

When recorded mail to:
Genoa Lakes Resort Homeowners Association
c/o New Valley Management
1664 Highway 395 N. #106
Minden, NV 89423



KAREN ELLISON, RECORDER

The undersigned hereby affirms that this document, including any exhibits, submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030)

**SIXTH AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
GENOA LAKES RESORT HOMEOWNERS ASSOCIATION**

(FKA Canyon Creek Meadows/FKA Montana Homeowners Association)

This Sixth Amendment to Declaration of Covenants, Conditions and Restrictions for Genoa Lakes Resort Homeowners Association ("Sixth Amendment") is made effective November 15, 2018, and certified by the President and Secretary of the Genoa Lakes Resort Homeowners Association, Inc., a Nevada non-profit corporation (the "Association").

RECITALS:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Canyon Creek Meadows recorded on February 13, 2004 as Document No. 0604581 of the Official Records of Douglas County, State of Nevada ("Original Declaration");

WHEREAS, the Original Declaration was amended by that First Amendment to Declaration of Covenants, Conditions and Restrictions for Canyon Creek Meadows, recorded on August 12, 2004 as Document No. 0621279 of the Official Records of Douglas County, State of Nevada;

WHEREAS, the Original Declaration was amended by that Second Amendment to Declaration of Covenants, Conditions and Restrictions for Montana at Genoa Lakes Golf Resort (fka Canyon Creek Meadows), recorded on February 28, 2006 as Document No. 0668801 of the Official Records of Douglas County, State of Nevada;

WHEREAS, a Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions for Montana at Genoa Lakes Golf Resort (fka Canyon Creek Meadows), recorded on December 29, 2006 as Document No. 0691796 of the Official Records of Douglas County, State of Nevada;

WHEREAS, a second Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions for Montana at Genoa Lakes Golf Resort (fka Canyon Creek Meadows), recorded on November 30, 2007 as Document No. 0713986 of the Official Records

of Douglas County, State of Nevada;

WHEREAS, Notice of Errata, [to] Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions for Montana at Genoa Lakes Golf Resort (fka Canyon Creek Meadows), recorded on December 9, 2010 as Document No. 0775202 of the Official Records of Douglas County, State of Nevada;

WHEREAS, the Original Declaration was amended by the Third Amendment to Declaration of Covenants, Conditions and Restrictions for Montana at Genoa Lakes Golf Resort (fka Canyon Creek Meadows) re-recorded on July 26, 2013 as Document No. 0827900 of the Official Records of Douglas County, State of Nevada;

WHEREAS, the Original Declaration was amended by the Fourth Amendment to Declaration of Covenants, Conditions and Restrictions for Montana at Genoa Lakes Golf Resort (fka Canyon Creek Meadows) re-recorded on August 1, 2013 as Document No. 0828216 of the Official Records of Douglas County, State of Nevada;

WHEREAS, a third Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions for Montana at Genoa Lakes Golf Resort (fka Canyon Creek Meadows), recorded on January 11, 2017 as Document No. 2017-893227 of the Official Records of Douglas County, State of Nevada;

WHEREAS, the Original Declaration was amended by the Fifth Amendment to Declaration of Covenants, Conditions and Restrictions for Montana at Genoa Lakes Golf Resort (fka Canyon Creek Meadows) recorded on July 27, 2017 as Document No. 2017-901911 of the Official Records of Douglas County, State of Nevada (the Original Declaration, First Amendment, Second Amendment, all Supplemental Declarations, the Third Amendment, Fourth Amendment, Fifth Amendment and this Sixth Amendment are collectively referred to as "the Declaration");

WHEREAS, not less than sixty-seven percent (67%) of the voting power of the Association approved this Sixth Amendment as hereinafter set forth;

NOW, THEREFORE, the undersigned hereby acknowledge and certify that the Owners (as defined in the Declaration) entitled to cast at least sixty-seven percent (67%) of the votes, voted to amend the Declaration as set forth herein below. Accept as amended herein, all provisions of the Declaration as previously amended, shall remain in full force and effect.

A. Paragraph 3.1 of Article III shall be amended in its entirety as follows:

3.1 Single Family Residences. Except as otherwise provided in this Section 3.1, each Lot shall be used as a residence for a single family and for no other purpose. No residence shall be constructed or maintained upon any Lot within the Initial Property which shall have a living area, exclusive of garage or permitted outbuildings, of less than two thousand five hundred (2,500) square feet for all single-family residences and of less than two thousand eight hundred (2,800) square feet for all multi-story residences; and each residence shall have an attached garage which can accommodate no less than two (2) nor more than three (3) automobiles; provided, however, that the Architectural Committee may allow garages which can accommodate greater than three (3) automobiles in the exercise of its discretion in accordance with the terms and provisions of this Declaration.

3.1.1 Height Restriction. Except as provided herein, the maximum height of each dwelling unit ("residence") constructed upon a Lot shall be thirty-five feet (35') from finished grade; provided however, as to any Property annexed to the Association after recording of this Sixth Amendment ("Annexed Property"), the maximum height of each residence on the Lots specified in Exhibit "C" shall be restricted in height to no more than 24.5 feet above the mean grade of the Lot. Except for those Lots specified in Exhibit "C", any residence constructed on a Lot will be limited by the maximum height restriction of thirty-five feet (35') from finished grade. The applicable height restriction for a residence constructed on a Lot within the Annexed Property must be contained within the deed for such Lot; provided, however, the failure to include the applicable height restriction in a deed for any Lot within the Annexed Property shall not negate or undermine the provisions of this paragraph the height restriction as stated above for each residence constructed on a Lot in the Annexed Property shall be deemed to be included in every deed conveying title to a Lot.

3.1.2 Restrictions on Rental of Residences. An Owner may rent the residence on his or her Lot to a single family provided that the dwelling is rented pursuant to a lease or rental agreement which is (a) in writing, (b) for a term of at least six (6) months, and (c) subject to all provisions of this Declaration, the Articles, the Bylaws, and any Rules and Regulations adopted by the Board.

B. Paragraph 6.7 of Article VI, as previously amended by the Fifth Amendment to Declaration of Covenants, Conditions and Restrictions for Montana at Genoa Lakes Golf Resort, is further amended by adding the following paragraph:

6.7.1 Rate of Assessment; and Commencement of Annual Assessments for Annexed Property. All Lots within the Annexed Property identified in any Supplemental Declaration recorded following the recording of the Sixth Amendment to the Declaration, shall be obligated to pay assessments commencing on the first day of the month following recording of the Supplemental Declaration for each phase of the development of the Annexable Property; provided however, until a building permit is issued for a Lot within the Annexed Property, the Owner of a Lot shall be responsible for paying for each Lot, only fifty-seven percent (57%) of assessments being charged other Owners of Lots within the entire Project. From and after the first day of the month following the issuance of a building permit for a Lot within the Annexed Property, or five (5) years after the Annexation of the Lot, whichever is sooner, the Owner of the Lot shall be responsible for paying one hundred percent (100%) of all assessments for a Lot as then determined by the Board in accord with this Article 6 and NRS Chapter 116. Nothing contained in this paragraph shall prevent or impede the ability of the Association to determine the amount of all general, special, or reserve assessments on an annual or more frequent basis.

C. Paragraph 8.1 of Article VIII is amended by adding the following paragraph:

8.1.1 Design Standards Applicable to Annexed Property. All residences constructed on Lots within the Annexed Property identified in any Supplemental Declaration recorded following the recording of the Sixth Amendment to the Declaration (“Annexed Property”), shall be controlled by Design Standards adopted by the Board and Architectural Committee applicable specifically to the Annexed Property. Unless modified by the Board and Architectural Committee, the Design Standards shall be applicable to all phases of development within all portions of the Annexable Property. The Design Standards may require all residences within any portion of the Annexed Property be constructed in a similar theme with the use of selected roofing materials and exterior siding materials. All building height restrictions set forth in paragraph 3.1.1 shall apply to all Lots within the Annexed Property. Should the Board or Architectural Committee fail to adopt Design Standards specifically applicable to the Annexed Property, the Design Standards applicable to the Project shall remain applicable.

D. Paragraph 10.3.2 of Article X is amended to read as follows:

10.3.2 Annexation With the Approval of the Membership: As of the date of the recording of the Sixth Amendment to this Declaration, certain portions of the Annexable Property is owned now by a third party, Genoa Ridge Investors, LLC, a Delaware limited liability company (“GRI”) who is not a Successor Declarant. The portion of the Annexable Property now owned by GRI and subject to this Annexation is described in Exhibit “A”, attached hereto. GRI intends to develop the remaining portion of the original Annexable Property in two or more development phases pursuant to the recording of a tentative and final subdivision tract map for each phase. GRI has requested the Association permit annexation of the remaining portion of the Annexable Property (described in Exhibit “A” attached hereto) in phases pursuant to the recording of final map(s) and Supplemental Declaration(s) of Annexation for each phase of development. **The Association has entered into an Annexation Agreement with GRI, a copy of which is attached as Exhibit “B” (without duplicate exhibits) to this Sixth Amendment to Declaration.** The Annexation Agreement is intended to apply to all future development phases of the Annexable Property. Upon approval of this Sixth Amendment, the Annexation Agreement shall be deemed approved by members holding a majority of the voting power of the Association, and the Board shall have the power and authority to take all actions deemed necessary or appropriate to negotiate, prepare, execute and cause to be recorded, one or more Supplemental Declarations of Annexation covering the Annexed Property as identified in each Supplemental Declaration. No further approval of the members shall be required prior to annexation of any portion of the Annexable Property.

