19 Manzanita Court, and 20 Manzanita Court, respectively (the "Property").

2. The current addresses of the Owners are:

Petts Family 1993 Revocable Trust - P.O. Box 10166, Zephyr Cove NV 89448 (for Unit 17) Janet A. Bills - P.O. Box 85, Zephyr Cove Nevada 89448 (for Unit 18) Lynch Family Trust – 941 Springoak Way, Stockton, CA 95209-2037 (for Unit 19) Thomas V. Lewis Trust – 1648 San Pablo Ave. #D Berkeley, CA 94702 (for Unit 20)

- 3. The Association has a Contract with Community Association Underwriters of America, Inc. ("CAU"), and shall take reasonable efforts to receive insurance proceeds as defined by the insurance policy that provide fair value to rebuild Units 17, 18, 19 and 20 on the cited lots within the coverage under the insurance policy.
- 4. As of the date of this Notice of Nonresponsibility, Owners have given the Association notice that Owners, their agents, representatives, consultants, contractors, subcontractors and employees (collectively, "Owners' Representatives"), will, in the immediate future, enter onto the Property to rebuild Units 17, 18, 19 and 20 and may be including certain betterments and improvements in such construction.
- 5. Owners will contract with contractors to rebuild Units 17, 18, 19 and 20. The name of the Contractor is Wood Structures, Inc. Other contractors, if any there be, have not been identified.
- 6. The Association has notified the Owners in writing that the Owners must comply with the requirements of NRS 108.2403 which requires the Owners to record a notice of posted security and either (a) establish construction disbursement account, fund it, obtain the services of a construction control to administer it, and notify each person who give the Owners a notice of right to lien of the establishment of the construction disbursement account, or (b) record a surety bond for the prime contract.

NOTICE IS HEREBY GIVEN that the Association has no responsibility for the Owners' improvements and betterments in the construction of Units 17, 18, 19 and 20, performed by Owners' Contractors. This Notice of Nonresponsibility shall automatically expire and be of no further force or effect upon the earlier to occur of (a) the completion of the rebuilding of Units 17, 18, 19 and 20, and full payment for the cost of the same, or (b) two years after the recordation hereof.

LAKE VILLAGE HOMEOWNERS ASSOCIATION

Richard Smith, President

STATE OF NEVADA

: SS.

COUNTY OF DOUGLAS

Richard Smith, being first dully sworn on oath according to law, deposes and says:

I have read the foregoing NOTICE OF NONRESPONSIBILITY, know the contents thereof and state that the same is true of my own personal knowledge, except those matters stated upon information and belief, and, as to those matters, I believe them to be true. I have been authorized

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as President of LAKE VILLAGE HOMEOWNERS ASSOCIATION, to execute the foregoing NOTICE OF NONRESPONSIBILITY. Richard Smith, President Lake Village Homeowners Association California STATE OF NEVADA KG Alameda) ss. COUNTY OF DOUGLAS (G) On this 9th day of June, 2009, personally appeared before me, a notary public, Richard Smith, personally known (or proved) to me to be the person whose name is subscribed to the above instrument, who acknowledged to me that he is the President of the Board of Directors of the Lake Village Homeowners Association, and who further acknowledged to me that he executed the foregoing instrument on behalf of Lake Village Homeowners Association for the uses and purposes therein stated. NOTARY PUBLIC KATHERINE GARCIA

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