

APNs:1318-23-212-005
1318-23-212-006
1318-23-313-037

When Recorded Mail to:
Leach Kern Gruchow Anderson Song
5421 Kietzke Lane, Suite 200
Reno, NV 89511



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)

ENCROACHMENT EASEMENT FOR REAR YARD IMPROVEMENTS ON COMMON AREA

THIS ENCROACHMENT EASEMENT is entered into effective as of the 27th day of July, 2019 ("Effective Date"), between Lake Village Home Owners Association, a Nevada non-profit corporation ("Grantor") and James S. Loney and Deborah L. Loney ("Loneys"), who currently own 118A Snowbird Court, Zephyr Cove, Nevada and Peter L. Lusich III and Diane K. Lusich, as Trustees of the Lusich Family Trust dated August 12, 2003 ("Lusich Trust") who currently own 118B Snowbird Court, Zephyr Cove, Nevada (collectively "Grantees").

RECITALS

A. Grantor is the Owner of real property legally described as Lot 37 as shown on the official recorded map of Lake Village Unit No. 2C, filed in the office of the County Recorder of Douglas County, State of Nevada, on March 20, 1972 as document No. 58124 ("Lot 37 Common Area").

B. Loneys are the Owners of real property legally described in Exhibit "A" attached hereto and Lusich Trust is the Owner of real property legally described in Exhibit "B" attached hereto (collectively "Property").

C. Grantees extended the deck into the Lot 37 Common Area, thereby encroaching into the Common Area. These encroachments in the Common Area have remained for years.

D. Grantees desire to continue permanently occupying the encroached area into the Lot 37 Common Area with the deck improvements.

In consideration of the agreements hereinafter recited, it is agreed as follows:

1. **Grant and Purpose of Encroachment Easement.** Grantor grants and conveys to Grantee a permanent encroachment easement for the deck that encroaches upon the portion of the Lot 37 Common Area (hereinafter "Easement Area"). This easement allows Grantees, their invitees, successors and assigns, the right to continue accessing and using the Easement Area as their deck exclusively. It is their right to prohibit and exclude public use of the Easement Area during the term of the encroachment easement. The Easement Area is legally described and depicted in Exhibits "C", "C-1", "D" and "D-1".

2. **Term of the Encroachment Easement.** This encroachment easement is permanent and runs with the land unless and until the encroachments are removed and/or abandoned by Grantees.

3. **Conditions of the Encroachment Easement.** Grantees shall only use the Easement Area as a deck with the existing improvements. Grantee may repair or replace the deck, but may modify or change the deck only with written approval by Grantor before any changes to the existing deck. No other improvements shall be constructed or placed within the Easement Area.

4. **Grantor Saved Harmless From Claims.** Grantees or their assigns agree to indemnify and protect the Grantor and defend and save harmless from all claims, actions or damage of every kind and description which may accrue to, or be suffered by, a person or persons, corporations or property by reason of being within the Easement Area, and in case any suit or action is brought against the Grantor and arising out of, or by reason of any causes related to the encroachment easements, Grantees or their assigns will, upon notice to them of the commencement of such action, defend the same at their sole cost and expense and satisfy any judgement which may be rendered against the Grantor in any such suit or action.

5. **Maintenance at Expense of Grantees.** Grantee shall maintain at their sole expense, the deck that is within the Easement Area.

6. **Grantor Not Liable for Damage to Encroachment Area Installations.** In accepting this easement, Grantees agree that except for damage caused by action of the Grantor, any damage or injury done to any improvements within the Easement Area by any person or thing shall be at the sole expense of Grantees to repair or replace and the Grantor shall not be liable for any such damage or injury.

7. **Binding Effect.** This encroachment easement shall be recorded at the Douglas City County Clerk and Recorder's Office and shall be binding on all heirs, executors, personal representatives, assigns and successors.

GRANTEE:

James S. Loney

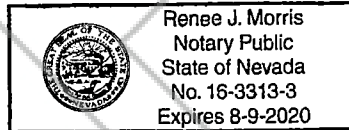
James S. Loney

State of Nevada)
) ss.
County of Douglas)

On the 13th day of November, 2019, before me, a Notary Public in and for the State of Nevada duly commissioned and sworn, personally appeared before me, James S. Loney, known to me to be the individual described and who executed the foregoing instrument and acknowledged to me that he/she signed and sealed the same as his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal the day and year first above written.

Renee J. Morris
NOTARY PUBLIC



GRANTEE:

Deborah L. Loney

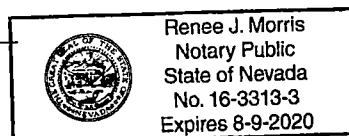
Deborah L. Loney

State of Nevada)
) ss.
County of Douglas)

On the 13th day of November, 2019, before me, a Notary Public in and for the State of Nevada duly commissioned and sworn, personally appeared before me, Deborah L. Loney, known to me to be the individual described and who executed the foregoing instrument and acknowledged to me that he/she signed and sealed the same as his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal the day and year first above written.

Renee J. Morris
NOTARY PUBLIC



GRANTEE:

Lusich Family Trust Dated
August 12, 2003

By: *Diane K. Lusich*
Diane K. Lusich, Trustee

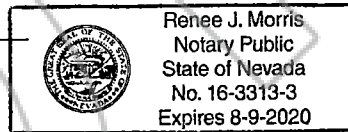
By: *Peter L. Lusich III*
Peter L. Lusich III, Trustee

State of Nevada)
) ss.
County of Douglas)

On the 12th day of November, 2019, before me, a Notary Public in and for the State of Nevada duly commissioned and sworn, personally appeared before me, Diane K. Lusich known to me to be the individual described and who executed the foregoing instrument and acknowledged to me that he/she signed and sealed the same as his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal the day and year first above written.