E. Paragraphs 10.3.3, 10.3.4, and 10.3.6., of Article X are amended as follows:

“Association” shall be substituted in place of “Declarant”; provided however, the consent of both the Association and the Owner of the Annexable Property shall be required in each instance where the Declarant is otherwise empowered to act as Owner of the Annexable Property.

F. Paragraph 10.3.7 is added to Article X of the Declaration as follows:

10.3.7. Provision of Reserve Study for Annexed Property. Prior to the recording of each Supplemental Declaration covering any portion of the Annexable Property, the then Owner of the Annexable Property shall provide to the Association, an updated Reserve Study acceptable to the Association covering the Common Areas of the Annexable Property the Owner intends to convey to the Association. Under no circumstances shall any portion of the

Annexable Property identified as the “lead disposal cell” or “lead disposal site” be conveyed to the Association and it shall not be identified on any map or described in any document as Common Area. All costs and expenses associated with the preparation of each Reserve Study shall be paid by the Owner of the Annexable Property; provided, however, upon Annexation of the final phase of the Annexable Property, the Association shall obtain and pay for a comprehensive Reserve Study covering all Common Areas and Common Elements, including those within all Annexed Property..

G. Paragraph 10.3.8 is added to Article X of the Declaration as follows:

10.3.8. Provision of Documents by Owner of Annexed Property: In addition to the Reserve Study and funds required by Paragraph 10.3.7, before the owner of any Annexable Property conveys any portion of the Annexable Property to the Association as Common Area, the Owner shall be required to provide:

- (a) A copy of plans and specifications used in the construction of the improvements within the Common Area;
- (b) Any renewable permits or approvals issued by any governmental body concerning or affecting the Common Area;
- (c) Written warranties of the contractor, sub-contractor or manufacturer of constructing the Common Elements;
- (d) Copies of all insurance policies of an entity providing any construction services;
- (e) A Phase 1 environmental assessment performed by a Certified Environmental Manager approved by the Association, conforming to a protocol established by the ASTM and recognized by federal and state agencies, meeting the “all appropriate inquiry standard.” A Phase 1 environmental site assessment meeting these criteria must be performed for each phase of the of the Project before annexation into the Project, within six (6) months prior to conveyance of the Common Area within the Annexed Property to the Association. Under no circumstances shall the lead disposal site be part of the Common Area. GRI shall maintain ownership of the lead disposal site. All costs of the Phase 1 environmental assessment shall be paid by the Owner of the Annexable Property;

H. Paragraph 10.3.9 is added to Article X of the Declaration as follows:

10.3.9 Right of Association to Inspect: The Association shall have the right to inspect all grading and obtain soil samples from the Annexable Property prior to annexation of each phase of development.

I. Paragraph 10.4 of Article 10 is amended in its entirety to read as follows:

10.4 Deannexation Procedures. In addition to the consent of the Owner of property subject to being deannexed from the Association, the approval of a members entitled to exercise a majority of the voting power of the Association is required before any property may be deannexed from the Association. Once the requisite approval and consent is obtained, the Association shall record a Notice of Deannexation in the office of the Count Recorder of Douglas County, Nevada, describing the property to be deannexed.

J. New Article XIV entitled “Disclosures and Indemnification Regarding Environmental And Hazardous Conditions On Annexable Property”, is hereby added to the Declaration as follows:

ARTICLE XIV

DISCLOSURES AND INDEMNIFICATION REGARDING ENVIRONMENTAL AND HAZARDOUS CONDITIONS ON ANNEXABLE PROPERTY

14.1 Significant portions of the Annexable Property were previously used as a gun club and have been subject to the deposition of lead shot and sporting clay debris. High concentrations of these materials may be hazardous to human health and the environment. The Nevada Division of Environmental Protection (“NDEP”) has determined there is little evidence of sporting clay debris on the Annexable Property. However, testing revealed some portions of the Annexable Property had unacceptable levels of lead contamination. Remediation efforts were made in 2004, 2005, 2016 and 2017 and soils containing concentrations of lead in excess of acceptable standards were either disposed of offsite or placed in an area within the Annexable Property excavated as a “lead disposal cell”. The lead disposal cell area was capped with five feet of native soil and the surface area was re-vegetated. Based upon testing and the remediation efforts, NDEP issued a “no further action” letter for the lead disposal cell and an environmental covenant was recorded for the lead disposal site, requiring anyone who intends to disturb the lead disposal site to notify NDEP and prepare a management plan. The lead disposal site is not within the planned Common Area of the Annexable Property. GRI shall own the lead disposal site and it shall not be conveyed to the Association, shall not be identified on any map or other document as Common Area. Experts have opined that as long as the integrity of the surface cap of the disposal site is

preserved, the thickness of the surface cap and depth to groundwater should prevent any surface exposure of lead or leaching of lead to ground water. However, because of potential extensive soil disturbance during development of the Annexable Property, there may be areas of the Annexable Property where hazardous materials have been concentrated or buried without prior detection. There may be a risk of residents encountering previously unknown hazardous site conditions during outdoor activities on residential Lots, such as gardening.

14.2 Genoa Ridge Investors, LLC, a Delaware limited liability company (“GRI”), on behalf of itself and its successors interest and assigns, covenants and agrees that it will not disturb the surface cap of the lead disposal site at any time during the development of any phase of the Annexable Property. At the request of the Association, GRI will record an additional restrictive covenant for the lead disposal site that will prohibit any future disturbance of the soil cap that would impair its integrity. The lead disposal site will not be conveyed to the Association as Common Area upon annexation of the final phase of development of the Annexable Property. GRI shall own the lead disposal site in perpetuity. The Association shall have the right to inspect all grading and obtain soil samples from the Annexable Property prior to annexation of each phase of development.

14.3 GRI on behalf of itself and its successors in interest and assigns, further covenants and agrees that before the conveyance of any Common Area within the Annexable Property, it will provide to the Association a Phase 1 environmental assessment report in accord with Section 4.3.7. of the Annexation Agreement executed by GRI and the Association. A Phase 1 environmental assessment report shall be prepared for each Phase of development of the Annexable Property within six (6) months of the conveyance to the Association of the Common Area within each phase. If the Phase 1 environmental assessment detects the presence of hazardous shooting debris or recommends a Phase II environmental assessment, the Association shall have the right to obtain and pay for a Phase II environmental assessment. Thereafter, GRI or its successor will promptly perform and pay for any and all remediation required or recommended by NDEP or other controlling agency, to remove all identified hazardous materials from the Common Area. The Common Area shall not include the lead disposal site.

14.4 GRI or its successors represent and warrant to the Association, as of the Effective Date and as of the date of conveyance of any portion of the Annexed Property:

14.4.1 The Common Area, which shall not include the lead disposal site, shall be conveyed to the Association free and clear of all liens;

14.4.2 There are no adverse soil conditions to prevent maintenance and ownership of the Common Area by the Association;

14.4.3 There are no toxic or hazardous wastes (as such terms are now defined by current law and regulations) present in such quantities within any portion of the Annexed Property as would require remediation; and

14.4.4 There are no sink holes or geological faults affecting any portion of the Annexed Property which have not been specifically disclosed to the Association in writing.

14.5 The Association acknowledges that GRI has made available to the Association for inspection certain information from Robison Engineering and a map or plat indicating the proposed location of the Common Areas within each phase of the Project, and indicating those portions of the Common Area, if any, which are located in a flood plain or which have been identified as wetlands by written notice to GRI from any state or federal agency or other governmental authority.

14.6 Except as provided in the Nevada Environmental Assessment and any Phase 1 environmental assessment report or information or reports developed by Robison Associates, GRI and its successors in interest, hereby acknowledge that GRI and its successors have no knowledge of, nor have investigated or made any determination with respect to, the existence or nonexistence of toxic or hazardous substances or gasses in, or about the Common Area, or the presence of underground storage tanks.

14.7 GRI and its successors in interest and assigns, shall defend, indemnify, and hold harmless the Association and its officers, directors, employees, members, successors in interest and assigns, of and from any and all claims of every nature and kind, whether realized or inchoate, arising out of or relating to damages or injuries alleged to have been sustained in connection with any hazardous materials, including but not limited to lead and sporting clay debris, on any portion of the Annexable Property.

