

DOUGLAS COUNTY, NV

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WILSON TITLE SERVICES

KAREN ELLISON, RECORDER

**RECORDING COVER PAGE**

**APN:**

**Recording Requested by:**

Wilson Title Services, LLC

**When Recorded Mail Tax Statements to:**

WALLEY'S PROPERTY OWNERS ASSOCIATION

701 Carson St., Suite 200

Carson City, NV 89701

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WALLEY'S PROPERTY OWNERS ASSOCIATION

701 Carson St., Suite 200

Carson City, NV 89701

**TITLE OF DOCUMENT:**

**EXCHANGE PROGRAM ALTERNATE RESERVATION SYSTEM FOR THE  
DECLARATION OF TIME SHARE COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR DAVID WALLEY'S RESORT**

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DECLARATION OF TIME SHARE COVENANTS, CONDITIONS AND  
RESTRICTIONS FOR DAVID WALLEY'S RESORT**

This EXCHANGE PROGRAM ALTERNATE RESERVATION SYSTEM FOR THE DECLARATION OF TIME SHARE COVENANTS, CONDITIONS AND RESTRICTIONS FOR DAVID WALLEY'S RESORT (the "Alternate Reservation System") is made as of this 17<sup>th</sup> day of OCTOBER, 2018 (the "**Effective Date**") by **1862, LLC**, a Nevada limited liability company ("**1862**") and is approved by the board of directors of **WALLEY'S PROPERTY OWNERS ASSOCIATION**, a Nevada non-profit corporation (the "**Board**") (collectively the "Parties").

**WITNESSETH**

**WHEREAS**, Walley's Partners Limited Partnership, a Nevada Limited Partnership ("**Original Declarant**"), executed that certain Declaration of Time Share Covenants, Conditions and Restrictions for David Walley's Resort which was recorded on September 23, 1998, at Official Record Book 0998, Page 4404, Document Number 0449993, Douglas County Recorder, Nevada records (the "**Original Declaration**") which governs the property located within David Walley's Resort (the "Resort"); and

**WHEREAS**, the Original Declaration was amended and restated by the Original Declarant through that certain First Amended and Restated Declaration of Time Share Covenants, Conditions and Restrictions for David Walley's Resort recorded on April 21, 1999, at Official Record Book 0499, Page 4409, Document Number 0466255, Douglas County Recorder, Nevada records (the "**First Amended & Restated Declaration**"), which was amended and restated by the Original Declarant through that certain Second Amended and Restated Declaration of Time Share Covenants, Conditions and Restrictions for David Walley's Resort recorded on January 28, 2000, at Official Record Book 0100, Page 4376, Document Number 0485265, Douglas County Recorder, Nevada records (the "**Second Amended & Restated Declaration**"), which was amended and restated by the Original Declarant through that certain Third Amended and Restated Declaration of Time Share Covenants, Conditions and Restrictions for David Walley's Resort recorded on April 14, 2000, at Official Record Book 0400, Page 2598, Document Number 0489957, Douglas County Recorder, Nevada records (the "**Third Amended & Restated Declaration**"), which was amended and restated by the Original Declarant through that certain Fourth Amended and Restated Declaration of Time Share Covenants, Conditions and Restrictions for David Walley's Resort recorded on March 6, 2001, at Official Record Book 0301, Page 1333, Document Number 0509920, Douglas County Recorder, Nevada records (the "**Fourth Amended & Restated Declaration**"), which was amended and restated by the Original Declarant through that certain Fifth Amended and Restated Declaration of Time Share Covenants, Conditions and Restrictions for David Walley's Resort recorded on August 27, 2001, at Official Record Book 0801, Page 6980, Document Number 0521436, Douglas County Recorder, Nevada records (the "**Fifth Amended & Restated Declaration**"); and

**WHEREAS**, additional real property has been subjected to the Resort through the following declarations of annexation: (a) Declaration of Annexation of David Walley's Resort Phase III recorded on July 1, 2003, at Official Record Book 0703, Page 00010, Document Number 0582120, Douglas County Recorder, Nevada records (the "**First Annexation**"); and (b)