Renee J. Morris
NOTARY PUBLIC

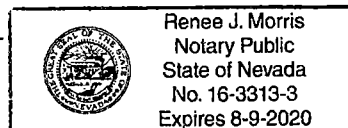


State of Nevada)
) ss.
County of Douglas)

On the 12th day of November, 2019, before me, a Notary Public in and for the State of Nevada duly commissioned and sworn, personally appeared before me, Peter L. Lusich III known to me to be the individual described and who executed the foregoing instrument and acknowledged to me that he/she signed and sealed the same as his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal the day and year first above written.

Renee J. Morris
NOTARY PUBLIC



COPY

EXHIBIT A

Description
Lot 26A to L.V.H.A.

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

All that portion of Lots 26A and 26B, of Lake Village, Unit No. 2C, as shown on the Official Map filed for record in the Office of the County Recorder of Douglas County, Nevada, on March 10, 1972, as Document No. 58124, more particularly described as follows:

Beginning at a point which bears North $73^{\circ}10'00''$ West, 27.50 feet from the center of said Lots 26A and 26B; thence along a curve concave to the Southeast with a radius of 27.50 feet, a central angle of $89^{\circ}56'13''$, and an arc length of 43.16 feet, the chord of said curve bears North $61^{\circ}48'07''$ East, 38.87 feet;

Thence South $84^{\circ}23'35''$ West, 20.94 feet;

Thence South $39^{\circ}25'14''$ West, 21.13 feet to the POINT OF BEGINNING.

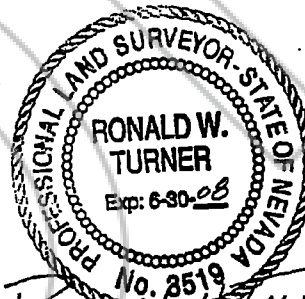
Containing 59 square feet, more or less.

The Basis of Bearing for this description is the above-referenced Lake Village, Unit No. 2C.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared by:

Turner & Associates, Inc.
Land Surveying
P.O. Box 5067
Stateline, NV 89449



Ronald W. Turner

March 7, 2007
06147

Description
L.V.H.A. To Lot 26A

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

All that portion of Lot 37, Common Area, of Lake Village, Unit No. 2C, as shown on the Official Map filed for record in the Office of the County Recorder of Douglas County, Nevada, on March 10, 1972, as Document No. 58124, more particularly described as follows:

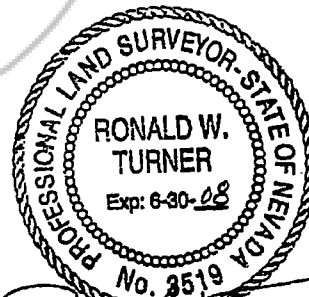
Beginning at a point which bears North $16^{\circ}46'12''$ East, 27.50 feet from the center of Lots 26A and 26B of said Lake Village Unit No. 2C;
Thence North $38^{\circ}42'26''$ East, 3.25 feet;
Thence South $54^{\circ}38'06''$ East, 21.29 feet;
Thence South $36^{\circ}15'00''$ West, 4.88 feet;
Thence along a curve concave to the Southwest with a radius of 27.50 feet, a central angle of $45^{\circ}57'15''$, and an arc length of 22.06 feet, the chord bears North $50^{\circ}15'10''$ West, 21.47 feet; to the POINT OF BEGINNING.

Containing 55 square feet, more or less.

The Basis of Bearing for this description is the above-referenced Lake Village, Unit No. 2C.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared by: Turner & Associates, Inc.
Land Surveying
P.O. Box 5067
Stateline, NV 89449



Ronald W. Turner

March 7, 2007
06147

DESCRIPTION
Adjusted Lot 26A

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

All that portion of Lots 26A, 26B and Lot 37, Common Area, as shown on the Official Map filed for record in the Office of the County Recorder of Douglas County, Nevada, on March 10, 1972, as Document No. 58124, more particularly described as follows:

Beginning at a point which bears North 73°10'00" West 27.50 feet from the center of said Lots 26A and 26B;

Thence North 39°25'14" East 21.13 feet;
Thence North 84°23'35" East 20.94 feet;
Thence North 38°42'26" East 3.25 feet;
Thence South 54°38'06" East 21.29 feet;
Thence South 36°15'00" West 4.88 feet;
Thence along a curve concave to the West with a radius of 27.50 feet, a central angle of 44°06'32", and an arc length of 21.17 feet, the chord of said curve bears South 05°13'16" East 20.65 feet;
Thence North 73°10'00" West 55.00 feet to the Point of Beginning.

Containing 1,184 square feet, more or less.