14.8 Prior to the conveyance of any Lot within the Annexable Property, GRI or its successor, shall provide to the Association a written acknowledgment signed by the intended purchaser of the Lot, that the purchaser is aware of the disclosures regarding hazardous materials contained in the

Annexation Agreement and in this Sixth Amendment to Declaration and has been provided copies of said documents. Further, upon purchase of a Lot, the purchaser shall be deemed to have acknowledged and agreed that it (he/she) releases the Association from any and all liability for damages or injuries claimed to arise from any hazardous materials found to exist on any portion of the Annexable Property, including residential Lots.

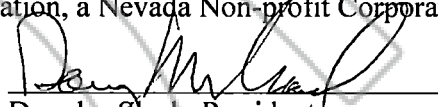
K. Except as specifically amended herein, all provisions of the Declaration as previously amended and supplemented, shall remain in full force and effect.

Certification

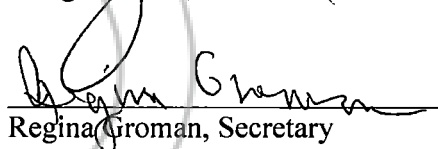
We, the undersigned, hereby certify, under penalty of perjury, that this Sixth Amendment to the Declaration of Covenants, Conditions and Restrictions for Genoa Lakes Resort Homeowners Association was provided to its members for action and that of a total two hundred ten (210) voting units, one hundred forty-six (146) voted in favor of this Sixth Amendment; that the affirmative action was taken by those members whose votes are recorded in the official records of the Association, and that such affirmative vote conforms with the requirements that there be not less than the affirmative vote of sixty-seven percent (67%) of the voting power of the Association.

Board of Directors of Genoa Lakes Resort Homeowners
Association, a Nevada Non-profit Corporation

By:


Douglas Slack, President

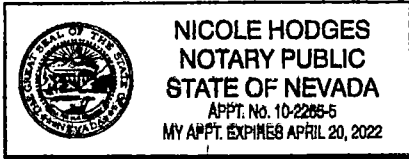
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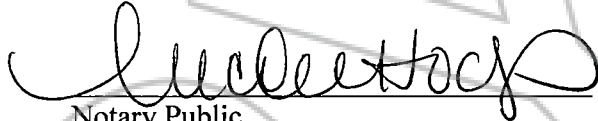

Regina Groman, Secretary

LOOSE NOTARIES ON NEXT PAGE

STATE OF NEVADA)
COUNTY OF Douglas)

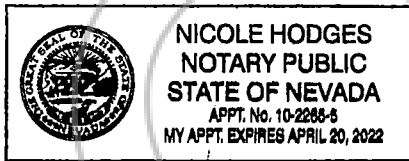
This instrument was acknowledged before me on 11/20, 2018, by Douglas Slack as President of Genoa Lakes Resort Homeowners Association, a Nevada nonprofit corporation.




Notary Public

STATE OF NEVADA)
COUNTY OF Douglas)

This instrument was acknowledged before me on 11/20, 2018, by Regina Groman as Secretary of Genoa Lakes Resort Homeowners Association, a Nevada nonprofit corporation.



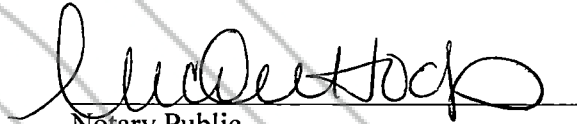

Notary Public

EXHIBIT "A"

DESCRIPTION OF REMAINING ANNEXABLE PROPERTY
OWNED BY GRI

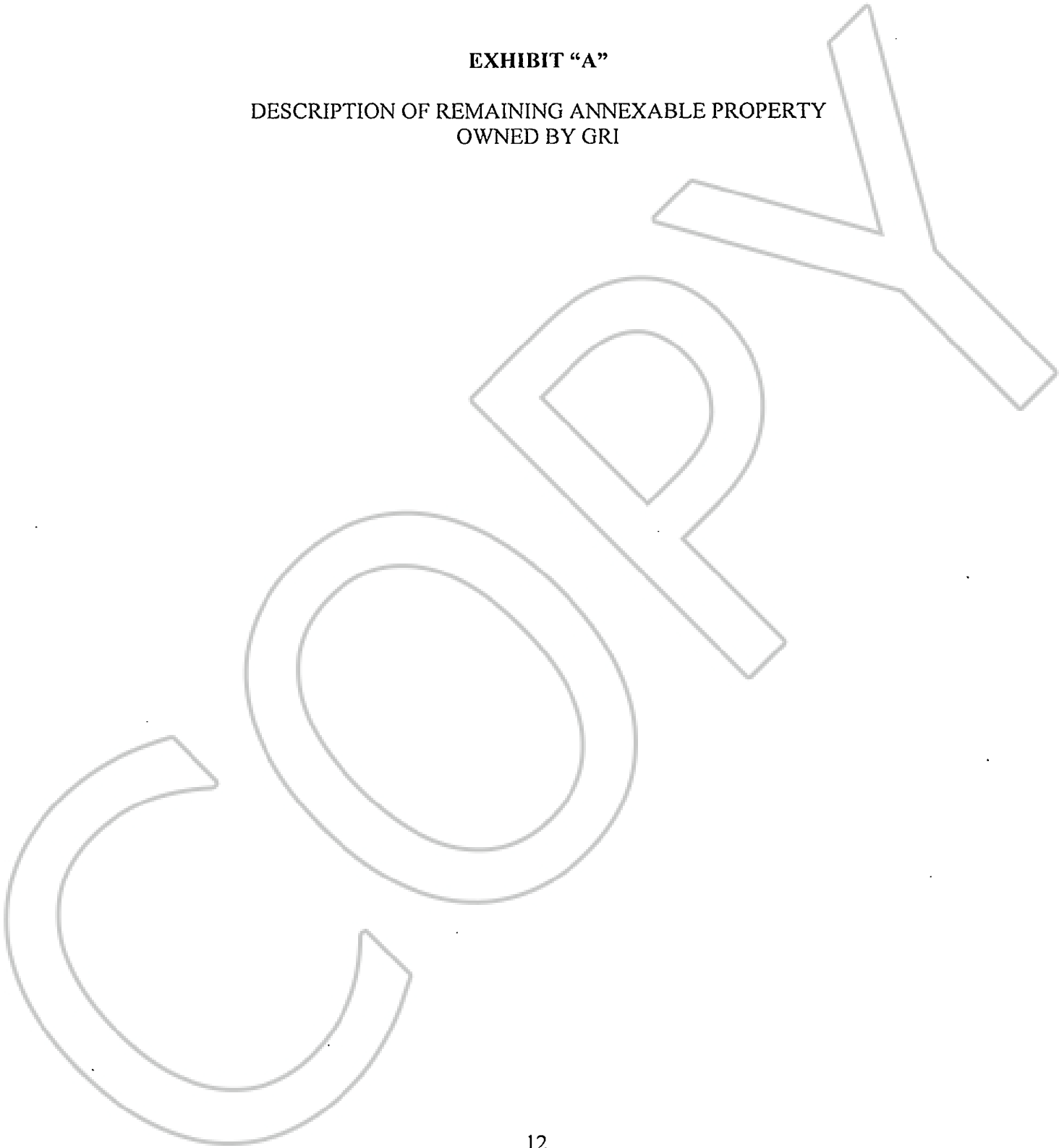


EXHIBIT "A"
Legal Description

All that certain real property situate in the County of Douglas, State of NEVADA, described as follows:

Parcel 1:

Adjusted Parcel 17, as set forth on that certain Record of Survey to Support a Boundary Line Adjustment for Genoa Land Investors, LCL, MDA Enterprises Inc. and Four Creeks Visalia, L.P., filed for record in the office of the Douglas County Recorder on June 12, 2007 in Book 607, Page 3401, Document No. 702844, Official Records and more particularly described as follows:

A parcel of land located within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian described as follows:

Commencing at the northeast corner of Section 26, Township 14 North, Range 19 East, M.D.M., a found 1985 BLM aluminum cap; thence along the north line of the Northeast one-quarter of said Section 26, South 89°23'01" West, 1363.99 feet to the northeast corner of Adjusted Parcel 17, as shown on the Record of Survey to Support a Boundary Line Adjustment for Genoa Land Investors, LLC, Genoa Developer Associates, LLC, MDA Enterprises Inc. and Incomparable Holding Co., et al, recorded June 30, 2005 in the office of the Recorder, Douglas County, Nevada, as Document No. 648319, the Point of Beginning;

Thence along the boundary of said Adjusted Parcel 17, the following courses:

Along the arc of a non-tangent curve to the right having a radius of 555.00 feet, central angle of 44°30'58", arc length of 431.21 feet and chord bearing and distance of South 18°07'24" East, 420.44 feet;

South 02°24'29" West, 126.19 feet;

South 09°12'15" West, 37.66 feet;

South 20°35'43" West, 511.70 feet;

South 09°02'13" West, 221.05 feet;