Declaration of Annexation of David Walley's Resort Phase IV recorded on December 30, 2005, at Official Record Book 1205, Page 13802, Document Number 0664734, Douglas County Recorder, Nevada records (the "**Second Annexation**"); and (c) Declaration of Annexation of David Walley's Resort Phase V recorded on May 26, 2006, at Official Record Book 506, Page 11020, Document Number 0676055, Douglas County Recorder, Nevada records (the "**Third Annexation**"); and (d) Declaration of Annexation of David Walley's Resort Phase VI recorded on August 8, 2006, at Official Record Book 0806, Page 3114, Document Number 0681616, Douglas County Recorder, Nevada records (the "**Fourth Annexation**"); (e) Declaration of Annexation of David Walley's Resort Phase VII recorded on September 13, 2006, at Official Record Book 0906, Page 4032, Document Number 0684379, Douglas County Recorder, Nevada records (the "**Fifth Annexation**"); and (f) Declaration of Annexation of David Walley's Resort Parcels L and M recorded on February 8, 2007, at Official Record Book 0207, Page 02489, Document Number 0694630, Douglas County Recorder, Nevada records (the "**Sixth Annexation**"); and

**WHEREAS**, the First Annexation, the Second Annexation, the Third Annexation, the Fourth Annexation, the Fifth Annexation and the Sixth Annexation shall be collectively referred to herein as the "**Annexations**"; and

**WHEREAS**, the Phases of the Property include Phase I and Phase II as described in the Fifth Amended and Restated Declaration and Phase III, Phase IV, Phase V, Phase VI, Phase VII and Parcels L and M as described in the respective Annexations; and

**WHEREAS**, the Sixth Annexation re-characterized Parcels L and M as a part of Phase IV and Phase IV was combined with Phase V, Phase IV and Phase VII and thereafter referred to as the Dillon Phase; and

**WHEREAS**, the Fifth Amended and Restated Declaration and this Amendment (collectively referred to herein as the "**Declaration**"), and the Annexations govern the Resort at the time of the recording of this Alternate Reservation System; and

**WHEREAS**, the Walley's Property Owners Association ("**Association**"), established pursuant to the Original Declaration, is responsible for the operation, maintenance, repair and restoration of the Resort; and

**WHEREAS**, the Original Declarant transferred and assigned its rights under the Fifth Amended and Restated Declaration to Celebrity Resorts of Genoa, LLC, a Nevada limited liability company ("**Celebrity Resorts**"), pursuant to that certain David Walley's Resort Transfer of Declarant Rights recorded on October 16, 2008, at Official Record Book 1008, Page 2525, Document Number 731528, Douglas County Recorder, Nevada records (the "**First Assignment of Declarant Rights**"); and

**WHEREAS**, Celebrity Resorts, in turn, transferred and assigned its rights under the Fifth Amended and Restated Declaration to Quintus Resorts, LLC, a Delaware limited liability company ("**Quintus Resorts**"), pursuant to that certain David Walley's Resort Transfer of Declarant Rights recorded on June 15, 2010, at Official Record Book 610, Page 2782, Document Number 765271, Douglas County Recorder, Nevada records (the "**Second Assignment of Declarant Rights**"); and

**WHEREAS**, Quintus Resorts, in turn, transferred and assigned its rights under the Fifth Amended and Restated Declaration to 1862, LLC, a Nevada limited liability company ("**1862**"), pursuant to that certain Assignment of Declarant's Rights for David Walley's Resort recorded on October 19, 2010, at Official Record Book 1010, Page 3742, Document Number 772441, Douglas County Recorder, Nevada records (the "**Third Assignment of Declarant Rights**") and 1862 is the current, and only, Declarant under the Declaration; and

**WHEREAS**, all capitalized terms not otherwise defined herein shall have the meaning set forth in the Declaration; and

**WHEREAS**, pursuant to Paragraph 2.3 of the Declaration, 1862 as Declarant, with the approval of the Board, has the right to amend the Declaration to provide an alternate reservation system for the Resort so long as the ARS Owners are entitled to seven (7) nights use for each Time Share or Alternate Time Share in the designated Use Type on a first come, first served basis; and

**WHEREAS**, pursuant to the attached resolution of the Board (the "**Consent**"), the Board has approved of this Alternate Reservation System and has designated its President as its authorized representative to execute the Approval and Consent set forth below; and

**WHEREAS**, Association and 1862 desire to execute this Alternate Reservation System in order to provide an alternate reservation system as permitted under Paragraph 2.3 of the Declaration.