The Basis of Bearing for this description is the above-referenced Lake Village, Unit No. 2C.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared by: Turner & Associates, Inc.
Land Surveying
P.O. Box 5067
Stateline, NV 89449



Ronald W. Turner

March 5, 2007
06147

Description
Lot 26B to Lot 26A

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

All that portion of Lot 26B of Lake Village, Unit No. 2C, as shown on the Official Map filed for record in the Office of the County Recorder of Douglas County, Nevada, on March 10, 1972, as Document No. 58124, more particularly described as follows:

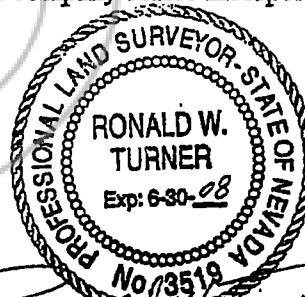
Beginning at the center of said Lot 26B;
thence North 88°00'00" East, 27.50 feet;
thence along a curve concave to the West with a radius of 27.50 feet, a central angle of 18°50'00", and an arc length of 9.04 feet, the chord of said curve bears South 07°24'58" West, 9.00 feet; thence North 73°10'00" West, 27.50 feet; to the POINT OF BEGINNING.

Containing 124 square feet, more or less.

The Basis of Bearing for this description is the above-referenced Lake Village, Unit No. 2C.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared by: Turner & Associates, Inc.
Land Surveying
P.O. Box 5067
Stateline, NV 89449



COPY

EXHIBIT B

DESCRIPTION
Adjusted Lot 26B

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

All that portion of Lots 26A, 26B and Lot 37, Common Area, as shown on the Official Map filed for record in the Office of the County Recorder of Douglas County, Nevada, on March 10, 1972, as Document No. 58124, more particularly described as follows:

Beginning at a point which bears South 73°10'10" East 27.50 feet from the center of said Lots 26A and 26B;

Thence along a curve concave to the Northwest with a radius of 27.50 feet; a central angle of 44°24'50", and an arc length of 21.32 feet, the chord of said curve bears South 39°02'25" West 20.79 feet;

Thence South 09°02'06" East 4.60 feet;

Thence South 87°23'45" West 21.75 feet;

Thence North 02°03'21" West 3.30 feet;

Thence North 50°49'09" West 21.05 feet;

Thence North 05°44'49" West 21.12 feet;

Thence South 73°10'00" East 55.00 feet to the Point of Beginning.

Containing 1,183 square feet, more or less.

The Basis of Bearing for this description is the above-referenced Lake Village, Unit No. 2C.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared by: Turner & Associates, Inc.
Land Surveying
P.O. Box 5067
Stateline, NV 89449



Donald W. Turner

March 7, 2007
06147

Description
L.V.H.A. To Lot 26B

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

All that portion of Lot 37, Common Area, of Lake Village, Unit No. 2C, as shown on the Official Map filed for record in the Office of the County Recorder of Douglas County, Nevada, on March 10, 1972, as Document No. 58124, more particularly described as follows:

Beginning at a point which bears South 28°45'10" East, 27.50 feet from the center of Lots 26A and 26B of said Lake Village Unit No. 2C;

Thence South 09°02'06" East, 4.60 feet;

Thence South 87°23'45" West, 21.75 feet;

Thence North 02°03'21" West, 3.30 feet;

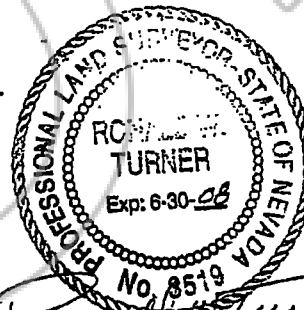
Thence along a curve concave to the North with a radius of 27.50 feet, a central angle of 45°25'30", and an arc length of 21.80 feet, the chord of said curve bears North 83°57'36" East, 21.24 feet; to the POINT OF BEGINNING.

Containing 54 square feet, more or less.

The Basis of Bearing for this description is the above-referenced Lake Village, Unit No. 2C.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared by: Turner & Associates, Inc.
Land Surveying
P.O. Box 5067
Stateline, NV 89449



Description
Lot 26B to L.V.H.A.

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

All that portion of Lots 26A and 26B, of Lake Village, Unit No. 2C, as shown on the Official Map filed for record in the Office of the County Recorder of Douglas County, Nevada, on March 10, 1972, as Document No. 58124, more particularly described as follows:

Beginning at a point which bears North 73°10'00" West, 27.50 feet from the center of said Lots 26A and 26B;

Thence South 05°44'49" East, 21.12 feet;

Thence South 50°49'09" East, 21.05 feet;

Thence along a curve concave to the Northeast with a radius of 27.50 feet, a central angle of 90°09'39", and an arc length of 43.27 feet, the chord of said curve bears North 28°14'50" West, 38.95 feet to the POINT OF BEGINNING.

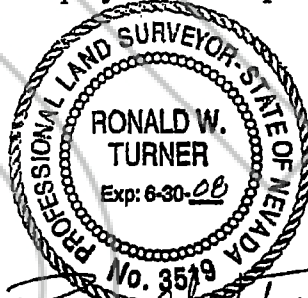
Containing 60 square feet, more or less.

The Basis of Bearing for this description is the above-referenced Lake Village, Unit No. 2C.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared by:

Turner & Associates, Inc.
Land Surveying
P.O. Box 5067
Stateline, NV 89449



March 5, 2007
06147

Description
Lot 26A to Lot 26B

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

All that portion of Lot 26A of Lake Village, Unit No. 2C, as shown on the Official Map filed for record in the Office of the County Recorder of Douglas County, Nevada, on March 10, 1972, as Document No. 58124, more particularly described as follows:

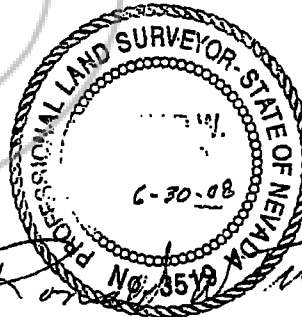
Beginning at the center of said Lot 26A;
thence South 88°00'00" West, 27.50 feet;
thence along a curve concave to the East with a radius of 27.50 feet, a central angle of 18°50'00", and an arc length of 9.04 feet, the chord of said curve bears North 07°24'58" East, 9.00 feet; thence South 73°10'00" East, 27.50 feet; to the POINT OF BEGINNING.