South 15°11'12" East, 240.72 feet; thence leaving said boundary of Adjusted Parcel 17, South 32°55'35" West, 30.99 feet; thence along the arc of a non-tangent curve to the left having a radius of 510.00 feet, central angle of 12°45'49", arc length of 113.61 feet and chord bearing and distance of South 89°49'40" West, 113.37 feet; thence South 83°26'45" West, 273.66 feet; thence along the arc of a tangent curve to the left having a radius of 1030.00 feet, central angle of 14°50'52", arc length of 266.92 feet, and chord bearing and distance of South 76°01'19" West, 266.17 feet; thence along the arc of a reverse curve to the right having a radius of 670.00 feet, central angle of 58°52'18", arc length of 688.43 feet, and chord bearing and distance of North 81°57'58" West, 658.54 feet; thence North 52°31'49" West, 48.42 feet; thence along the arc of a tangent curve to the right having a radius of 270.00 feet, central angle of 35°00'00", arc length of 164.93 feet, and chord bearing and distance of North 35°01'49" West, 162.38 feet; thence North 17°31'49" West, 85.00 feet; thence along the arc of a tangent curve to the left having a radius of 480.00 feet; central angle of 33°00'00", arc length of 276.46 feet and chord

bearing and distance of North 34°01'49" West, 272.65 feet; thence North 50°31'49" West, 250.00 feet; thence along the arc of a tangent curve to the left having a radius of 1780.00 feet, central angle of 14°23'13", arc length of 446.96 feet, and chord bearing and distance of North 57°43'26" West, 445.79 feet; thence along the arc of a compound curve to the left having a radius of 330.00 feet, central angle of 73°57'05", arc length of 425.93 feet, and chord bearing and distance of South 78°06'25" West, 396.97 feet; thence along the arc of a reverse curve to the right having a radius of 170.00 feet, central angle of 58°34'24", arc length of 173.79 feet, and chord bearing and distance of South 70°25'05" West, 166.32 feet; thence North 80°17'43" West, 33.62 feet to a point on the easterly line of Jacks Valley Road; thence along said easterly line of Jacks Valley road, along the arc of a non-tangent curve to the left having a radius of 2630.00 feet, central angle of 06°51'56", arc length of 315.14 feet and chord bearing and distance of North 05°37'06" East, 314.96 feet; thence continuing along said easterly line of Jacks Valley Road, North 02°11'08" East, 444.77 feet; thence along the north line of the Northwest one-quarter of said Section 26, North 89°22'26" East, 1486.06 feet to the North one-quarter corner of said Section 26, a found 1985 BLM aluminum cap; thence along the north line of the Northeast one-quarter of said Section 26, North 89°23'01" East, 1269.00 feet to the Point of Beginning.

"In compliance with Nevada Revised Statute 111.312, the herein above legal description was taken from instrument recorded June 12, 2007, in Book 607, Page 3379, as Document No. 702842, recorded in the Official Records of Douglas County, State of Nevada."

Together with that certain non-exclusive private access easement as described below:

50' Wide Non-Exclusive Private Easement:

A fifty foot (50') wide easement for access purposes located within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian, the centerline of which is more particularly described as follows:

Commencing at a found 5/8" rebar, no tag, a point on the Easterly line of Jacks Valley road, the Northwesterly corner of Parcel 2, as shown on the Map of Division Into Large Parcels for Little Mondeaux Limousin Corporation, recorded July 31, 1992 in the office of the Recorder, Douglas County, Nevada, as Document No. 284936, said point bears South 32°55'56" West, 2868.09 feet from the Southwest corner of Section 26, Township 14 North, Range 19 East, M.D.M.; thence along said Easterly line of Jacks Valley Road, North 21°17'11" East, 5624.78 feet to the Point of Beginning; thence South 57°24'21" East, 901.15 feet; thence along the arc of a curve to the right having a radius of 100.00 feet, central angle of 57°24'26", arc length of 100.19 feet and chord bearing South 28°42'10" East; thence South 163.85 feet; thence along the arc of a curve to the left having a radius of 100.00 feet, central angle of 59°14'14" arc length of 103.39 feet and chord bearing South 29°37'07" East; thence South 59°14'14" East, 87.62 feet; thence South 57°20'21" East, 299.51 feet; thence along the arc of a curve to the left having a radius of 95.00 feet, central angle of 98°13'48" arc length of 162.87 feet and chord bearing North 73°32'45" East; thence North 24°25'51" East, 166.00 feet; thence along the arc of a curve to the right having a radius of 75.00 feet, central angle of 34°48'01", arc length of 45.55 feet and chord bearing North 41°49'51" East; thence North 59°13'52" East 94.39 feet; thence along the arc of a curve to the right having a radius of 75.00 feet, central angle of 55°06'44" arc length of 72.14 feet and chord bearing North 86°47'14" East; thence South 65°39'24" East, 403.40 feet; thence North 24°52'01" East, 62.44 feet; thence North 19°23'04" East, 165.42 feet; thence North 03°46'32" West, 200.60 feet to the terminus of this description.

"In compliance with Nevada Revised Statute 111.312, the herein above legal description was taken from instrument recorded July 10, 2007 in Book 707, Page 2858, as File No. 704796, recorded in the Official Records of Douglas County, State of Nevada."

and together with that certain non-exclusive private access easement as described below:

Description Easement #0S7

50' Wide Non-Exclusive Private Access Easement (over Parcel 16)

A fifty-foot (50') wide strip of land for non-exclusive private access purposes located within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian, lying 25 feet (25') on both sides of the following described centerline:

Commencing at the most easterly corner of Parcel 16, as shown on the Record of Survey to Support a Boundary Line Adjustment for Little Mondeaux Limousin Corporation, recorded November 19, 2001 in the office of the Recorder, Douglas County, Nevada, as Document No. 528042; thence along the northeasterly line of said Parcel 16, North 58°31'19" West, 25.01 feet to the Point of Beginning; thence along a line 25 feet westerly of and parallel with the easterly line of said Parcel 16, the following courses:

South 33°08'08" West, 168.54 feet;
South 19°17'56" West, 192.13 feet;
South 06°55'50" West, 142.07 feet;
South 04°16'47" East, 148.06 feet;
South 08°17'50" West, 159.03 feet;
South 27°18'20" West, 270.10 feet;
South 38°59'28" West 89.85 feet to a point on the Southerly line of said Parcel 16, the terminus of this description.

The sidelines of the above described strip of land shall be extended and shortened to terminate at said northeasterly line of Parcel 16 and said southerly line of Parcel 16.

"In compliance with Nevada Revised Statute 111.312 the herein above legal description was taken from instrument recorded February 3, 2004, in Book 204, Page 882, as File No. 603677, recorded in the Official Records of Douglas County, State of Nevada."

APN# 1419-26-101-002

Parcel 2:

Adjusted Parcel 16, as set forth on that certain Record of Survey to Support a Boundary Line Adjustment for Genoa Land Investors, LLC, MDA Enterprises Inc. and Four Creeks Visalia, L.P., filed for record in the office of the Douglas County Recorder on June 12, 2007, in Book 607, Page 3401, Document No. 702844, Official Records and more particularly described as follows:

A parcel of land located within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian described as follows:

Commencing at the northeast corner of Section 26, Township 14 North, Range 19 East, MD.M., a found 1985 BLM aluminum cap; thence along the north line of the Northeast one-quarter of said Section 26, South 89°23'01" West, 2632.99 feet to the north one-quarter corner of said Section 26, a found 1985 BLM aluminum cap; thence along the north line of the Northwest one-quarter of said Section 26, South 89°22'26" West, 1486.06 feet to a point on the easterly line of Jacks Valley Road; thence along said easterly line of Jacks Valley Road, South 02°11'08" West, 444.77 feet; thence continuing along said easterly line of Jacks Valley Road, along the arc of a tangent curve to the right having a radius of 2630.00 feet, central angle of 06°51'56", arc length of 315.14 feet, and chord bearing and distance of South 05°37'06" West, 314.96 feet to the Point of Beginning; thence South 80°17'43" East, 33.62 feet; thence along the arc of a tangent curve to the left having a radius of 170.00 feet, central angle of 58°34'24", arc length of 173.79 feet, and chord bearing and distance of North 70°25'05" East, 166.32 feet; thence along the arc of a reverse curve to the right having a radius of 330.00 feet, central angle of 73°57'05", arc length of 425.93 feet, and chord bearing and distance of North 78°06'25" East, 396.97 feet; thence along the arc of a compound curve to the right having a radius of 1780.00 feet, central angle of 14°23'13", arc length of 446.96 feet, and chord bearing and distance of South 57°43'26" East, 445.79 feet; thence South 50°31'49" East, 250.00 feet; thence along the arc of a tangent curve to the right having a radius of 480.00 feet, central angle of 33°00'00", arc length of 276.46 feet and chord bearing and distance of South 34°01'49" East, 272.65 feet; thence South 17°31'49" East, 85.00 feet; thence along the arc of a tangent curve to the left having a radius of 270.00 feet, central angle of 35°00'00", arc length of 164.93 feet, and chord bearing and distance of South 35°01'49" East, 162.38 feet; thence South 52°31'49" East, 48.42 feet; thence along the arc of a tangent curve to the left having a radius of 670.00 feet, central angle of 58°52'18", arc length of 688.43 feet and chord bearing and distance of South 81°57'58" East, 658.54 feet; thence along the arc of a reverse curve to the right having a radius of 1030.00 feet, central angle of 14°50'52", arc length of 266.92 feet, and chord bearing and distance of North 76°01'19" East, 266.17 feet; thence North 83°26'45" East, 273.66 feet; thence along the arc of a tangent curve to the right having a radius of 510.00 feet, central angle of 12°45'49", arc length of 113.61 feet, and chord bearing and distance of North 89°49'40" East, 113.37 feet to a point on the boundary of Adjusted Parcel 14, as shown on the Record of Survey to Support a Boundary Line Adjustment for Genoa Land Investors, LLC, Genoa Developer Associates, LLC, MDA Enterprises, Inc. and Incomparable Holding Co. et al, recorded June 30, 2005 in the office of the Recorder, Douglas County, Nevada, as Document No. 648319; thence along said boundary of Adjusted Parcel 14, the following courses:

South 32°55'35" West, 260.59 feet;
North 45°51'46" West, 47.88 feet;
South 85°29'04" West, 31.47 feet;
South 41°30'06" West, 46.05 feet; West, 78.31 feet;
South 62°20'56" West, 128.14 feet;
South 57°21'00" West, 77.47 feet;
South 45°00'16" West, 68.09 feet;
South 32°22'17" West, 79.96 feet; thence leaving said boundary of Adjusted Parcel 14, South 77°50'28" West, 158.26 feet; thence North 85°33'15" West, 136.39 feet; thence South 48°28'01" West, 129.67 feet; thence South 14°54'09" West, 135.87 feet; thence along the arc of a non-tangent curve to the left having a radius of 61.50 feet, central angle of 100°28'05", arc length of 107.84 feet, and chord bearing and distance of South 18°21'51" East, 94.55 feet to a point on the boundary of said Adjusted Parcel 14; thence along said boundary of Adjusted Parcel 14 the following courses:

South 31°52'12" West, 303.36 feet;
North 78°07'48" West, 68.40 feet;
North 08°07'48" West, 601.77 feet; along the arc of a tangent curve to the left having a radius of 250.00 feet, central angle of 66°43'24", arc length of 291.14 feet, and chord bearing and distance of North 41°29'30" West, 274.96 feet; thence leaving said boundary of Adjusted Parcel 14, North 66°58'22" West, 73.31 feet; thence South 80°15'10" West, 87.19 feet; thence South 63°21'49" West, 85.24 feet; thence South 47°52'54" West, 112.46 feet; thence South 30°30'18" West, 128.95 feet; thence South 14°27'34" West, 175.84 feet to a point on the boundary of said Adjusted Parcel 14; thence along said boundary of Adjusted Parcel 14, the following courses:

South 83°57'55" West, 46.80 feet;
North 33°56'22" West, 896.96 feet;
North 36°57'04" West, 559.28 feet to a point on said easterly line of Jacks Valley Road; thence along said easterly line of Jacks Valley Road, along the arc of a non-tangent curve to the left having a radius of 2630.00 feet, central angle of 03°01'34", arc length of 138.90 feet and chord bearing and distance of North 10°33'51" East, 138.89 feet to the Point of Beginning.

"In compliance with Nevada Revised Statute 111.312 the herein above legal description was taken from instrument recorded June 12, 2007, in Book 607, Page 3372, as File No. 702841, recorded in the Official Records of Douglas County, State of Nevada."

Together with that certain non-exclusive private access easement as described below:

50' Wide Non-Exclusive Private Easement

A fifty-foot (50') wide easement for access purposes located within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian, the centerline of which is more particularly described as follows:

Commencing at a found 5/8" rebar, no tag, a point on the Easterly line of Jacks Valley Road, the Northwesterly corner of Parcel 2, as shown on the Map of Division Into Large Parcels for Little Mondeaux Limousin Corporation, recorded July 31, 1992 in the office of the Recorder, Douglas County, Nevada, as Document No. 284936, said point bears South 32°55'56" West, 2868.09 feet from the Southwest corner of Section 26, Township 14 North, Range 19 East, M.D.M.; thence along said Easterly line of Jacks Valley Road, North 21°17'11" East, 5624.78 feet to the Point of Beginning; thence South 57°24'21" East, 901.15 feet; thence along the arc of a curve to the right having a radius of 100.00 feet, central angle of 57°24'26", arc length of 100.19 feet, and chord bearing South 28°42'10" East; thence South 163.85 feet; thence along the arc of a curve to the left having a radius of 100.00 feet, central angle of 59°14'14", arc length of 103.39 feet and chord bearing South 29°37'07" East; thence South 59°14'14" East, 87.62 feet; thence South 57°20'21" East, 299.51 feet; thence along the arc of a curve to the left having a radius of 95.00 feet, central angle of 98°13'48", arc length of 162.87 feet, and chord bearing North 73°32'45" East; thence North 24°25'51" East, 166.00 feet; thence along the arc of a curve to the right having a radius of 75.00 feet, central angle of 34°48'01", arc length of 45.55 feet and chord bearing North 41°49'51" East; thence North 59°13'52" East, 94.39 feet; thence along the arc of a curve to the right having a radius of 75.00 feet, central angle of 55°06'44", arc length of 72.14 feet, and chord bearing North 86°47'14" East; thence South 65°39'24" East, 403.40 feet; thence North 24°52'01" East, 62.44 feet; thence North 19°23'04"

East, 165.42 feet; thence North 03°46'32" West, 200.60 feet to the terminus of this description.

"In compliance with Nevada Revised Statute 111.312, the herein above legal description was taken from instrument recorded July 10, 2007, in Book 707, Page 2858, as File No. 704796, recorded in the Official Records of Douglas County, State of Nevada."

TOGETHER WITH a Grant of Slope Easement, as set forth and described in document recorded November 7, 2005, in Book 1105, Page 3092, as Document No. 660088, Official Records of Douglas County, Nevada.

ALSO TOGETHER WITH a temporary non-exclusive easement for private access over, across and through the Easement Area for the purpose of constructing, installing, maintaining, repairing and replacing a private roadway in the Easement Area and so forth, created in that certain document entitled "Grant of Easement", executed by MDA Enterprises Inc., recorded May 1, 2006 in Book 506, Page 168, as Document No. 673811, Official Records of Douglas County, Nevada for the benefit of Canyon Creek Meadows Phase 1, Adjusted Remainder Parcels 1 and 2 and Adjusted Parcels 16, 17 and 19.

ALSO TOGETHER WITH perpetual non-exclusive easements (i) private access and (ii) for public utilities over, across and through the Easement Area for the purposes of constructing, installing, maintaining, repairing and replacing a private roadway and public utilities in the Easement Area and so forth, created in that certain document entitled "Grant of Easement", executed by MDA Enterprises, Inc., recorded May 1, 2006 in Book 506, Page 347, as Document No. 673835, Official Records of Douglas County, Nevada, for the benefit of Canyon Creeks Meadows Phase 1, Adjusted Remainder Parcels 1 and 2 and Adjusted Parcels 14, 16, 17 and 19.

ALSO TOGETHER WITH easements granted for the right, at any time, to enter upon the Easement Area for the purposes of constructing, installing, maintaining, repairing and replacing a private roadway and public utilities in the Easement Area, and so forth, created in that certain document entitled "Grant of Easement", recorded May 1, 2006 in Book 506, Page 377, as Document No. 673836, Official Records of Douglas County, Nevada, for the benefit of Adjusted Parcels 13, 16, 17 and 19.

ALSO TOGETHER WITH easements granted for the rights of access and storm drainage upon the Easement Area as set forth in document entitled "Grant of Slope and Private Drainage Easements and Temporary License", recorded July 9, 2007, as Document No. 704686, Official Records of Douglas County, Nevada for the benefit of Adjusted Parcels 13, 16 and 17.

ALSO TOGETHER WITH easements granted for the rights of maintenance, repair and replacement of storm drainage improvements within the Easement Area, as set forth in document entitled "Grant of Storm Drainage Easements and Temporary License", recorded July 9, 2007, as Document No. 704705, Official Records of Douglas County, Nevada for the benefit of Adjusted Parcels 1 and 13.

ALSO TOGETHER WITH easements granted for the limited purpose of maintaining, repairing or replacing any slopes located on the Easement Area, as set forth in document entitled "Grant of Slope Easement and Temporary License", recorded July 9, 2007, as Document No. 704706, Official Records of Douglas County, Nevada for the benefit of Adjusted Parcel 1.

EXHIBIT "B"

[ANNEXATION AGREEMENT BETWEEN ASSOCIATION AND GRI]

COPY

ANNEXATION AGREEMENT

THIS ANNEXATION AGREEMENT ("Agreement") is made as of the Effective Date (as defined in the last section of this Agreement) by and between Genoa Lakes Resort Homeowners Association, a Nevada non-profit corporation ("Association") and Genoa Ridge Investors LLC, ("GRI"), a Delaware limited liability company. The Association and GRI may also be collectively referred to as the Parties and individually as Party.