**NOW THEREFORE**, to provide for an alternate reservation system, the Declaration is hereby amended as follows:

**1. Recitals.** The above-referenced recitals are true and correct, and form a material part of this Alternate Reservation System and are incorporated herein by this reference.

**2. Addition of an Alternate Reservation System.** Paragraph 2.15 is hereby added to the Declaration in order to provide for an alternate reservation system, as follows:

2.15 Alternate Reservation System. The provisions of this Paragraph 2.15 shall be collectively referred to herein as the "Alternate Reservation System." The Alternate Reservation System shall apply only to (i) any Time Share once such Time Share is owned by Orange Lake Country Club Inc., or its successors and assigns; (ii) any Time Share for which use rights have been assigned, during such assignment, to GlobalAccess Exchange, LLC, ("GlobalAccess") as owner and operator of one or more timeshare exchange programs; and (iii) any Time Share which is conveyed to the trustee of the Orange Lake Land Trust, as described in that certain Memorandum of Trust Agreement (Orange Lake Land Trust) which is recorded as Instrument Number 20180061276 of the Public Records of Orange County, Florida.

Time Shares subject to the Alternate Reservation System shall constitute a separate pool of inventory at the Property and the Use Periods at the Property shall be fairly allocated between the Alternate Reservation System and the existing reservation system based upon Phase and week of the year. Owners of Time Shares subject to the Alternate Reservation System ("ARS Owners") shall reserve Use Periods in the Alternate Reservation System inventory pool in accordance with the exchange

program rules and procedures set forth by GlobalAccess from time to time; provided, however, that such ARS Owners shall be entitled to reserve up to seven (7) nights use for each Time Share or Alternate Time Share in the designated Use Type on a first come, first served basis.

(a) Restriction on Use, Possession and Occupancy. Regardless of the Unit Type referenced in any ARS Owner's Deed and to the extent the Alternate Reservation System applies to any such ARS Owner, no ARS Owner shall have any right whatsoever to occupy a particular Unit for any particular Use Period, except pursuant to a confirmation properly made through the Alternate Reservation System. Said reservations, confirmations and other rights associated with use of a Use Period shall be in accordance with the following:

(1) ARS Owners shall be entitled to use their Points every calendar year, to use and occupy available Units, their Common Furnishings and the Common Areas during Use Periods for which the ARS Owner has a valid confirmation in accordance with the Alternate Reservation System. ARS Owners shall not be permitted to use Units, Common Furnishings, and Common Areas or enter upon the Project except during their use and occupancy of a Unit reserved in accordance with the Alternate Reservation System.

(2) Subject to the Alternate Reservation System Procedures, ARS Owners may allow Permitted Users to use a Unit reserved by ARS Owner, but such ARS Owner shall be responsible for any loss, damage, destruction or violation of this Declaration which occurs during such occupancy by such Permitted User as if such ARS Owner was actually occupying the Unit.

(3) Each ARS Owner shall keep the Unit occupied by the ARS Owner and the Common Furnishings, Common Areas and all areas of the Project used by the ARS Owner in good condition and repair during the reserved Use Period; vacate the Unit at the expiration of the reserved ARS Owner's Use Period; remove all persons and such ARS Owner's personal property there from; and comply with such reasonable check-out and other procedures and regulations as may from time to time be contained in the Rules and Regulations.

(4) ARS Owners should note the reservation windows and Unit Type requirements for making a proper reservation request. In addition, ARS Owners should note that Manager will issue confirmations on a "first-come, first-served" basis subject to availability. The longer an ARS Owner waits to make a reservation request, the less likely it is that he or she will obtain a confirmation for his or her first choice of Use Periods.

(5) If an ARS Owner's confirmation has been dishonored due to an error made by the Alternate Reservation System Manager, reasonable efforts shall be made by the Alternate Reservation System Manager to find, at no

cost to such ARS Owner, alternative accommodations of reasonably comparable quality and location for such ARS Owner.

(6) There shall be no accrual or carry-over of unused Points or Use Periods from one calendar year to the next.

(7) Declarant may permit any of its confirmations to be used by itself or any third parties and such use may be for the entire confirmation period or for any portion, or portions, of the confirmation period.

(8) Prior to the rental or exchange of any Use Period, an ARS Owner must make a Reservation Request and obtain a confirmation from Manager.