Containing 124 square feet, more or less.

The Basis of Bearing for this description is the above-referenced Lake Village, Unit No. 2C.

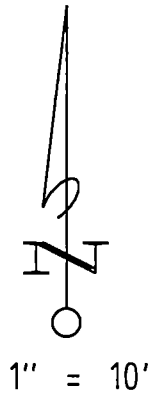
Note: Refer this description to your title company before incorporating into any legal document.

Prepared by: Turner & Associates, Inc.
Land Surveying
P.O. Box 5067
Stateline, NV 89449

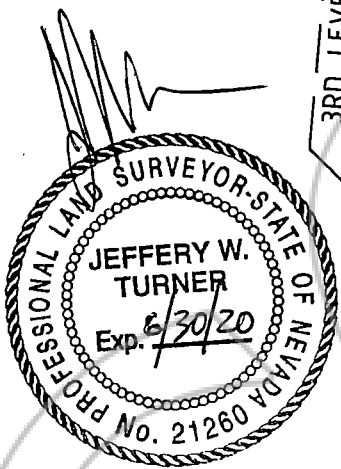
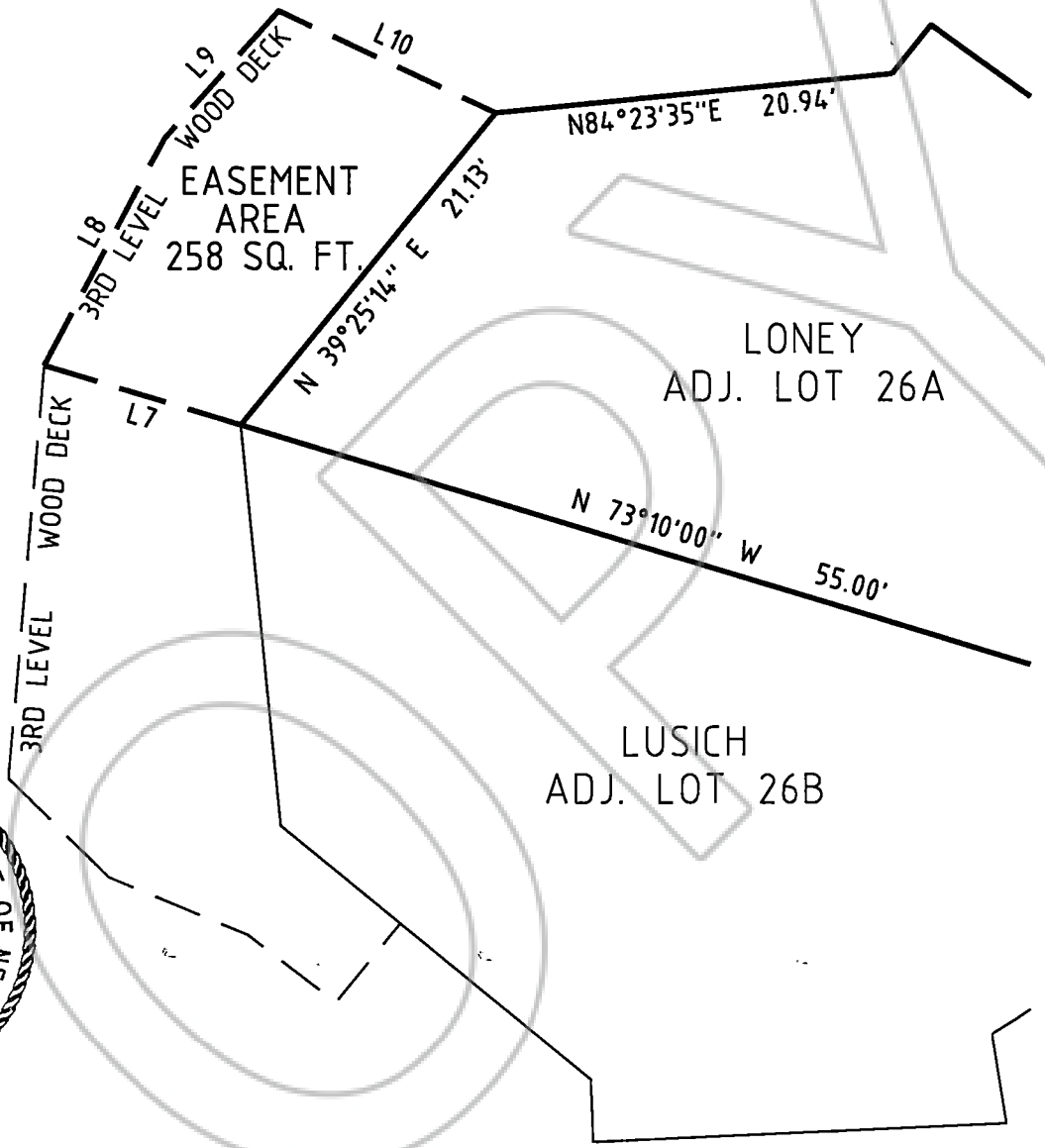