BACKGROUND STATEMENT

Association is the corporation of the planned community located in Genoa, Nevada, known as Genoa Lakes Resort ("Project"). GRI is engaged in the business of developing a portion of certain annexable property identified in Exhibit "B" to the Declaration of Covenants, Conditions and Restrictions for Montana at Genoa Lakes Golf Resort and amendments thereto ("Declaration"). GRI is neither the Declarant nor a Successor Declarant under the Declaration or NRS Chapter 116. GRI has no power or authority to cause any property to be annexed into the Association without the consent of Association members holding at least sixty-seven percent (67%) of the voting power of the Association. GRI requests the Association annex certain annexable property described on Exhibit "A" attached hereto (the "Annexable Property"), into the Project thereby making the Annexable Property subject to the Declaration and all amendments thereto, including the Sixth Amendment to the Declaration.

This Agreement and the Sixth Amendment to the Declaration are required to be approved by the requisite percentage of Association members before annexation of any portion of the Annexable Property may occur. Should members holding at least sixty-seven percent (67%) of the voting power of the Association fail to approve this Agreement and the Sixth Amendment to the Declaration, this Agreement shall be null, void, and of no force or effect.

Subject to the requisite approval of members of the Association, GRI intends to develop the Annexable Property as part of the Project for (1) the purpose of constructing single-family dwellings thereon for resale, upon the terms and conditions set forth below and (2) for the sale of individual Lots for the construction of single-family residences by third party owners and builders, upon the terms and conditions set forth below.

STATEMENT OF AGREEMENT

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Association and GRI hereby agree as follows:

I. DECLARATION.

Unless otherwise defined, all terms used in this Agreement shall have the same definitions as the Declaration. The Declaration shall control all obligations of the Association and GRI. The Declaration shall encumber and restrict the use and development of the Annexable Property.

2. AGREEMENT TO ANNEX PROPERTY.

GRI owns the real property described on Exhibit "A", all of which is included in the annexable property identified as Annexable Property in the Declaration. Association agrees it will seek the vote of the Members of the Association allowing for the timely annexation of the Annexable Property in phases as proposed by GRI..

3. RECORDED MAPS AND SUPPLEMENTAL DECLARATIONS

3.1 GRI will submit to Douglas County tentative and final subdivision maps of the Annexable Property in phases. GRI shall ensure that any and all obligations under the Declaration are met and complied with as applicable for each and every map. GRI shall also ensure that any and all obligations imposed by any governmental authorities as prerequisites to the recording of a final map for any phase of the Annexable Property, are met and complied with. Upon the recording of a final map for each phase of the Annexable Property, GRI may request the Association execute, deliver and record a Supplemental Declaration of Annexation ("Supplemental Declaration") for that phase of the Project. The Association shall not be required to prepare or record a Supplemental Declaration unless and until GRI has complied with all obligations set forth in this Agreement, the Declaration, and all governmental authorities. Any Supplemental Declaration shall subject all Lots shown on the recorded map for that phase of the Project, to further covenants, conditions, and restrictions consistent with this Agreement.

3.1.1 Upon approval by the members of this Agreement and the Sixth Amendment to the Declaration, and compliance by GRI with the requirements of Section 3.1, the officers of the Association shall be empowered to take all actions the Board of the Association determines to be necessary or expedient to facilitate the preparation and recording of a Supplemental Declaration for each phase of the Project.

3.2 Upon recording of each Supplemental Declaration, that portion of the Annexable Property then being annexed into the Association ("Annexed Property") shall be considered part of the Project and the jurisdiction of the Association shall be extended to the Annexed Property. The Annexed Property shall thereafter be subject to the covenants, conditions, and restrictions set forth in the Declaration, including all present and future amendments thereto and the Supplemental Declaration (collectively "Declaration"). The Annexed Property shall thereafter be held, conveyed, sold, encumbered, leased, rented, used, occupied, improved and otherwise treated in accordance with and subject to the provisions of the Declaration. All Lots shown on the recorded map for a phase of the Project shall be annexed into the Association at the same time. Annexation of individual Lots within a phase at different times shall not be allowed.

3.3 The Owners of Lots within the Project shall hold and enjoy a non-exclusive easement of use and enjoyment in, to, and throughout the Common Area located in the Annexed Property and for ingress, egress, and support over and through such Common Area. Each such non-exclusive easement shall be appurtenant to and pass with title to each Lot in the Project, subject to the rights and restrictions set forth in Article II of the Declaration.

3.4 Each Supplemental Declaration shall reserve for the benefit of Owners in subsequent phases which may be annexed to the Project, a non-exclusive easement of use and enjoyment, in, to and throughout the Common Area located in the Project and for ingress, egress, and support over and through the Common Area of the Project.

3.5 Without limiting the generality and effect of the foregoing provisions of this Article:

3.5.1 All Owners in the Project shall be entitled, subject to the provisions of the Declaration, to use the Common Area in the Annexed Property;

3.5.2 Owners of Lots in the Annexed Property shall become Members of the Association with all the rights and obligations pertaining to Members of the Association. They shall be subject to the provisions of the Declaration and shall be entitled to use the Common Areas of the Project;

3.5.3 Upon payment of one hundred percent (100%) of all assessments on the Lot, such Lot Owner in the Annexed Property shall have the same membership and voting rights as other Owners. Votes shall not be cast separately by phase; and

3.5.4 All Lots within the Annexed Property shall be obligated to pay assessments commencing on the first day of the month following recording of a Supplemental Declaration for each phase; provided however, until a building permit is issued for a Lot within the Annexed Property, GRI or its successors, including grantees, shall be responsible for paying for each Lot within the Annexed Property, only fifty-seven percent (57%) of assessments being charged other Owners of Lots within the Project. From and after the first day of the month following the issuance of a building permit for a Lot, or five (5) years after the Annexation of the Lot, whichever is sooner, GRI or its successors shall be responsible for paying one hundred percent (100%) of all assessments for a Lot as then determined by the Board. Nothing contained in this paragraph shall prevent or impede the ability of the Association to determine the amount of all general, special, or reserve assessments on an annual or more frequent basis.

4. SPECIAL PROVISIONS REGARDING ANNEXABLE PROPERTY: COMMON AREAS

4.1 Within each development phase of the Annexable Property, GRI intends to provide for certain open space together with improvements that will be Common Area or Common Elements of the Association. GRI shall submit any plans to the Association for such Common Area or Common Elements and no construction of any improvement shall be allowed unless approved by the Association in writing.

4.2 Before GRI conveys any portion of the Annexable Property to the Association as Common Area, GRI shall be required to provide:

4.2.1 Completion of all improvements as approved by the Association;

4.2.2 A copy of plans and specifications used in the construction of the improvements;

4.2.3 Any renewable permits or approvals issued by any governmental body;

4.2.4 Written warranties of the contractor, sub-contractor or manufacturer;

4.2.5 Copies of all insurance policies of an entity providing any construction services;

4.2.6 A complete study of the reserves that has been approved by the Association;

4.2.7 A Phase 1 environmental assessment performed by a Certified Environmental Manager approved by the Association, conforming to a protocol established by the ASTM and recognized by federal and state agencies, meeting the "all appropriate inquiry standard." A Phase 1 environmental site assessment meeting these criteria must be performed for each phase of the of the Project which GRI seeks to annex into the Project, within six (6) months prior to conveyance of the Common Area within the Annexed Property to the Association. GRI shall pay all costs associated with the Phase 1 environmental assessment. The lead disposal site shall not be part of the Common Area and under no circumstances shall it be conveyed to the Association. The final map shall show the lead disposal site as a separate deed restricted parcel and such parcel shall be owned by GRI in perpetuity.

4.2.8 Upon Annexation of the final phase of the Annexable Property, the Association shall obtain and pay for a comprehensive Reserve Study covering all Common Areas and Common Elements, including those within all Annexed Property.

4.3 This Article shall survive the termination of this Agreement.

5. DISCLOSURES AND INDEMNIFICATION REGARDING ENVIRONMENTAL AND HAZARDOUS CONDITIONS ON ANNEXABLE PROPERTY

5.1 Significant portions of the Annexable Property were previously used as a gun club and have been subject to the deposition of lead shot and sporting clay debris. High concentrations of these materials may be hazardous to human health and the environment. The Nevada Division of Environmental Protection ("NDEP") has determined there is little evidence of sporting clay debris on the Annexable Property. However, testing revealed some portions of the Annexable Property had unacceptable levels of lead contamination. Remediation efforts were made in 2004, 2005, 2016 and 2017 and soils containing concentrations of lead in excess of acceptable standards were either disposed of offsite or placed in an area within the Annexable Property excavated as a "lead disposal cell". The lead disposal cell area was capped with five feet of native soil and the surface area was re-vegetated. Based upon testing and the remediation efforts, NDEP issued a "no further action" letter for the lead disposal cell and an environmental covenant was recorded for the lead disposal site, requiring anyone who intends to disturb the site to notify NDEP and prepare a management plan. The lead disposal site shall not be within the planned Common Area of the Annexable Property. GRI shall retain ownership of the lead disposal site and the lead disposal site

shall be deed restricted to prevent any Improvements of any kind. Experts have opined that as long as the integrity of the surface cap of the lead disposal site is preserved, the thickness of the surface cap and depth to groundwater should prevent surface exposure of lead or any leaching of lead to ground water. However, because of potential extensive soil disturbance during development of the Annexable Property, there may be areas where hazardous materials have been concentrated or buried without prior detection. There may be a risk of residents encountering previously unknown hazardous site conditions during outdoor activities on residential Lots, such as gardening.

