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1418-34-202-004, 1418-34-601-001, 1418-34-601-003
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1418-34-601-008, 1418-34-601-009, 1418-34-601-010
1418-34-610-001, 1418-34-610-002, 1418-34-610-003
1418-34-610-004, 1418-34-610-005, 1418-34-610-006
1418-34-610-007, 1418-34-610-008, 1418-34-610-009
1418-34-610-010, 1418-34-610-011, 1418-34-610-012
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**SECOND AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
HIDDEN WOODS**

This SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (the "DECLARATION") is made this 29th day of June, 2024 by the HIDDEN WOODS HOMEOWNERS' ASSOCIATION, INC., a Nevada nonprofit corporation ("Association"), acting with the consent and approval of those persons or entities representing at least fifty-one percent (51%) of the Lot Owners.

WITNESSETH:

WHEREAS, a DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF HIDDEN WOODS was previously established by RICHARD M. DOUD and SHIRLEY A. DOUD, in their capacities as trustees for the Employees Pension and Profit Sharing Trust of Construction Management Company, Inc. (the "Declarant") on the 3rd day of November 1977, and recorded in the Official Records of Douglas County, Nevada as Document No. 14715, Book 1177, Page 296 (the "Original Declaration"); and an Amended and Restated Declaration of Covenants, Conditions, and Restrictions dated November 19, 2010, superseding the Original Declaration was recorded in the Official Records of Douglas County, Nevada as Document No. 0774471, Book 1110, Page 5831 (the "First Amended Declaration").

WHEREAS, the Association and the referenced Lot Owners desire to amend and restate the Declaration in its entirety for the purpose of, (i) incorporating changes to keep pace with current statutes and case law, (ii) clarifying and affirming that the Association has jurisdiction over all the Property and that the same is to be governed, assessed, operated and managed by the Association in accordance with the terms of this Declaration (and other community documents), (iii) making those changes necessary to reflect the fact that all of the Lots within the Property are developed and the original Declarant is no longer affiliated with Hidden Woods, and (iv) to eliminate any ambiguity or confusion which exists or may be claimed to exist regarding the First Amended Declaration; and

WHEREAS, the First Amended Declaration provides that it may be amended at any time by an instrument signed by at least fifty-one percent (51%) of the Lot Owners;

WHEREAS, at least 51% of the Members of the Association have consented to this Second Amended and Restated Declaration as indicated on Exhibit "J" which is attached hereto and incorporated by reference.

WHEREAS, the Property is to be held, conveyed, encumbered, leased, used and improved subject to the following restrictions, covenants, conditions, easements and equitable servitudes, all of which shall run with the land, shall be binding upon all persons having or acquiring any right, title or interest in the Property or any part thereof, shall inure to the benefit of each owner of any portion of the Property or any interest therein, shall inure to the benefit of and be binding upon each successor in interest, and may be enforced as hereinafter provided.

WHEREAS, the Association and the Members have executed this Declaration and will caused it to be recorded with the intent that this Second Amended and Restated Declaration replace and supersede the Original Declaration and the First Amended Declaration.

NOW, THEREFORE, the Members hereby revoked the First Amended Declaration and adopt and establish this Second Amended and Restated Declaration as the Declaration of Covenants, Conditions and Restrictions of Hidden Woods.

ARTICLE I DEFINITIONS

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

- 1.1 "Act" means Chapter 116 of the Nevada Revised Statutes ("NRS")
- 1.2 "Architectural Committee" shall mean the Hidden Woods Review Committee appointed as set forth in Article VIII hereof.
- 1.3 "Articles" or "Articles of Incorporation" means the Articles of Incorporation of the Association.
- 1.4 "Association" means the Hidden Woods Homeowners Association, a Nevada non- profit corporation formed pursuant to Chapter 82 of NRS, its successors and assigns.
- 1.5 "Association Property" means all real and personal property now or hereafter owned by or leased to the Association or in which the Association has a recognizable legal or equitable, present or future, interest.
- 1.6 "Beneficiary" means a beneficiary under a deed of trust or a mortgagee under a mortgage, and/or the assignee of such beneficiary or mortgagee.
- 1.7 "Board" or "Board of Directors" means the Board of Directors of the Association.
- 1.8 "Bylaws" means the Bylaws of the Association,
- 1.9 "Common Area" or "Common Elements" means all of the Property, together with all Improvements constructed or to be constructed thereon, excluding the Lots and any streets and roads that

have been accepted for dedication by the governing body having jurisdiction over the same, together with any and all roadways outside of the boundaries of the Property that provide access to the Property but that have not been accepted for dedication by such governing body, and any area over which the Association or Association Property holds any type of easement, whether located outside the boundaries of the Property or on a Lot.

1.10 “Common Expenses” shall have the meaning set forth in paragraph 6.4 hereof.

1.11 “Declarant” shall have the meaning ascribed thereto at page 1 hereof.

1.12 “Declaration” means this Amended and Restated Declaration of Covenants, Conditions and Restrictions, together with any amendments, supplements or modifications hereto.

1.13 “Deed of Trust” means and is synonymous with the word “Mortgage” and the same may be used interchangeably with the same meaning; similarly, the word “Trustor” shall be synonymous with the word “Mortgagor” and the word “Beneficiary” shall be synonymous with the word “Mortgagee.”

1.14 “Design Standards” shall mean the design standards set forth in this Declaration, the Hidden Woods Guidelines and Development Standards and any and all additional building and landscaping design standards adopted by the Architectural Committee pursuant to the provisions of Section 8.1 hereof.

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

1.16 “Lot” means any portion of the Property designated as a lot or parcel on the Map, and each of the eight (8) parcels legally described on Exhibits A to H attached hereto, as such parcels exist after certain boundary line adjustments.

1.17 “Map” means the amended subdivision map of Lincoln Meadows Unit No. 1, recorded as Document No. 16415, Book 178, Page 208 in the Office of the County Recorder in Douglas County, Nevada, as amended.

1.18 “Member” means every Lot Owner.

1.19 “Minor Improvement” means (i) any Improvement that is designated as such by the Association, or (ii) a specific Improvement approved in writing by the Architectural Committee in its reasonable discretion upon written request by an Owner regarding such determination.

1.20 “Original Declaration” shall have the meaning ascribed thereto in the first recital above.

1.21 “Owner” means any person or entity holding fee simple title to a Lot, or who is the buyer of a Lot under a recorded contract of sale.

1.22 “Plan” means those items set forth in NRS 116.2109(4), including drawings of Improvements which are filed with agencies which issue permits for the Property, and which are by this reference incorporated herein.

1.23 “Property” shall mean that real property in the County of Douglas, State of Nevada, consisting of (1) the Lincoln Meadows Unit I subdivision, including all property located within the Map of the same, legally described on Exhibit I, and (2) the eight (8) parcels included in the Original Declaration as legally described on Exhibits A through H inclusive, including APNs: 1418-34-601-001, 1418-34-601-003, 1418-34-601-004, and 1418-34-601-006 through 1418-34-601-010, as such parcels exist after certain boundary line adjustments. .

1.24 “Rules and Regulations” shall have the meaning ascribed thereto in Section 2.3 hereof.