COPY

EXHIBIT C



COMMON AREA
A.P.N. 1318-23-212-076



DATE 03/2019 JOB No. 18123
PROJECT EASEMENT EXHIBIT
BY SW PAGE 1 OF 1
117 SNOWBIRD CT., DOUGLAS CO., NV
A.P.N. 1318-23-212-077

LINE TABLE

LINE	BEARING	DISTANCE
L7	N 73°10'00" W	10.77'
L8	N 28°00'00" E	13.44'
L9	N 42°02'26" E	8.97'
L10	N 64°58'19" W	12.59'

TURNER & ASSOCIATES, INC.
LAND SURVEYING
(775) 588-5658
308 DORLA COURT, SUITE 203
ROUND HILL, NEVADA
P.O. BOX 5067 - STATELINE, NEVADA 89449
PROJECT FILE 18123

COPY

EXHIBIT C-1

March 29, 2019
18123

Description
Easement

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

All that portion of the Adjusted Common Area of Lake Village, Unit No. 2C, as shown on that Record of Survey, filed for record in the Office of the County Recorder of Douglas County, Nevada, on January 17, 2014, as Document No. 836897, more particularly described as follows:

Beginning at the Westerly property corner common to Adjusted Lot 26A and Adjusted Lot 26B as shown on said Record of Survey per Document Number 836897,

thence North 73°10'00" West 10.77 feet to the edge of a 3rd level deck;
thence along said edge of a 3rd level deck the following three(3) courses:

1. North 28°00'00" East 13.44 feet;
2. North 42°02'26" East 8.97 feet;
3. South 64°58'19" East 12.59 feet to the Northwest corner of said Adjusted Lot 26A;

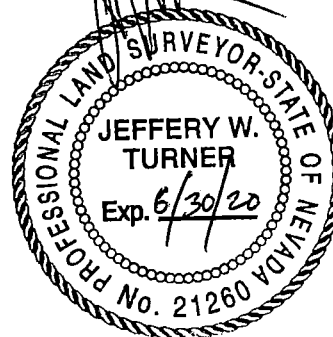
thence along said Adjusted Lot 26A South 39°25'14" West 21.13 feet to the Point of Beginning.

Containing 258 square feet, more or less.

The Basis of Bearing for this description is based upon the above-referenced Record of Survey per Document Number 836897.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared by: Turner & Associates, Inc.
Land Surveying
P.O. Box 5067
Stateline, NV 89449



COPY

EXHIBIT D

COPY

EXHIBIT D-1

March 29, 2019
18123

Description
Easement

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

All that portion of the Adjusted Common Area of Lake Village, Unit No. 2C, as shown on that Record of Survey, filed for record in the Office of the County Recorder of Douglas County, Nevada, on January 17, 2014, as Document No. 836897, more particularly described as follows:

Beginning at the Westerly property corner common to Adjusted Lot 26A and Adjusted Lot 26B as shown on said Record of Survey per Document Number 836897,

thence along said Adjusted Lot 26B the following two(2) courses:

1. South 05°44'49" East 21.12 feet;
2. South 50°49'09" East 8.11 feet;

thence leaving said Adjusted Lot 26B, along the edge of a 3rd level deck the follow five(5) courses:

1. South 39°30'10" West 5.34 feet;
2. North 52°45'50" West 5.81 feet;
3. North 67°30'33" West 7.91 feet;
4. North 45°15'28" West 7.37 feet;
5. North 04°55'02" East 21.72 feet;

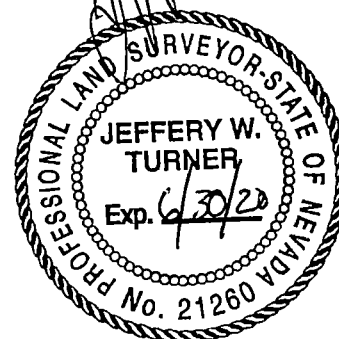
thence leaving said edge of a 3rd level deck South 73°10'00" East 10.77 feet to the Point of Beginning.

Containing 354 square feet, more or less.

The Basis of Bearing for this description is based upon the above-referenced Record of Survey per Document Number 836897.

Note: Refer this description to your title company before incorporating into any legal document.

Prepared by: Turner & Associates, Inc.
Land Surveying
P.O. Box 5067
Stateline, NV 89449



Settlement Agreement

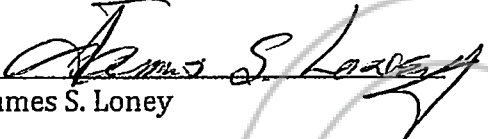

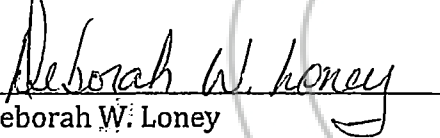

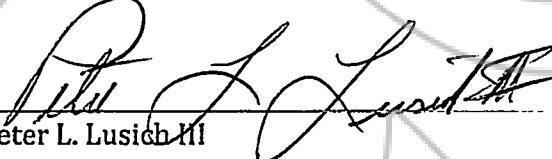

As of the **Effective Date**, the **Parties** agree:

1. **Definitions.** As used in this Agreement, the following terms have the following meanings:
 - 1.1. **Parties.** "**Parties**" means the following individuals and entities. "**Party**" is the singular of "**Parties.**"
 - 1.1.1. **Association.** "**Association**" means Lake Village Owners Association.
 - 1.1.2. **Loney.** "**Loney**" means James S. Loney and Deborah W. Loney.
 - 1.1.3. **Lusich.** "**Lusich**" means Peter L. Lusich III and Diane K. Lusich.
 - 1.2. **Association Property.** "**Association Property**" means the Common Area.
 - 1.3. **Loney Property.** "**Loney Property**" means the real property located at 118A Snowbird Court, Zephyr Cove, Nevada.
 - 1.4. **Lusich Property.** "**Lusich Property**" means the real property located at 118B Snowbird Court, Zephyr Cove, Nevada.
 - 1.5. **CC&Rs.** "**CC&Rs**" means collectively the Governing Documents, including the Declaration of Covenants, Conditions and Restrictions for Lake Village Owners Association, and amendments thereto, Rules and Regulations and any other documents governing the **Association**.
 - 1.6. **Effective Date.** "**Effective Date**" means May 18, 2018.
 - 1.7. **Action.** The "**Action**" means Case No. 09-CV-0418 pending with the **Ninth Judicial District Court**.
 - 1.8. **Improvement.** The "**Improvement**" means the deck appurtenant to the **Loney Property** and **Lusich Property**.
 - 1.9. **Easement.** "**Easement**" shall mean the perpetual encumbrance on the **Association Property** granting **Lusich, Loney** and their successors and assigns a perpetual right to maintain the **Improvement**.
2. **Recitals.** The **Parties** agree that the following recitals are true:
 - 2.1. **Lusich** and **Loney** asserted claims against **Association**.
 - 2.2. **Association** asserts that the **Improvement** encroaches unlawfully in the **Association Property**.
 - 2.3. **Loney** is the sole legal and equitable owner of the **Loney Property**.
 - 2.4. **Lusich** is the sole legal and equitable owner of the **Lusich Property**.

- 2.5. The **Parties** agree that it is in their respective interests to fully and finally resolve the **Action** as it is disputed. By such resolution, the **Parties** do not admit liability to each other, and in fact, all **Parties** deny any liability to each other.
- 2.6. **Association** is the sole legal and equitable owner of the **Association Property**.
- 2.7. **Loney** and **Lusich** assert that the **Improvement** was constructed in approximately 1991.
- 2.8. **The Association** asserts that it did not discover the **Improvement** was not constructed in accordance with the approved plans until approximately 1999.
3. Settlement. The **Parties** hereby fully settle the **Action**. As part of this settlement, **Lusich, Loney** and **Association** shall comply with the conditions of this Agreement.
4. Conditions. As part of this settlement upon execution of this Agreement, (a) **Lusich** and **Loney** shall jointly and severally pay to their attorney's trust account the sum of \$19,000.00 and thereafter paid to the Association upon the affirmative vote of the members on the Ballot for approval of the Easement; (b) the **Association** shall prepare and send to the Members of the **Association** a Ballot for approval of the Easement, a form of which is attached as Exhibit "A"; (c) **Lusich** and **Loney** shall provide the exact measurements of the **Improvement** upon execution of this Agreement and the **Association** shall verify the measurements from the Common Area in the sole discretion of the **Association**; (d) **Lusich** and **Loney** shall provide a legal description of the deck which shall be prepared by a licensed and registered surveyor or engineer and shall be attached to the form of Easement; (e) any and all governmental requirements or obligations for the Improvement shall be the responsibility of **Lusich** and **Loney** or their successors and assigns; (f) **Lusich, Loney** and their successors and assigns shall maintain the **Improvement** in a quality manner and be presentable as required by the **CC&Rs**, (g) any proposed change to the **Improvement** will be required to be the subject of an application and will be approved or disapproved in accordance with the **CC&Rs**; (h) **Lusich** and **Loney** reserve all of their rights to request at a later time swap of real property with the **Association** for the land described in the easement as may be allowed under the **CC&Rs** in effect at the time of such proposed land swap and applicable Nevada law; and (i) except as provided for herein, there shall be no waiver of any of the **CC&Rs** of the Association.
5. Good Faith Settlement Determination. The **Parties** shall move for a determination of good faith settlement with the District Court. If the District Court denies such a motion, the **Parties** may, but are not required to, rescind this Agreement.
6. Dismissal. Upon entry of the Court's Order on the motion for good faith settlement with the District Court, the attorneys shall execute a Stipulation for dismissal of the **Action**.
7. Litigation Attorney's Fees and Costs. Except as specifically provided in Paragraph 4, the **Parties** shall bear their own attorney's fees and costs associated with the **Action** and this Agreement
8. Attorney's Fees. In any dispute to interpret, enforce or obtain a judgment on this Agreement, the prevailing party shall recover from the non-prevailing party the prevailing party's reasonable attorney's fees and costs.
9. Informed Consent. Each **Party** represents and warrants that it is represented or had the opportunity to be represented by legal counsel or has had the opportunity to obtain legal counsel, that it has had ample opportunity to review this Agreement with lawyers before signing, and that it voluntarily enters into this Agreement with the understanding that it is giving up important legal

rights. Each **Party** does not rely on any representations from any other **Party** to execute this Agreement, but instead relies only upon its own investigations and/or consultations with legal counsel.