(b) Reservation Procedures. In addition to the provisions set forth in this Paragraph 2.15, the Alternate Reservation System shall also be governed by the terms of the Alternate Reservation System Procedures, which shall be added as Article 2 of the Rules and Regulations. In no event shall Article 2 of the Rules and Regulations be further amended, without the written consent of the Declarant and a consent by Declarant to an amendment shall not be deemed to constitute a consent by Declarant to any further amendments.

(c) Declarant Rental and Use. The Declarant, or any of its affiliated entities, which owns a Time Share, or has the right to use such Time Share, shall be permitted to rent, lease, reserve or otherwise use such Time Share for its benefit subject to the Alternate Reservation System.

(d) Inapplicable Provisions. Paragraphs 1.28, 1.29, 2.1, 2.2, and 2.6 of the Declaration shall not apply to Time Shares subject to the Alternate Reservation System.

(e) Conflict. In the event of any conflict between the provisions of this Paragraph 2.15 and other provisions of the Declaration or the provisions of the Alternate Reservation System Procedures, the provisions of this Paragraph 2.15 shall prevail and control.

(f) Amendment. In addition to the methods of amendment set forth in Paragraph 9.1 of the Declaration, the provisions of this Paragraph 2.15 may be amended by the Declarant with the written consent of the Alternate Reservation System Manager and the Board of Directors of the Association, so long as ARS Owners are entitled to seven (7) nights use for each Time Share or Alternate Time Share in the designated Unit Type on a first come, first served basis.

3. No Further Amendments. Except as modified herein, the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, 1862 has executed this Alternate Reservation System as of the date set forth above.

Signed, Sealed and Delivered  
in the presence of:

**1862, LLC, a Nevada limited liability  
company, as Declarant**

By: RCD Holdings, LLC, a Nevada limited  
liability company, as Member and Manager

By: [Signature]  
Name: Richard C. Dowdell  
Title: Sole Member/Manager

Christy-Lee Curtis  
Unofficial Witness  
Christy-Lee Curtis

State of Missouri  
County of Taney

Before me, the undersigned authority personally appeared Richard C. Dowdell, as the sole member and manager of RCD Holdings, LLC, a Member and Manager of 1862, LLC, a Nevada limited liability company, to me known and known to me to be the individual who executed the foregoing instrument as member & manager and he duly acknowledged before me that he executed the same freely and voluntarily as the act and deed of said limited liability company.

I hereby further certify that Richard C. Dowdell as the person making the foregoing Acknowledgement is the same person executing the foregoing instrument described therein because I personally know him or he produced \_\_\_\_\_ as identification.

WITNESS MY HAND AND OFFICIAL SEAL IN THE COUNTY AND STATE  
AFORESAID, THIS 17<sup>th</sup> Day of October, 2018.

Floyd Elliott  
Notary Public, State of Missouri

My commission expires: 7-1-2021

FLOYD ELLIOTT  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Taney County  
My Commission Expires: July 01, 2021  
Commission Number: 13403536

**APPROVAL and CONSENT**

The Board hereby approves and consents to this Alternate Reservation System, as of the Effective Date.

Signed, Sealed and Delivered  
in the presence of:

**WALLEY'S PROPERTY OWNERS  
ASSOCIATION**, a Nevada non-profit corporation

Audrey Damonte  
**Unofficial Witness**  
Audrey Damonte

By: WM  
Name: Wendy Miller-Mercadante

As Its: Vice President

State of Nevada  
County of Washoe

Before me, the undersigned authority personally appeared Wendy Miller-Mercadante as Vice President of Walley's Property Owners Association, a Nevada not-for-profit corporation, to me known and known to me to be the individual who executed the foregoing instrument as President and he duly acknowledged before me that he executed the same freely and voluntarily as the act and deed of said corporation.

I hereby further certify that Wendy Miller-Mercadante the person making the foregoing Acknowledgement is the same person executing the foregoing instrument described therein because I personally know him/her or he/she produced a NV D/L as identification.

WITNESS MY HAND AND OFFICIAL SEAL IN THE COUNTY AND STATE  
AFORESAID, THIS 26<sup>th</sup> Day of October, 2018.

Susan M. Matejko  
Notary Public, State of Nevada

My commission expires: 8/1/2022