1.25 The phrase “visible from neighboring property” means, with respect to any given object, that such object is or would be visible to a person six feet (6’) tall standing on an assumed floor elevation two feet (2’) above the highest ground surface of any neighboring property.

1.26 “Single Family” means one or more persons each related to the other by blood, marriage or legal adoption or a group of not more than four persons not all so related, together with his/her/its domestic servants, maintaining a common household on a Lot.

1.27 “Camouflage” or “Camouflaged” means either (1) screening of a feature by use of vegetation, walls, or fencing or (2) painting a feature the same color as the exterior of the house closest to the feature to be screened.

ARTICLE II COMMON AREA

2.1 Owners’ Easements of Enjoyment. Except as otherwise provided elsewhere in this Declaration, each Owner shall have a non-exclusive easement of use and enjoyment in, to, and throughout the Common Area and for ingress and egress over and through the Common Area. Each such easement shall be appurtenant to, and pass with title to, each Lot.

2.2 Use of the Common Area. Except as otherwise expressly provided in this Declaration, the Common Area shall be used for the intended purposes as shown on the Map and as provided in this Declaration, and no persons other than the Owners, their family members, guests and invitees or the Owner’s tenants, their family members, guests and invitees shall be allowed to in any manner use or occupy the Common Area. Each Owner shall at all times be responsible for any and all activities of his tenants, guests and invitees using the Common Area. No Improvements within the Common Area shall be altered or removed without the express direction of the Association upon the vote of the Members as provided in Section 2A hereof. The Board shall adopt reasonable rules and regulations (“Rules and Regulations”) governing the use of the Common Area, including parking of vehicles.

2.3 Maintenance of Common Area. Maintenance of the Common Area (including any private roadways and completed roadways offered for dedication, but not accepted by the governing body) and any and all Improvements thereon including, but not limited to, landscaped areas, private drainage facilities, drainageways, storm drains, curbs and gutters, sidewalks, flood plain areas and wetlands, shall be the obligation of the Association. The Association shall maintain and manage the Common Area and all Improvements thereon in a first-class manner and shall assess the Owners for the cost thereof in accordance with Article VI hereof. The Association shall maintain any and all utility, water and sewer lines, equipment and other apparatus within the Common Area, unless such item of maintenance is the obligation of a utility company, Douglas County, or other governmental entity. The Association shall have its own water and electric meters for water and electric services used within the Common Area, and the expense associated with such meters shall be the financial obligation of the Association. Obstructing the flow of or altering the course of any drainage channel within the Property is prohibited.

ARTICLE III USE RESTRICTIONS

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 Property which shall have a living area, exclusive of garage or permitted outbuildings, of less than fifteen hundred (1500) square feet and each residence shall have an attached garage which can accommodate no less than two (2). The Association reserves the right to increase or decrease the minimum residence size applicable to any Annexed Property. An Owner may rent, lease, or provide a time share/exchange or any other short-time arrangement the dwelling unit on his Lot to a single family provided that the dwelling is rented, leased, or provided under a time share/exchange or any other short-time arrangement 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 of the provisions of this Declaration, the Articles, the Bylaws, and any Rules and Regulations adopted by the Board.

3.2 Parking and Vehicular Restrictions. No Owner shall park, store or keep within the Property any inoperable vehicle. Except as expressly provided in NRS 116.350 no owner shall park, store or keep any commercial type vehicle. Except as otherwise expressly provided below, no Owner shall park, store or keep on his Lot outside of a garage any recreational vehicle (including, but not limited to, any camper unit, house/car or motor home, any bus, trailer, trailer coach, camp trailer, boat, snowmobile, jet ski, aircraft or mobile home, or any other similar vehicle). In addition, no Owner shall park, store, or keep anywhere within the Property any vehicle or vehicular equipment, mobile or otherwise, reasonably deemed to be a nuisance by the Board. The Board shall have the power to enforce all parking and vehicle use restrictions applicable to the Property, including the power to remove vehicles which are in violation of the provisions of this Declaration from any of the Property to the extent permitted by applicable law. Guests of Owners may park on such Owners Lot or on streets within the Property for reasonable periods of time as deemed by the Board. Contractors may park on streets within the Property subject to the same time restrictions.

3.3 Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere within the Property for an unreasonable time as deemed by the Board, and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, or offensive. Construction debris must be contained within an appropriate receptacle. No noise or other nuisance shall be permitted to exist or operate upon any portion of a Lot so as to be offensive or detrimental to any other Lot in the Property or to its occupants. Without limiting the generality of any of the foregoing provisions, no speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, large power equipment or large power tools, snowmobiles, unlicensed off-road motor vehicles or other items which may unreasonably disturb other Owners or residents or their guests shall be located, used or placed on any portion of the Property without the prior written approval of the Board. Alarm devices used exclusively to protect the security of a Lot and its contents and generators used during power outages and for maintenance shall be permitted, provided that such devices do not produce annoying sounds or conditions as a result of frequently occurring false alarms. No utility "night lights" shall be installed on a Lot at any time and all other outdoor lights, other than holiday decorative lights, must be approved by the Architectural Committee.

3.4 Signs. Except as otherwise expressly allowed in this Declaration, no sign, poster, billboard, advertising device or other display of any kind shall be displayed. One (1) customary 36" x 24" "for sale" or "for lease" sign is allowed on the Lot. Signs required by legal proceedings, address identification signs and street signs, monument signs identifying the name of the planned community, and, during construction, construction job identification signs, builder and lender signs, are permitted within the Property. All permitted signs shall be in conformance with the requirements of the jurisdiction in which the

Property is located and shall have been approved in writing as to size, color, design and location by the Architectural Committee. Any other signage shall require Board approval, which may be withheld in the absolute discretion of the Board. Notwithstanding the foregoing, an Owner or tenant of an Owner may place political signs on their Lot no larger than 24" x 36" in accordance with NRS 116.325.

3.5 Unsightly Articles. No unsightly articles, including clotheslines, shall be permitted to remain on any Lot so as to be visible from neighboring property. Without limiting the generality of the foregoing, refuse, garbage and trash shall be kept at all times in enclosed areas approved by the Architectural Committee.

3.6 Animals. No animals, including horses, fowl, reptiles, poultry, livestock, cloved animals, llamas, ostriches, rabbits, or insects of any kind ("animals") shall be raised, bred or kept within the Property, except that a reasonable number of dogs, cats, or other household pets may be kept within a residence, provided that they are not kept, bred or maintained for any commercial purpose, nor in violation of any applicable local ordinance, any other provision of this Declaration or such other limitations as may be set forth in the Rules and Regulations. The Association, acting through the Board, shall have the right to prohibit the keeping of any animal which constitutes, in the opinion of the Board, a nuisance to other Owners. Animals within the Property belonging to Owners, residents, or their guests must be kept either indoors or within an enclosed pet run which complies with Section 3.35 hereof or on a leash or other restraint with a person capable of controlling the animal. It shall be the absolute duty and responsibility of each such person to clean up immediately after such animals which have used any portion of the Common Area or another Owner's Lot. The animal Owner's Lot (including the pet run area) shall be cleaned and maintained in a manner so as not to create a nuisance to other Owners, Furthermore, to the extent permitted by law, any Owner shall be liable to each and all remaining Owners, residents, their families and guests, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Property by an Owner or resident or by members of their family or guests.