10. No Construction Against Drafting Party. The **Parties** agree that the language of this Agreement results from the review and changes requested by the **Parties**. Therefore, the rule that ambiguities should be construed against the drafting party shall not apply to this Agreement.
11. Choice of law. Nevada law controls the formation, interpretation, and enforcement of this Agreement, notwithstanding any conflicts of laws principles.
12. Authority and Competency. Each and every person executing this Agreement, including any person executing the Agreement on behalf of a corporation, trust, estate, business entity, or other association, hereby represents, warrants, and promises for the benefit of all **Parties** that (1) such person is duly authorized to execute this Agreement and any related documents on behalf of the **Party** for which such person purports to sign, and (2) such person is competent to enter into a contract.
13. Integration and merger. This Agreement is fully integrated, and it constitutes the entire agreement and understanding between the **Parties**. This Agreement supersedes any and all prior agreements and understandings of the **Parties**, oral or written, relating to the subject matter of this Agreement.

Loney	Lake Village Owners Association
 James S. Loney	By  Its <u>Secretary</u>
 Deborah W. Loney	By  Its <u>Board Member</u>
Lusich	
 Peter L. Lusich III	
 Diane K. Lusich	

Gayle A. Kern, Esq.
gkern@lkglawfirm.com

Reply to: Reno

June 5, 2019

Dear Homeowner:

As you may recall, I represent the Lake Village Homeowners Association (“Association”). I have been working with the Board on a long- outstanding issue that requires your consideration. The issue, which is described in greater detail on the following page, includes a ballot. This is presented as a proposed resolution to a long-pending lawsuit. The Board seeks the approval by the membership of an easement to allow a deck which has support beams resting in the Association’s common area to remain. This easement, if allowed, would run with the property in perpetuity. The deck has been there for many years and granting the easement will resolve the pending lawsuit.

Please take the time to vote on the enclosed ballot. Voting will continue and additional ballots will be mailed to non-voting owners until enough ballots have been returned to decide the matter. Each additional round of balloting costs you, the Owners, additional money. It is our sincere hope that you will vote in favor of the easement. Please consider the ballot carefully, fill it out, and return via email or the self-addressed, pre-paid envelope enclosed for your convenience if you do not receive communications via email.

Thank you for your consideration. If you have any questions, please contact your community manager, Art Warrell. He can be reached via email at lvhoa@lakevillage.com or by phone at 775-588-4840.

Very truly yours,

Gayle A. Kern, Esq.

Enclosures

LAKE VILLAGE HOMEOWNERS ASSOCIATION

On December 14, 2009, Peter Lusich, Diane Lusich, James Loney, and Deborah Loney ("Plaintiffs") brought a Complaint for Declaratory Relief (Case No. 09-cv-0418 Ninth Judicial District, State of Nevada) against Lake Village Homeowners Association. The lawsuit sought a judgment that Plaintiffs, without any payment to the Association, be granted rights in the Lake Village HOA's common area for the balcony built by the Plaintiffs, a balcony which has beams resting in Lake Village HOA's common area. The Plaintiffs assert that it was constructed in approximately 1991. The Association asserts that it discovered the deck was not constructed in accordance with the approved plans until approximately 1999. In order to resolve this long-standing dispute, the Plaintiffs and the Board of Directors request your review and vote regarding the Common Area in question and resolution of the litigation.

The Association Board and the Plaintiffs agreed that if the Owners vote to approve, an easement would be granted to any owner of the property in perpetuity. The proposed easement would be to allow their deck to remain in its current location, which includes the support beams resting in Lake Village HOA's common area. As part of this settlement and in consideration of the perpetual easement, upon execution of this Agreement, the Plaintiffs shall pay the sum of \$19,000.00 to the Lake Village HOA.

The Plaintiffs provided a legal description of the deck, which was prepared by a licensed and registered surveyor or engineer and shall be attached to the form of Easement. Any and all governmental requirements or obligations for the deck shall be the responsibility of the Plaintiffs and/or their successors and assigns.

Any proposed change to the deck will be required to be the subject of an Architectural application and will be approved or disapproved in accordance with the CC&Rs.

The Parties do not admit liability to each other, and will each bear their own attorney's fees and costs.

WRITTEN BALLOT

Please vote. A YES vote means that you approve of granting an easement in the Common Area for the existing deck and beams, the Association receiving \$19,000 and the litigation would be dismissed with prejudice.

A NO vote means you do not approve, the Association will not receive the proposed funds, and the litigation will continue.

✓
 YES. I agree that the Board shall execute all documents necessary for the recording of an Easement in favor of the owners of 118A and 118B Snowbird Court as shown on the attached page and settlement of the litigation upon the owners paying the Association \$19,000.

-OR-

✓
 NO. I do not approve the Easement.

Results of Votes

Pursuant to NRS 82.326, NRS 116.2117 and the Association's Governing Documents, unless not less than sixty-seven percent (67%) of the voting power of the Members vote YES to approve the Board granting the Easement, the Board will not grant the Easement.

Due Date

ALL ballots must be received by the Board of Directors by July 20, 2019. If less than 67% of the ballots are returned by this date, the date for returning ballots may be extended at the sole discretion of the Board.

Methods to return this signed ballot is as follows:

- Scan and/or email the executed ballot to lvhoa@lakevillage.com
- Mail this ballot in the enclosed envelope care to PO Box 542 Zephyr Cove, NV 89448.
- Fax the ballot to 775-588-7590.

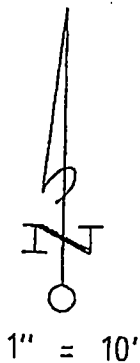
This is not a secret ballot. Secret ballots are only used in connection with the election or removal of board members pursuant to NRS 116.116.31034(8) and NRS 116.31036(2). Pursuant to NRS 116.311(a)(d)(4), if you wish to deliver information to all unit's owners regarding the subject of the vote, please provide to Art Warrell on or before June 30, 2019. Any information must be on one page, not contain any defamatory or inappropriate contact and must address the subject of the vote.