5.2 GRI covenants and agrees that it will not disturb the surface cap of the lead disposal site at any time during the development of any phase of the Annexable Property. At the request of the Association, GRI shall record an additional restrictive covenant against the lead disposal site prohibiting any future disturbance of the soils cap that would impair its integrity. The lead disposal site will not be conveyed to the Association as common area upon annexation of the final phase of development of the Annexable Property. GRI shall continue to own the lead disposal site subject to the terms and conditions of this Agreement and the Sixth Amendment to the Declaration. The Association shall have the right to inspect all grading and obtain soil samples from the Annexable Property prior to annexation of each phase of development.

5.3 GRI further covenants and agrees that before the conveyance of any Common Area (except that the lead disposal site shall not be included in the Common Area and shall not be conveyed to the Association) within the Annexable Property, it will provide to the Association a Phase I environmental assessment report in accord with Section 4.3.7. If the Phase I environmental assessment detects the presence of hazardous shooting debris or recommends a Phase II environmental assessment, the Association shall have the right to obtain and pay for a Phase II environmental assessment. Thereafter, GRI will promptly perform and pay for any and all remediation required or recommended by NDEP or other controlling agency, to remove all identified hazardous materials from the Common Area and/or the lead disposal site and/or any other portion of the Annexed Property.

5.4 GRI represents and warrants to the Association, as of the Effective Date and as of the date of conveyance of any portion of the Annexed Property:

5.4.1 All Improvements to Common Area shall be completed with Improvements as approved by the Association before installation of the Improvements and the Association shall have the right to inspect the same prior to acceptance by the Association. The Common Area shall be conveyed to the Association free and clear of all liens;

5.4.2 There are no adverse soil conditions to prevent maintenance and ownership of the Common Area by the Association;

5.4.3 There are no toxic or hazardous wastes (as such terms are now defined by current law and regulations) present in such quantities within any portion of the Annexed Property as would require remediation;

5.4.4 There are no sink holes or geological faults affecting any portion of the Annexed Property which have not been specifically disclosed to the Association in writing.

5.5 The Association acknowledges that GRI has made available to the Association information from Robison Engineering regarding some environmental inspections and a map or plat indicating the location of the Common Areas within each phase of the Project, and indicating those portions of the Common Area, if any, which are located in a flood plain or which have been identified as wetlands by written notice to GRI from any state or federal agency or other governmental authority.

5.6 Except as provided in the information provided, GRI hereby acknowledges that GRI has no knowledge of, nor has investigated or made any determination with respect to, the existence or nonexistence of toxic or hazardous substances or gasses in, or about the Common Area, or the presence of underground storage tanks.

5.7 GRI and its successors in interest and assigns, shall defend, indemnify, and hold harmless the Association and its officers, directors, employees, members, successors in interest and assigns, of and from any and all claims of every nature and kind whether realized or inchoate, arising out of or relating to damages or injuries alleged to have been sustained in connection with any hazardous materials, including but not limited to lead and sporting clay debris, on any portion of the Annexable Property.

5.8 Prior to the conveyance of any Lot within the Annexable Property, GRI shall provide to the Association before the close of escrow a written acknowledgment signed by the intended purchaser of the Lot, that the purchaser is aware of the disclosures regarding hazardous materials contained in this Agreement and in the Sixth Amendment to Declaration and has been provided copies of said documents. Further, the purchaser shall acknowledge and agree that it (he/she) releases the Association from any and all liability for damages or injuries claim to arise from any hazardous materials found to exist on any portion of the Annexable Property, including residential Lots and/or the lead disposal site and/or Common Areas.

5.9 This Article shall survive the termination of this Agreement.

6. SPECIAL PROVISIONS REGARDING ANNEXABLE PROPERTY: LOTS.

6.1 GRI and its successors in interests and assigns shall comply with all Design Guidelines and Standards and shall construct residential structures upon the Lots in the theme of Mountain Modern. All plans and specifications for residential structures shall be subject to the approval of the Architectural Committee in accord with Article VIII of the Declaration. Except as specifically excluded in a Supplemental Declaration, all residential structures built upon a Lot within the Annexed Property shall comply with height restrictions in the Declaration except for thirty-eight (38) Lots identified in Exhibit "C" and these thirty-eight (38) Lots shall be restricted in height to no more than 24.5 feet above the mean grade of the Lot,. GRI shall be required to include this height restriction in each deed given to the purchaser of a Lot within the Annexed Property, but the failure of GRI to include the height restriction in the deed will not change the enforceability of the height restriction.

6.2. GRI agrees to perform, or cause to be performed at GRI's sole cost and expense, all work required so that all of the Lots within the Annexed Property comply with all obligations of the Declaration. For purposes of this section, a Lot shall be deemed to comply with all obligations of the Declaration if the Lot:

6.2.1. is shown on a duly recorded subdivision plat or map;

6.2.2. is staked with irons at corners;

6.2.3 fronts on a private street with storm drains, curbs, gutters and street paving installed for that portion of such street necessary to provide access to the Lot;

6.2.4 has a building pad free of all setbacks, easements, rights of ways, flood plains and wetlands, equal to or in excess of that necessary to construct a house meeting the minimum house size requirements for such Lot size set forth in the Declaration or the Design Guidelines;

6.2.5 is free of debris created by GRI's development activities, such as boulders and dead trees cut by GRI or its contractors, and has no buried stumps or any other items buried by or known to GRI that would affect the long term stability of the soil within the building pad area; and

6.2.6 is suitable for issuance of a single-family residential building permit in compliance with the Declaration and local ordinances and Nevada Statutes and regulations, with water and sewer lines extended to the Lot and their location marked.

6.3 Single-Family Dwelling. Prior to construction of any single-family dwelling, all requirements and approvals in the Declaration shall be obtained by GRI, or its successors in interest or assigns.

6.4 Adverse Conditions. GRI represents and warrants to the Association, as of the Effective Date of this Agreement and as of the recording date of any Supplemental Declaration, that to GRI's knowledge or belief:

6.4.1 there are no adverse soil conditions to prevent single-family detached residential construction on any portion of the Annexable Property;

6.4.2 there are no toxic or hazardous wastes (as such terms are now defined by current law and regulations) present in such quantities as would require remediation; and

6.4.3 there are no sink holes or geological faults affecting any of the Lots which have not been specifically disclosed to the Association in writing.

6.5 The Association acknowledges that GRI has made available to the Association for inspection certain information from Robison Engineering and a map or plat indicating the location

of the Lots and indicating those portions of the Lots, if any, which are located in a flood plain or which have been identified as wetlands by written notice to GRI from any state or federal agency or other governmental authority.

6.6 Hazardous Substances. Except as provided in the Nevada Environmental Assessment, GRI hereby acknowledges that GRI has no knowledge of, nor has investigated or made any determination with respect to, the existence or nonexistence of toxic or hazardous substances or gasses in, or about any Lot, or the presence of any underground storage tank.

6.7 This Article shall survive the termination of this Agreement.

7. **GATE AND PAVING OF CLOUDBURST CANYON DRIVE.**

Subject to approval by the Association, GRI shall maintain the construction gate currently installed at Jack's Valley Road. All construction equipment, materials or employees shall use the construction gate to access the Annexable Property. GRI is prohibited from allowing any construction activity or construction traffic to access the Annexable Property through the streets of the Project. Upon completion of Phase 2A (the third phase however it may be named), the construction gate shall be removed and a permanent gate, together with landscaping approved by the Association shall be installed at Jack's Valley Road in accordance with the requirements of Sections 4.2.1 and 5.4.1 and Cloudburst Canyon Drive shall be paved in its entirety and in accordance with Douglas County standards. GRI shall install safety barriers from Jack's Valley on Cloudburst through the area of Cloudburst that is of a steep downgrade up to the entrance gate where it levels off.

8. **PAYMENT OF ADDITIONAL COSTS AND EXPENSES BY GRI**

GRI shall pay the Association all costs and expenses incurred in connection with the Annexable Property, including but not limited to: (1) attorney's fees and costs, including but not limited to those incurred in negotiation and preparation of this Agreement, the Sixth Amendment to the Declaration, any and all Supplemental Declarations; (2) engineering and consultant fees incurred in connection to inspecting and evaluating any portion of the Annexable Property; (3) ARC fees incurred in connection with reviewing any plans and specifications for any improvement within the Annexable Property; (4) environmental inspection and consulting fees; and (5) other expenses that would not otherwise have been incurred by the Association. All fees, costs and expenses due by GRI under this Article 8 shall bear interest at the rate of 12% per annum if not paid within thirty days of the date of invoice or date due, whichever is sooner.