3.7 Business or Commercial Activity. No part of the Property shall ever be used for any business, commercial (including auctions or similar events), manufacturing, mercantile, storage, vending or other nonresidential purposes, including without limitation any activity for which the provider is compensated in any way or receives any form of consideration, regardless of whether the activity is engaged in full or part-time, generates or does not generate a profit, or requires or does not require a license. The provisions of this paragraph 3.7 shall not preclude any of the above-described activities which are conducted without external evidence thereof provided that all of the following conditions are fulfilled: (a) such activities are conducted in conformance with all applicable governmental ordinances; (b) the patrons or clientele of such activities do not routinely or in significant numbers visit the Lot or park automobiles or other vehicles within the Property; (c) the existence or operation of such activities is not apparent or detectable by sight, sound or smell from outside of the boundaries of the residence on such Lot; (d) no such activity increases the liability or casualty insurance obligation or premium of the Association; and (e) such activities are consistent with the residential character of the Property and otherwise conform with the provisions of this Declaration.

3.8 No Further Subdivision. No Lot may be further subdivided; provided, however, that nothing in this paragraph shall be deemed to prevent an Owner from (a) transferring or selling any Lot to more than one (1) person to be held by them as tenants in common, joint tenants, or as community property or other form of common ownership; or (b) the leasing or renting by any Owner of all of his Lot to more than one person, provided that any such lease or rental shall be subject to the provisions of this Declaration.

3.9 Drainage. There shall be no interference with or alteration of the established drainage or drainage systems within the Property, unless previously approved in writing by the Architectural Committee. For the purpose hereof, "established drainage or drainage systems" is defined as the drainage

which exists at the time a Lot is conveyed to an Owner by Declarant or later grading changes which are shown on plans approved by the appropriate governmental authorities and the Architectural Committee. All drainage facilities within the Common Area which are not maintained by a governmental authority shall be maintained by the Association

3.10 Use of Garages. Each residence shall have on the Lot an attached, fully enclosed garage for at least two (2) automobiles. Garages may be used only by the Owner of such garage or the occupants of the residence to which such garage is appurtenant, Garages may be used for storage only to the extent such storage does not preclude all of the Owners of vehicles from being parked in the garage. Garage doors must remain closed at all times, except for reasonable periods during which the garage is actively being used.

3.11 Construction of Residence.

3.11.1 Completion of Residence. Construction shall be deemed to have commenced on a Lot when a building permit is issued for the residence to be constructed thereon. Construction of the residence on a Lot must be completed within one (1) year after a grading permit, or if there is no grading permit a building permit, is obtained for the Lot. The Board may adopt Rules and Regulations providing for a schedule of construction penalties for violation of the provisions of this Section 3.11.1, which schedule shall be delivered to the Owners in accordance with applicable law.

3.11.2 Dust Control. Each Owner shall be responsible for dust control on his Lot at any time after the natural vegetation thereon is disturbed and such Owner shall be liable for any damage to other properties caused by airborne dust emanating from such Owner's Lot.

3.12 Maintenance and Repair. Each Owner shall maintain such Owner's Lot and the Improvements thereon in a clean, orderly and good condition and state of repair. The Improvements on such Owner's Lot shall be adequately painted or otherwise finished, all at such Owner's sole cost and expense. No building, structure, or other Improvement within the Property shall be permitted to fall into disrepair. No Owner shall do any act or work that will impair the structural soundness or safety of any Improvement located in the Property. If any Improvements are damaged or destroyed by fire or other calamity, the insurance proceeds shall be paid to the Owner or the mortgagees thereof, as their respective interests may appear; and such Owner or mortgagees shall, within a reasonable time period, rebuild or repair the damage in full compliance with the terms and provisions of Article VIII of this Declaration.

3.13 Best Management Practices (BMPs). Each Owner shall be responsible for installation and maintenance of any BMPs on such Owner's Lot as required by the Tahoe Regional Planning Agency or other governmental authority. The Association shall be responsible for installation and maintenance of any BMPs in the Common Areas as required by the Tahoe Regional Planning Agency or other governmental authority.

3.14 Exterior Installations. Satellite dishes, television antennas and other exterior communications equipment may be placed on a Lot only with the prior written approval of the Architectural Committee (below defined). Subject to the provisions of NRS 111.239 pertaining to solar energy devices, all solar energy devices must be approved in writing by the Architectural Committee prior to installation. No exterior air conditioning or heating unit (including solar heating devices) shall be erected or maintained on any portion of the Property unless it is: (a) Camouflaged so as not to be visible from neighboring Lot(s); and (b) approved in writing in accordance with Article VIII of this Declaration.

3.15 Lighting. All exterior lighting shall conform to the Design Standards and shall be approved in writing by the Architectural Committee. Exterior lighting shall be shielded or recessed so that direct glare and reflections are contained within the boundaries of the Lot and shall be directed downward and away from adjoining properties and public rights-of-way. Except for holiday decorative lighting, no lighting shall blink, flash, or be of unusually high intensity or brightness.

3.16 Windows. Except as otherwise permitted by the Act, security bars on windows or other obstructions designed to keep intruders from entering a residence shall not be permitted.

3.17 Diseases and Insects. No Owner shall permit anything or condition to exist upon his Lot that shall induce, breed, or harbor infectious plant or tree diseases or noxious insects.

3.18 Mineral Exploration. No portion of the Property shall be used in any manner to explore for or to remove any oil or other hydrocarbons, minerals of any kind, gravel, or earth substance. No drilling, exploration, refining, quarrying, or mining operations of any kind shall be conducted or permitted to be conducted thereon; nor shall wells, tanks, tunnels, mineral excavations, shafts, derricks, or pumps used to mine or drill for any substances be located on the Property.

3.19 Fences. Installation of fences on any Lot shall be approved in writing by the Architectural Committee and shall be of a height and constructed of materials specified in the Design Standards (defined in Section 8.1 hereof). The cost of construction of any fence which serves as a common fence between two Lots shall be borne by the party constructing the fence. Unless otherwise agreed in writing by the Lot Owners sharing a common fence, each Lot Owner shall maintain that portion of the fence facing such Owner's Lot.

3.20 View Obstruction. The Association makes no representations or warranty with respect to the presence or absence of any view from any portion of any Lot. Any existing view may change or be blocked or impaired depending upon construction, landscaping or other activities undertaken on the Property or on land located outside the boundaries of the Property. Each Owner, by accepting title to a Lot in the Property, hereby acknowledges that (a) there are no protected views within the Property, and no Lot in the Property is assured the existence or unobstructed continuation of any particular view, and (b) any construction, landscaping or other installation of improvements by the Association, or other Owners, may impair the view from any Lot in the Property, and the Owners hereby consent to such view impairment.

3.21 Insurance. No Owner shall take any action on a Lot or take any action with respect to the Common Area (or any portion thereof) which results, directly or indirectly, in any increase in the applicable rate(s) of insurance paid by the Association or affects the availability of such insurance by the Association, including, without imitation, any action that would result, directly or indirectly, in such insurance being canceled.

3.22 Temporary Structures. No structure of a temporary character, including, without limitation, trailers, mobile homes, tents, shacks, garages, barns, or other buildings or enclosures shall be utilized at any time on a Lot as a residence, either temporarily or permanently; provided, however, that temporary structures may be used by contractors during the normal course of construction, provided that such permitted temporary structures are immediately removed upon the completion of construction activity.