IMPORTANT: THIS BALLOT MUST BE SIGNED BY A MEMBER OF THE ASSOCIATION. If there are two or more, any one need sign. When signing as executor, attorney, administrator, trustee, guardian or in some other representative capacity, please specify your title. An electronic signature is acceptable.

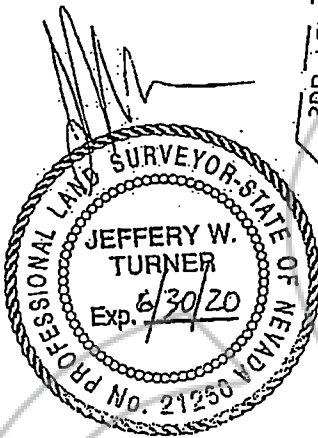
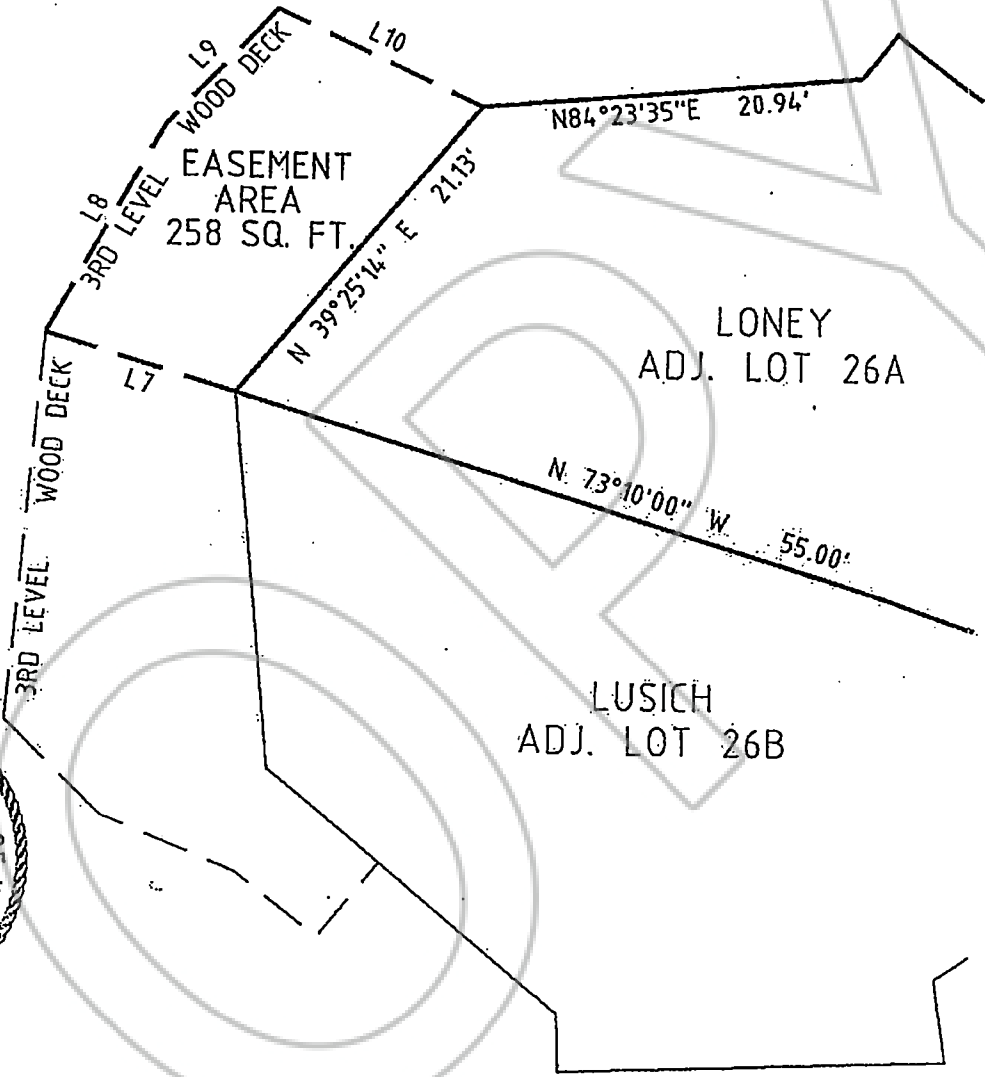
Signature: _____ Date: _____

Printed Name: _____ Unit Address: _____

Mailing Address (if different): _____



COMMON AREA
A.P.N. 1318-23-212-076



DATE 03/2019 JOB No. 18123
PROJECT EASEMENT EXHIBIT
BY SW PAGE 1 OF 1
117 SNOWBIRD CT., DOUGLAS CO., NV
A.P.N. 1318-23-212-077

LINE TABLE

LINE	BEARING	DISTANCE
L7	N 73°10'00" W	10.77'
L8	N 28°00'00" E	13.44'
L9	N 42°02'26" E	8.97'
L10	N 64°58'19" W	12.59'

TA TURNER & ASSOCIATES, INC.

LAND SURVEYING
(775) 588-5658
308 DORLA COURT, SUITE 203
ROUND HILL, NEVADA
P.O. BOX 5067 - STATELINE, NEVADA 89449
PROJECT FILE 18123