9. **GRI'S REPRESENTATIONS AND WARRANTIES.**

In addition to the Representations and Warranties set forth in Articles 5 and 6 of this Agreement, as of the Effective Date, GRI represents and warrants to Association as follows:

9.1 Authority. GRI owns fee simple title to the Annexable Property and GRI's execution, delivery and/or performance of this Agreement is not prohibited by and will not

constitute a default under any other agreement, covenant, document or instrument to which GRI is a party.

9.2 Compliance. To the best of GRI's knowledge and belief, GRI has complied with all applicable laws, ordinances, regulations and restrictions relating to the Annexable Property.

9.3 Pending Actions. To the best of GRI's knowledge and belief is no condemnation, or similar proceeding, litigation, or special assessment, which is pending, threatened or contemplated by any authority, public or private, concerning the Annexable Property or which would adversely affect the Annexable Property.

9.4 Other Obligations. GRI has made no commitment to any governmental authority, utility company, school board, church, or any other organization, group or individual relating to the Annexable Property which would impose an obligation upon the Association or its successors and assigns.

9.5 GRI has not received from any person or entity any notice or claim which remains pending or unresolved as of the Effective Date or is the subject of ongoing obligations or requirements which would impose an obligation upon the Association or its successors and assigns.

9.6 This Article shall survive the termination of this Agreement.

10. DEFAULT AND REMEDIES.

10.1 GRI Default. In the event of GRI's default in the performance of any obligation or covenant under this Agreement, the Association may terminate this Agreement by written notice to GRI. In the event of such termination by the Association, it shall be entitled to retain all monies paid by GRI to Association hereunder, including accrued interest and GRI shall pay the Association all other damages incurred by the Association as a result of the default.

10.2 Attorney's Fees. In any action at law or in equity between the Parties hereto occasioned by a default hereunder, the prevailing Party shall be entitled to collect its reasonable attorneys' fees actually incurred in the action from the non-prevailing Party. As used herein, the term "prevailing party" shall mean the Party who receives substantially the relief sought.

10.3 Notice of Default. Notwithstanding anything in this Agreement to the contrary, neither Party may declare the other Party in default unless and until such Party has delivered to the other Party written notice of the alleged default which describes the alleged default in detail, and the party receiving such notice has failed to either cure such default within 15 days thereafter or, if not capable of being cured in 15 days, has failed to commence steps to cure such default within 15 days and thereafter to diligently prosecute such steps to completion.

10.4 This Article shall survive the termination of this Agreement.

11. NOTICE.

Each notice or document (collectively "notice") to be given hereunder shall be in writing and shall be delivered either personally, or by courier service, or by depositing it with the United States Postal Service or any official successor thereto, certified mail, return receipt requested, with adequate postage pre-paid, addressed to the appropriate Party (and marked to a particular individual's attention). Rejection or other refusal by the addressee to accept the notice, or the inability to deliver the notice because of a change of address by the addressee without notice to either Party as provided below, shall be deemed to be receipt of the notice on the third day after the date postmarked or deposited with the courier service. The addressee of the Party(s) to which notice is to be sent shall be those set forth on the signature page of this Agreement and where more than one address is shown for a Party, notice shall be sent to all such addresses, unless changed as provided herein. A copy of any notice to the Association shall also be sent to its attorney, Gayle A. Kern, Esq., Leach Kern Gruchow Anderson & Song, 5421 Kietzke Lane, Suite 200, Reno, NV 89511. Either Party may change such address by providing written notice to the other Party in the manner set forth in this paragraph, designating the new address.

12. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon and inure to the benefit of the Parties' successors in interest and assigns.

13. ENTIRE AGREEMENT.

This Agreement, together with the attached exhibit(s), the Declaration, and all governing documents, constitutes the entire agreement between the Parties concerning the subject matter hereof and, except otherwise specifically provided herein, cannot be waived or amended except by written instrument executed by the Association and GRI or their successors in interests. GRI has not been induced by or relied upon any information, representation, warranties or statements, whether oral or written, express or implied, made by the Association or any other person representing or purporting to represent the Association that are not expressly set forth or provided for in this Agreement.

14. APPLICABLE LAW.

This Agreement shall be construed and interpreted under the laws of the State of Nevada.

15. SURVIVAL.

All representations and warranties of GRI and the Association and all provisions of this Agreement that contemplate performance after annexation of the Annexable Property or relate to the construction of improvements on any portion of the Annexable Property, shall survive the annexation or the construction of the improvements and termination of this Agreement.

16. NO WAIVER.

Failure of either Party to insist upon compliance with any provision of this Agreement shall not constitute a waiver of the rights of such Party to subsequently insist upon compliance with that provision or any other provision of this Agreement.

17. SEVERABILITY.

The provisions of this Agreement are intended to be independent, and in the event any provisions hereof should be declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable for any reason whatsoever, such illegality, unenforceability, or invalidity shall not affect the remainder of this Agreement.

18. CONSTRUCTION OF AGREEMENT.

The Association and GRI acknowledge that they have read, understand and have had the opportunity to be advised by legal counsel as to each and every term, condition, and restriction and the effect of all provisions of this Agreement. The Association and GRI agree to the enforcement of any and all of these provisions and execute this Agreement with full knowledge of the same. Should any provision of this Agreement require judicial interpretation, it is agreed that the court interpreting or construing the provisions shall not apply the rule of construction that a document is to be construed more strictly against the Party who itself or through its agent prepared the document. Typewritten or handwritten provisions inserted in this Agreement and initialed by the Parties shall control over all printed provisions of this Agreement in conflict therewith. Titles of captions of sections contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision thereof.

19. RECORDATION OF THIS AGREEMENT.

The parties agree that this Agreement shall be attached as an Exhibit to the Sixth Amendment to the Declaration and shall be recorded in the Office of the Recorder, Douglas County, Nevada.

20. TIME OF ESSENCE.

Time is of the essence for this Agreement. If the time period by which any right, option or election provided under this Agreement must be exercised, or by which any act required hereunder must be performed, or by which any closing to be held, expires on a Saturday, Sunday for legal holiday, then such time period automatically shall be extended to the close of business on the next regular business day. All references to the time of day in this Agreement shall refer to the time of day in Douglas County, Nevada.

21. FORCE MAJEURE.

The Parties hereto shall be excused for the period of delay in the performance of their respective obligations under this Agreement when such delay is occasioned by cause or causes

beyond the control of the Party whose performance is so delayed and the time for performance shall be automatically extended for a like period. Such causes shall include, without limitation, all labor disputes; civil commotion; war; war-like operations; sabotage; governmental or judicial regulations or controls; inability to obtain necessary materials or services; domestic acts of terrorism, or acts of God.

22. COUNTERPARTS.

This Agreement may be executed in several counterparts. It shall be fully executed when each Party whose signature is required has signed at least one counterpart even though no one counterpart contains the signatures of all the Parties.

23. EXHIBITS.

The exhibits referred to in and attached to this Agreement are incorporated herein in full by reference and the provisions set forth herein shall control in the event of any conflict or inconsistency with the provisions contained in the body of this Agreement.

24. CONFLICT BETWEEN DOCUMENTS.

In the event of an inconsistency or conflict between the terms, provisions and conditions of this Agreement and the terms, provisions and conditions of the Declaration, then the terms, provisions and conditions of the Declaration will control.

25. EFFECTIVE DATE.

This Effective Date of this Agreement shall be the date the Sixth Amendment to the Declaration with this Agreement attached as an Exhibit, is recorded in the Official Records of the Recorder of Douglas County, Nevada.

IN WITNESS THEREOF, the undersigned Association and GRI have set their hands and seals hereto as of the day and year indicated under their signature.

ASSOCIATION: Genoa Lakes Resort Homeowners Association, a Nevada non-profit Corporation

By: Douglas Slack, President

Date:

STATE OF NEVADA)
)
COUNTY OF WASHOE)

On this _____ day of _____, 2018, personally appeared before me, a Notary Public, Douglas Slack, personally known (or proved) to me to be the person whose name is subscribed to the above instrument and who acknowledged that he executed the instrument in his authorized capacity.

Notary Public

GRI: Genoa Ridge Investors, LLC a Delaware limited liability company

By:
Its:
Date:

NOTARY ON NEXT PAGE

STATE OF NEVADA)
)
COUNTY OF WASHOE)

On this _____ day of _____, 2018, personally appeared before me, a Notary Public, _____, personally known (or proved) to me to be the person whose name is subscribed to the above instrument and who acknowledged that he executed the instrument in his authorized capacity.

Notary Public

13M

EXHIBIT "C"
[LOTS THAT ARE SUBJECT TO THE 24.5 FOOT HEIGHT RESTRICTIONS]

Lots 70-95, inclusive
Lots 145-157, inclusive