3.23 Radio Transmissions. No amateur radio transmission operations shall be conducted, nor shall any amateur radio transmission aeriels be permitted at any time within the Property; provided, however, that citizens band radios and similar devices may be maintained and used by Owners for purposes of security and emergency communications.

3.24 Quality and Maintenance of Residences. All residences shall be constructed in a good workmanlike manner and be maintained in good condition.

3.25 Roofs. All residences and permitted structures or buildings shall have roofs constructed of tile, slate, or such other fire-resistant materials that are approved by the Architectural Committee, that meet the requirements of all applicable building codes or regulations (including NRS 472.100) and that are consistent with the Lake Tahoe Fire Protection District's recommendations. Composition shingles shall not be permitted unless of a quality and appearance comparable to tile or slate and approved by the Architectural Committee. In addition, no roof may be altered, changed or repaired unless such construction uses fire retardant roofing material as provided in NRS 472.100.

3.26 Movable Structures. No building or other structure shall be moved from any other location onto any Lot. No factory built or manufactured housing or modular or prefabricated house is permitted upon any Lot, except in connection with the construction or sale of a residence thereon.

3.27 Height Limits. Unless otherwise set forth in this Section 3.27 with respect to the Initial Property or in any Declaration of Annexation with respect to any Annexed Property and unless otherwise provided by applicable law, no structure shall be more than 35 feet in height determined as set forth in the Douglas County Code.

3.28 Nonreflective Materials. No building or structure shall be constructed of any exposed material, whether structural or paint, mirrored glass, or other surface material that will result, directly or indirectly, in sunlight being unduly reflected therefrom; provided, however, that there shall be an exception for non-reflective solar panels approved in writing by the Architectural Committee, non-mirrored glass windows and copper trim.

3.29 Refuse Disposal. No garbage, refuse or obnoxious or offensive material shall be permitted to accumulate on any Lot or the Common Area, and the Owner thereof shall cause all such material to be disposed of by and in accordance with accepted sanitary practices. All garbage cans shall be kept in a clean and sanitary condition. All Owners shall subscribe to a regularly scheduled and established garbage collection service. No incinerators of any type shall be allowed within the Property. All garbage or trash containers shall be kept within enclosed areas approved by the Architectural Committee so that they are not visible from adjoining Lots or from streets.

3.30 Mailboxes. The location and design of mailboxes and newspaper holders shall be subject to the approval of the Architectural Committee.

3.31 Subsurface Rights. There shall be no deed, conveyance, agreement or other document executed, the terms of which separate surface or subsurface rights into different ownerships.

3.32 Fuel Tanks. All types of fuel tanks shall be prohibited.

3.33 Landscaping. The front yard of each Lot shall be landscaped no later than six (6) months after the issuance of a certificate of occupancy for the residence on such Lot. Such landscaping shall be in compliance with the Design Standards and approved in writing by the Architectural Committee. The Board may adopt Rules and Regulations providing for a schedule of fines for violation of the provisions of this Section 3.34, which schedule shall be delivered to the Owners in accordance with applicable law.

3.34 Pet Runs. Any dog runs or similar areas on a Lot shall be designed and constructed in a manner consistent with the residence, including, without limitation, consistency in materials and color schemes, and shall be approved by the Architectural Committee.

3.35 Snow Removal. Snow removal within the private roads and roads which have not been accepted by Douglas County for dedication within the Property shall be the responsibility of the Association.

3.36 Fire Protection. Each Owner shall be responsible for fire fuels around such Owner's home site and within such Owner's Lot. A fuels management/reduction program around all structures shall be maintained a minimum of 30 feet in accordance with the Uniform Fire Code Appendix II - A- 16 and shall be the responsibility of the individual property owner. Clearance of vegetative growth from roadways, in accordance with Uniform Fire Code Appendix II - A -17 shall be the responsibility of the Association. All new structures shall be constructed with fire retardant roofing materials in compliance with NRS 472.100.

3.37 Compliance With Laws. No Lot or portion of the Property may be occupied or used by or for any structure or purpose or in any manner whatsoever which is contrary to the ordinances, rules, or regulations promulgated by the County of Douglas, as amended from time to time. Each Owner shall comply with all statutes, ordinances, rules or regulations applicable to his or her Lot

3.38 Violations.

3.38.1 Violation Notice. If any person or entity responsible for the maintenance of a portion of the Property ("Responsible Party") allows, permits, or causes any condition to exist on or within such Responsible Party's Lot or any Common Area, as the case may be, or the Improvements thereon, which violates the provisions of Article III of this Declaration or, in the sole reasonable discretion of the Board, is unsightly, unsanitary, or hazardous (including, without limitation, a condition which causes dust to carry to another Lot) (collectively, a "Maintenance Violation") or otherwise violates any provision of the Declaration, the Articles, Bylaws or Rules and Regulations (collectively, "Governing Documents") (which Maintenance Violation and other violations are collectively referred to herein as "Violation"), then, except as otherwise provided in subparagraph 3.40 hereof, (in the case of an emergency), before taking any action to suspend voting rights or impose a fine pursuant to the Governing Documents, the Board shall give the Responsible Party written notice ("Violation Notice") in the manner provided in paragraph 11.5, below, specifying the nature of the Violation. In the event that the Board fails to give a Violation Notice for a Maintenance Violation to a Responsible Party who has defaulted in its maintenance obligation hereunder, then upon the filing with the Board of a meritorious written complaint ("Owner Complaint") executed by the Owners of any two (2) Lots within the Property, the Board shall have the obligation to give such Maintenance Violation Notice.

3.38.2 Responsible Party's Right to File an Objection: Hearing. The Responsible Party to whom a Violation Notice is given shall have the right to file a written objection thereto with the Secretary of the Association within ten (10) days after such Responsible Party is deemed to have received such Maintenance Violation Notice (pursuant to paragraph 11.5, below). Whether or not such objection is filed, within thirty (30) days after the Violation Notice is given, the Board shall meet in executive session to hold a hearing on (the subject matter of the Violation Notice, unless the Responsible Party who allegedly committed the violation requests in writing that the hearing be conducted by the Board at an open meeting. Notice of such hearing, and time and place thereof, shall be given to the Responsible Party to whom the Violation Notice is given and any other Owners who have filed Owner Complaints at least five (5) days prior to the date set for such hearing. The Responsible Party who is alleged to have committed the Violation may attend the hearing and testify concerning the alleged Violation, but may be excluded by the Board

from any other portion of the hearing, including, without limitation, the deliberations of the Board. In the event that the Board finds that a Violation has occurred, the Board shall order the Responsible Party to cure such Violation within such time period as the Board determines is reasonably required, which cure period shall be no less than thirty (30) days. The Board shall give written notice of its decision to the Responsible Party against whom the Violation Notice was given as to whether or not a Violation exists and the nature of such violation. Copies of such decision shall be mailed to all persons who filed an Owner Complaint. The decision of the Board shall be nonbinding and appealable as set forth in NRS 38.300, et seq., or any successor statute. Appeals must be initiated within thirty (30) days after the Board renders its decision. The notice period within which a Violation must be cured shall be tolled from the date of filing such objection until the date the Board notifies the Owner in writing of its decision, and if an appeal is filed, during the pendency of the appeal. By acceptance of his deed or other instrument of conveyance, each Owner shall be deemed to have agreed that any arbitration of a dispute concerning the Governing Documents shall be binding pursuant to the provisions of NRS 38.300, et seq., or any successor statute, and is not subject to appeal.

3.38.3 Association's Right to Correct Maintenance Violation. If a binding decision is rendered that a Maintenance Violation exists ("Final Decision") and the Responsible Party fails to correct a Maintenance Violation within the period specified in such decision, or, if no time is specified, within a reasonable time ("cure period"), then the Association, acting through the Board, shall have the right, but not the obligation, to correct the Maintenance Violation in accordance with the procedures set forth below.

3.38.4 Procedure for Association's Correction of Maintenance Violation.

(a) Bids. In the event the Association elects to correct a Maintenance Violation, then prior to commencement of work to correct the Maintenance Violation and promptly after the expiration of the cure period afforded a defaulting Responsible Party under the Final Decision entered with respect to the Maintenance Violation, the Board, wherever possible, shall obtain three (3) written bids to perform the required work and shall mail the bids to the Responsible Party. The Responsible Party shall have the right to select the bid by notifying the Board in writing within fourteen (14) days after the bids are mailed by the Board to the Owner. In the event the Responsible Party fails to select a bid within such time period, the Board shall select the bid.

(b) Violation Assessment. When the bid as been selected as set forth in subparagraph 3.38.4(a), above, the Board shall levy a Violation Assessment pursuant to paragraph 6.6 hereof against the Responsible Party in the amount of the cost of correcting the Maintenance Violation and the costs and expenses, including attorneys' fees, incurred by the Association incident thereto.

(c) Performance of Corrective Work By Association. The Board may, at its sole option and discretion, elect to cause the corrective work to be commenced promptly after the Violation Assessment has been levied against the Responsible Party, or elect to postpone the corrective work until after the amount of the Violation Assessment has been collected partially or in full. Neither the Association, the Board, nor any of the Association's agents, or employees shall be liable for any damage which may result from any work performed by the Association to cure a Maintenance Violation.

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3.39 Association's Right of Entry for Repair and Maintenance. Each Responsible Party hereby grants to the Association, and its duly authorized agents, representatives, employees and contractors, the right of entry onto such Responsible Party's Lot (including within any residence or other Improvement thereon) or Common Area, which right shall be irrevocable, to make such repairs and perform such maintenance work which the Association is required or entitled to do pursuant to the provisions of this Declaration, Except as provided herein below with respect to emergencies, such right of entry shall be exercised only during reasonable hours and after reasonable notice.

3.40 Emergencies. In the event any officer of the Association believes, in his or her sole reasonable discretion, that an emergency situation exists within a Lot or within any Common Area and that immediate repairs are necessary to prevent or mitigate damages, then such officer, the manager or the manager's authorized agent shall have the right to exercise the Association's right of entry without notice. If after gaining entry, any officer of the Association still believes in his or her sole reasonable discretion, that immediate repairs are necessary to prevent or mitigate damages, then the Association shall have the right to make such repairs without notice to the Responsible Party and without a hearing, and without obtaining competitive bids as provided in subparagraph 3.38.4(a), above. The Association shall levy a Violation Assessment against the Responsible Party in the amount of the cost of the corrective work and all costs and expenses, including attorneys' fees, incurred by the Association incident thereto. Neither the Association, the Board, nor any of the Association's agents or employees, nor any person hired by the Association to perform the corrective work, shall be liable for any damage which may result from any work so performed on behalf of the Association.

3.41 Entry by Court Order. In the event a Responsible Party prevents an officer of the Association, the Manager or authorized agent of the manager from gaining access to such Responsible Party's Lot or Common Area for the purpose of correcting a Maintenance Violation or for the purpose of attending to an emergency situation, then the Responsible Party(ies) shall be jointly and severally liable to the Association for attorneys' fees, court costs and incidental expenses incurred by the Association for the purpose of gaining such entry and all other costs and expenses incident thereto (collectively "Entry Costs"), and such Entry Costs shall be assessed to the Responsible Party as a Violation Assessment pursuant to paragraph 6.6 hereof.

ARTICLE IV THE ASSOCIATION

4.1 Formation. The Association is a nonprofit corporation formed under NRS Chapter 82. The Association is charged with the duties and invested with the powers set forth in the Articles, Bylaws, and this Declaration. The Association is not authorized to have, and shall not issue, any capital stock.

4.2 Association Action: Board of Directors and Officers; Members' Approval. Except as to matters requiring the approval of the Members as set forth in the Articles, Bylaws, this Declaration, Chapter 82 of the Nevada Revised Statutes or the Act, the affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint in accordance with this Declaration or the Bylaws, or their amendments. The members of the Board shall be composed of Members only. All members of the Board must be at least twenty-one (21) years of age. No member of the Board shall be joint owner of any Lot with any other member of the Board. All meetings of the Board shall be called, noticed by electronic mail and conducted in accordance with the Articles and the Bylaws. Except as otherwise provided in the Articles, Bylaws, this Declaration, Chapter 82 of the Nevada Revised Statutes or the Act, all matters requiring the approval of Members shall be deemed approved if Members holding a majority of the total voting power assent by written consent as provided in the Bylaws or if approved by a majority vote of a quorum of Members at any regular or special meeting held in accordance with the Bylaws.

4.3 Meetings of the Board. The Association shall hold not less than one (1) board meeting each quarter, and not less than once every 100 days. No less than two Board meetings each calendar year shall be outside of “standard business hours” as defined in NAC 116.300.

4.4 Recording. All board meetings shall be recorded as required by NRS 116.31083. Within 30 days of such meeting the recording, the minutes, and/or a summary of the minutes must be made available to any Owner upon request and if required by the Board, upon payment to the Association of the cost of providing the copy to the Owner.

4.5 Membership.

4.5.1 Membership Qualifications. The Members of the Association shall be the Owners of the Lots. The Owner(s) of each Lot shall have one (1) membership in the Association (“Membership”). The number of Memberships in the Association shall be equal to the number of Lots within the Property. No other persons or entities shall become Members of the Association.

4.5.2 Members' Rights and Duties. As used in this Declaration, the term “Member” shall refer to the Owner of a Lot if there is one Owner, or collectively to all of the Owners of a Lot if there is more than one Owner. Each Member shall have the rights, duties, and obligations set forth in this Declaration, the Articles, Bylaws, and Rules and Regulations, as the same may from time to time be amended. Except as otherwise provided in subparagraphs (b) and (c) of paragraph 4.3.3 below, the respective interests of each of the Members shall be equal.

4.5.3 Voting.

(a) General. Each Member shall be entitled to one vote for each Lot owned by such Member; provided, however, that the Association may not cast any vote for any Lot it may own.

(b) Appointment and Removal of Members of Board and Officers of Association. The Board of Directors and the officers of the Association shall be elected and appointed as provided in these Articles and Bylaws.

(c) Composition of Board of Directors. The Board shall consist of five (5) Members.

(d) Persons Entitled to Serve on the Board. All members of the Board shall be Members of the Association. An officer, employee, agent or director of a corporation, a trustee or designated beneficiary of a trust, a partner of a partnership, a manager or member of a limited liability company or a fiduciary of an estate may serve as an officer or a member of the Board. In all events where the person serving or offering to serve as an officer of the Association or member of the Board is not the record Owner, such person shall file proof of his or her authority in the records of the Association.

(e) Removal of Directors of Board. Notwithstanding any provision of this Declaration or of the Bylaws to the contrary, any member of the executive board may be removed from the executive board, with or without cause, if at a removal election held pursuant to this section: (1) The number of votes cast constitutes at least 35 percent of the total number of voting members of the association; and (2) At least a majority of all votes cast in that removal election are cast in favor of removal.

4.5.4 Exercise of Voting Rights. In the case of a Lot owned by two (2) or more persons or entities, the voting power shall be exercised as such persons or entities among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

4.5.5 Transfer of Membership. Each Membership in the Association is appurtenant to a Lot, and shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except on a transfer of title to such Lot, and then only to the transferee. Any attempt to make a prohibited transfer shall be void. Any transfer of title or interest to a Lot shall operate automatically to transfer the appurtenant Membership in the Association to the new owners. Prior to any transfer of title to a Lot (including the sale of a Lot under a recorded contract of sale), either the transferring owner or the acquiring owner shall give notice to the Board of such transfer, including the name and address of the acquiring owner and the anticipated date of transfer. Except as otherwise provided in the next sentence, the Association shall have the right to charge a reasonable transfer fee payable to the Association on the date of transfer of title to the Lot, which transfer fee shall be assessed against the Lot as a Violation Assessment if not paid when due. The transfer fee in calendar year 2024 shall be \$221. The transfer fee shall increase every calendar year by a percentage equal to the percentage of increase in the Consumer Price Index (All Items) published by the United States Department of Labor for the preceding calendar year but must not increase by more than 3 percent each year.

ARTICLE V POWERS AND DUTIES OF THE ASSOCIATION

5.1 Powers. The Association shall have all the powers of a non-profit corporation organized under the laws of the State of Nevada and the powers conferred upon it pursuant to Chapter 82 of the Nevada Revised Statutes and the Act, subject only to such limitations on the exercise of such powers as are set forth in the Articles, the Bylaws, and this Declaration. It shall have the power to do any lawful thing that may be authorized, required, or permitted to be done by the Association under this Declaration, the Articles, and the Bylaws, and to do and perform any act that may be necessary or proper for or incidental to the exercise of any of the express powers of the Association, including, without limitation, the following:

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

5.1.2 Rules and Regulations. The Board shall have the power to adopt, amend, and repeal the rules and regulations relating to the use of the Common Area and for such other purposes as are expressly allowed by this Declaration or allowed pursuant to the Act (the "Rules and Regulations"); provided, however, that the Rules and Regulations shall not be inconsistent with or materially alter any provisions of this Declaration, the Articles, or the Bylaws. A copy of the Rules and Regulations as adopted, amended, or repealed, shall be promptly mailed or otherwise delivered to each Member. In case of any conflict between any provision of the Rules and Regulations and any provisions of this Declaration, the Articles, or Bylaws, the conflicting provision of the Rules and Regulations shall be superseded by the provisions of this Declaration, the Articles, or the Bylaws. If the Association adopts a policy imposing a fine on an Owner for the violation of the Rules and Regulations, the secretary or other officer specified in the Bylaws shall prepare and cause to be hand-delivered or sent prepaid by United States mail to the mailing address of each Lot or to any other mailing address designated in writing by the Lot's Owner in the manner provided in Section 11.5 hereof, a schedule of the fines that may be imposed for those violations.

5.1.3 Right of Enforcement.

(a) General. The Association in its own name and on its own behalf, any Owner or Owners on their own behalf, shall have the power and authority to commence and maintain actions for damages, or to restrain and enjoin any actual or threatened breach of any provision of this Declaration, the Articles, Bylaws, Rules and Regulations, or any resolutions of the Board, to enforce by mandatory injunction, or otherwise, all of these provisions, to intervene in litigation or administrative proceedings on matters affecting the Property. The Court in any such action may award the successful party reasonable expenses in prosecuting such action, including reasonable attorneys' fees.

(b) Suspension of Rights; Fines. The Association shall have the power and authority to suspend the voting rights, suspend an Owner's right to use any recreational amenities within the Common Area, and can assess monetary fines as allowed pursuant to the Act, against any Owner of a Lot or other person entitled to exercise such Owner's rights or privileges for any violation of this Declaration, the Articles, Bylaws or Rules and Regulations. Before invoking any such suspension or fine, the Board shall give such Owner or other Responsible Party notice of the alleged violation which informs such Owner or Responsible Party of the details of the violation, the amount of the fine and the date, time and location for a hearing on the violation. The Owner or other Responsible Party shall have reasonable opportunity to contest the violation at the hearing. If the violation is a violation of the Rules and Regulations, a copy of the Rules and Regulations under which the violation is alleged must have been given to the violating Owner or Responsible Party at least 30 days before the alleged violation. The Board must hold a hearing before it may impose the fine, unless the Owner or other Responsible Party against whom the fine will be imposed: (a) pays the fine; (b) executes a written waiver of the right to the hearing; or (c) fails to appear at the hearing after being provided with proper notice of the hearing. If a fine is imposed pursuant to this section and the violation is not cured within 14 days or a longer period as may be established by the Board, the violation shall be deemed a continuing violation. Thereafter, the Board may impose an additional fine for the violation for each 7-day period or portion thereof that the violation is not cured. Any additional fine may be imposed without notice and an opportunity to be heard.

The Association does not have the power or authority to cause a forfeiture or abridgment of an Owner's right to the full use and enjoyment of such Owner's Lot if the Owner does not comply with provisions of this Declaration or of the Articles, Bylaws, or Rules and Regulations, except when the loss or forfeiture is the result of a court judgment, arbitration decision, or a foreclosure or sale under a power of sale based on failure of the Owner to pay Assessments levied by the Association- The Association may not apply the payment of any Assessment that is paid by an Owner toward a fine imposed by the Association against the Owner. If the Articles, Bylaws, or Rules and Regulations so provide, if an Owner, or a tenant or guest of an Owner, does not comply with a provision of this Declaration or the Articles, Bylaws, or Rules and Regulations, the Board may (i) prohibit, for a reasonable time, the Owner, from: (A) voting on matters related to the planned community; (B) using the Common Elements and (ii) prohibit for a reasonable time the tenant or guest of an Owner from using the Common Elements; except that this prohibition shall not prohibit the Owner, or the tenant or guest of the Owner, from using any vehicular or pedestrian ingress or egress to go to or from the Lot, including any area used for parking, or (iii) require the Owner, or the tenant or guest of the Owner, to pay a fine not to exceed \$100.00 for each violation or a total amount of \$500.00, whichever is less, unless the violation is of a type that threatens the health and welfare of the planned community. The limitations on the amount of the fine do not apply to any interest charges or costs that may be incurred by the Association to collect past due payments; provided, that, the charges assessed for any such past due payment must comply with the provisions of NRS 116.31031(4) and (5). The imposition of such a fine must comply with the requirements of NRS 116.31065(6). The Association may not foreclose a lien for the assessment of a fine for a violation of this Declaration, the Bylaws, or the Rules and Regulations, unless the violation is of a type that threatens the health and welfare of the residents of the planned community. Subject to the requirements set forth in NRS 38.310 and except as otherwise

provided in NRS 116.3111, a civil action for damages caused by a failure or refusal to comply with any provision of Chapter 116 of NRS or this Declaration, the Articles, the Bylaws, or the Rules and Regulations, may be brought (i) by the Association against any Owner or (ii) by an Owner against the Association or another Owner

5.1.4 Delegation of Powers. The Association, acting by and through the Board, shall have the power, but not the obligation, to delegate its powers, duties, and responsibilities to committees of Members, employees, agents and independent contractors, including a professional managing agent. The Association may obtain and pay for legal, accounting, and other services necessary and desirable in connection with the operation of the Property and the enforcement of this Declaration. The Board may appoint a committee, of not less than three (3) Members, to conduct hearings on violations and to impose fines pursuant to Section 5.1.3 above. While acting on behalf of the Board for those limited purposes, the committee and its members are entitled to all privileges and immunities and are subject to all duties and requirements of the Board and its members.

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

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

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

5.2.1 Professional Management. The Association may, but shall not be obligated to, engage the services of a professional manager to manage the Property.

5.2.2 Taxes and Assessments. Each Owner shall pay all taxes and assessments by the taxing authority levied against such Owner's Lot, including any Common Elements thereon, unless such Common Elements are assessed separately from the Lot. If the taxing authority separately assesses any Common Elements within a Lot, then the taxes on such Common Elements shall be paid by the Association. The Association shall pay all taxes and assessments levied against any and all Association Property or against the Association. Such taxes and assessments may be contested or compromised by the Association, provided that they are paid or that a bond insuring payment is posted before the sale or the disposition of any property to satisfy the payment of such taxes.

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

5.2.4 Operation and Maintenance of Common Elements. The Association shall operate, maintain, and otherwise manage or provide for the operation, maintenance, and management of the Common Elements. Each Owner of a Lot on which Common Elements are located grants to the Association and its authorized representatives the right to enter upon the Lot to carry out the duties of the Association set forth in this Declaration. The Association shall have the authority and duty to pay for utilities

and services required for the Common Elements. Such operations and management shall be conducted in a first-class manner, and the Common Elements shall be maintained in a good state of repair. In this regard, the Association may enter into contracts for services or materials for the benefit of the Common Elements.

5.2.5 Improvements. The Association shall have the authority and power to construct, improve, repair, and reconstruct Improvements on, over, and under the Common Area that are not inconsistent with this Declaration and are appropriate for the use and benefit of Members, and to charge for the use thereof as deemed applicable.

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

5.3 Limitations on Authority of Board. Except with the vote or written consent of the majority of Members, the Board shall not take any of the following actions:

(a) Sell during any fiscal year any Association Property having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; or

(b) Pay compensation to members of the Board or to officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board may cause a member of the Board or an officer to be reimbursed for expenses incurred in carrying on the business of the Association.

5.4 Personal Liability. No member of the Board, or of any committee of the Association, or any officer of the Association, or any Manager, shall be personally liable to any Member, or to any other party, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of any such person or entity if such person or entity has, on the basis of such information as may be possessed by him or it, acted in good faith without willful or intentional misconduct.

5.5 Meetings of Members. Meetings of Members shall be noticed and held as provided in the Articles, Bylaws, and this Declaration. The annual meeting of the Members shall be held each calendar year not less than eleven (11) months, nor more than thirteen (13) months from the date of the prior year's annual meeting. Special meetings of the Members may be called at anytime by the President, Board, or 51% of the Members.

5.6 Association Books and Records and Association Property.

5.6.1 Right of Inspection. Except as provided in the next sentence, all Membership registers, accounting records, and minutes of meetings of the Members, the Board, and committees of the Board, and all other books, documents and records of the Association, including, but not limited to, (a) the financial statement of the Association, (b) the Budgets, and (c) the Reserves Study (as defined in Section 5.7 hereof), and the physical properties of the Association, shall be made available for inspection by any Member of the Association, or his, her or its duly appointed representative, or any mortgagee, at any reasonable time and for a purpose reasonably related to Membership in the Association, at the office of the Association or at such other suitable location as the Board prescribes. The right of inspection does not include (a) the personnel records of the employees of the Association and (b) the records of the Association relating to another Owner. The right of inspection shall include the right to make copies of documents, provided that Members shall pay reasonable copying charges not to exceed \$0.25 per page. The Board shall establish by resolution reasonable rules with respect to (a) notice to be given to the

custodian of the records of the Association by the Member representative, or mortgagee desiring to make an inspection, (b) hours and days of the week when an inspection may be made which shall include the regular business hours of the Association, and (c) payment of the cost of reproducing copies of documents requested by a Member, a duly appointed representative or mortgagee. It shall be deemed to be a violation of this Declaration for any person to use the membership roster of the Association for any commercial or business purpose. If the Board refuses to allow an Owner to review the books, records or other papers of the Association, the ombudsman for owners in common-interest communities may, on behalf of the Owner and upon written request, review the books, records or other papers of the Association during the regular working hours of the Association, and, if the ombudsman is denied access to the books, records and other papers, request the real estate commission to issue a subpoena for their production. The Board shall provide a copy of the records required to be maintained pursuant to this section to the Owner, or the ombudsman for owners in common-interest communities, within 14 days after receiving a written request therefor.

5.7 Study of Reserves. The Board shall cause to be conducted, at least once every five years, a study of the Reserves (“Reserves Study”) required to repair, replace and restore the major components of the Common Areas; review the results of that study at least annually to determine if those Reserves are sufficient; and make any adjustments it deems necessary to maintain the required Reserves. The Reserves Study must be conducted by a person qualified by training and experience to conduct such a study and such person may be a member of the Board, an Owner or the property manager of the Association who is so qualified. The study must include, without limitation:

- (a) A summary of an inspection of the major components of the Common Areas the Association is obligated to repair, replace or restore;
- (b) An identification of the major components of the Common Areas that the Association is obligated to repair, replace or restore which have a remaining useful life of less than 30 years;
- (c) An estimate of the remaining useful life of each major component identified pursuant to subparagraph (b);
- (d) An estimate of the cost of repair, replacement or restoration of each major component identified pursuant to subparagraph (b) during and at the end of its useful life; and
- (e) An estimate of the total Annual Assessment that may be required to cover the cost of repairing, replacement or restoration of the major components identified pursuant to subparagraph (b), after subtracting the Reserves of the Association as of the date of the study.

5.8 Budget Review. The Board shall have the annual budget reviewed or audited by a certified public accountant as required by NRS 116.31144.

ARTICLE VI ASSESSMENTS

6.1 Agreement to Pay. Each Owner, for each Lot owned by such Owner, hereby covenants and agrees to pay to the Association such Assessments as are made pursuant to paragraphs 6.4, 6.5 and 6.6 of this Declaration. Upon request by an Owner, any lender holding a security interest in a Lot (“Mortgagee”) or regulatory authority issuing a permit to sell Lots within the Property, the Association shall furnish a statement certifying that all Assessments, or subsidy payable under a Subsidy Agreement, which are due and payable have been paid or indicating the amount then due. The Association shall not be required to transfer memberships on its books or records or to allow the exercise of any rights or privileges of membership, including, without limitation, voting rights, on account thereof to any Owner or Member or to any person claiming under any of them unless or until all assessments and charges due hereunder are current or brought current.

6.2 Personal Obligations. Each Assessment or installment thereof, together with any late charges, interest, collection costs, and reasonable attorneys' fees, shall be the personal obligation of the Owner(s) of the Lot at the time such Assessment (or installment) became due and payable. If there is more than one Owner of the Lot, the personal obligation to pay such Assessment (or installment) respecting such Lot shall be both joint and several. Subject to the provisions of paragraph 9.3 hereof, a grantee of a Lot shall be jointly and severally liable with the grantor for all unpaid Assessments against the Lot, up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amount paid by the grantee for such Assessments. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosure or waiver of the lien securing the same. No Owner may avoid or diminish such personal obligation by non-use or abandonment of his Lot.

6.3 Purpose and Amount of Assessments. The Assessments levied by the Association shall be the amount estimated to be required, and shall be used exclusively, to promote the recreation, health, safety, and welfare of the Members of the Association, for the performance of the duties of the Association as set forth in this Declaration, and for the repair, maintenance and upkeep of the Common Area and any Association Property.

6.4 Annual Assessments.

6.4.1 Definitions. As used herein, "Annual Assessment" shall mean the amount of the Association budget ("Budget") for each fiscal year to pay the Common Expenses (defined below) as established pursuant to the provisions of this Article. As used herein, "Common Expenses" means the expenditures made by the Association in the performance of its obligations hereunder, and the financial liabilities of the Association during the applicable fiscal year, including an allocation to reserves, and shall include, but are not limited to, expenditures for the following purposes: (i) to operate, manage, maintain and repair the Common Elements, and to administer the operation of the Association; (ii) to provide for adequate reserves funded on a reasonable basis consistent with sound business practice for the repair, replacement and restoration of the Improvements to the Common Elements, and for such other purposes as are consistent with good business practice, excluding daily maintenance; and (iii) to provide for the possibility that some Assessments may not be paid on a current basis. Without limiting the generality of the foregoing, Common Expenses shall include: all charges, costs, and expenses whatsoever incurred by the Association for or in connection with the Association administration, including, but not limited to, the maintenance of the Common Elements; any taxes and assessments separately assessed against any Common Elements, any taxes assessed against the Association itself, insurance premiums, including fire and other casualty insurance, liability insurance, workman's compensation insurance, and other insurance obtained pursuant to this Declaration; payment of any liability of the Association whatsoever for loss or damage arising out of or in connection with the Common Elements or any fire, accident, or nuisance occurring within the Common Elements; the cost of repair, rebuilding and replacement of the Improvements to the Common Elements; the cost of all utility services to the Common Elements, including water, electricity, refuse removal, landscape maintenance services, and any other similar service attributable to the Common Elements; the unpaid share of any Assessment levied during the previous fiscal year against any Owner who has defaulted in payment thereof to the extent that the same becomes uncollectible; accounting and legal fees, management fees, and cleaning, janitorial and lawn care fees, and other necessary expenses of upkeep, maintenance, management and operation incurred with respect to the Common Area and the Improvements thereon. The Budget shall include a line item for the daily operation of the Association and a line item for a reserve for the repair and replacement of the major components of the Common Elements, and such reserve may be used only for Common Expenses that involve major repairs or replacement, including, without limitation, repairing and replacing roads and sidewalks, and must not be used for daily maintenance.

6.4.2 Procedure for Establishing Annual Assessments: Allocation. Not less than ninety (90) days before the beginning of each fiscal year of the Association, the Board shall meet for the purpose of preparing the proposed Budget of the Common Expenses (defined below) for the next succeeding fiscal year and establishing the Annual Assessment for such fiscal year. The Board shall, not less than thirty (30) days nor more than sixty (60) days before the beginning of the fiscal year of the Association, prepare and distribute to each Owner a copy of:

(a) The Budget for the daily operation of the Association. The Budget must include, without limitation, the estimated annual revenue and expenditures of the Association and any contributions to be made to the reserve account of the Association;

(b) The Budget to maintain the reserve required by paragraph (b) of subsection 2 of NRS 116.3115. The Budget must include, without limitation:

(1) The current estimated replacement cost, estimated remaining life and estimated useful life of each major component of the Common Elements;

(2) As of the end of the Fiscal Year for which the Budget is prepared, the current estimate of the amount of cash reserves that are necessary, and the current amount of accumulated cash reserves that are set aside, to repair, replace or restore the major components of the Common Elements;

(3) A statement as to whether the Board has determined or anticipates that the levy of one or more Special Assessments will be required to repair, replace or restore any major component of the Common Elements or to provide adequate reserves for that purpose; and

(4) A general statement describing the procedures used for the estimation and accumulation of cash reserves pursuant to subparagraph (2), including, without limitation, the qualifications of the person responsible for the preparation of the study required by NRS 116.31152.

The Board shall set a date for a meeting of the Members to consider ratification of the Budget, which date shall be not less than thirty (30) nor more than sixty (60) days prior to the date of the meeting. Such meeting of the Members may be one of the annual meetings of the Members or a special meeting of the Members called for such purpose. Unless at that meeting sixty-six and two-thirds percent (66-2/3%) of the voting power of the Association votes to reject the proposed Budget, the Budget shall be deemed ratified by the Members, whether or not a quorum is present at such meeting. If the proposed Budget is so rejected, the Budget last ratified by the Members shall be continued until such time as the Owners ratify a subsequent Budget proposed by the Board in the manner provided in this Section 6.4.2. The Annual Assessments shall be allocated equally among the Lots within the Property on the date the Annual Assessment for the applicable fiscal year is deemed approved.

6.4.3 Assessment Period. Commencement of Annual Assessments. The Annual Assessment period shall coincide with the fiscal year of the Association, which shall commence on July 1st of each year and shall terminate on June 30 of the following year.

6.4.4 Expenditure of Reserves.

(a) The Board shall not expend funds designated as Reserves for any purpose other than the repair, restoration, replacement and maintenance of major components of the Common Elements for which the Association is responsible.

(b) Money in the Reserve Account of the Association may not be withdrawn without the approval of at least three (3) members of the Board..

6.5 Special Assessments. If the Board determines that the estimated total amount of funds necessary to defray the Common Expenses for a given fiscal year is or will become inadequate to meet the Common Expenses for any reason, including, but not limited to, delinquencies in the payment of Assessments, or in the event the Association has insufficient reserves to perform its obligations under this Declaration, then the Board shall determine the approximate amount of such shortfall, shall provide a summary thereof to all of the Owners with the Board's recommendation for a special assessment ("Special Assessment") to meet such shortfall, and shall set a date for a meeting of the Owners which is not less than fourteen (14) nor more than thirty (30) days after the mailing of the summary. Unless at that meeting a majority of all Owners votes to reject the proposed Special Assessment, the proposed Special Assessment shall be deemed ratified by the Owners, whether or not a quorum is present at such meeting, and shall become a Special Assessment against, and allocated equally to, the Owners of the Lots. The Board may, in its discretion, provide for payment of any Special Assessment in any number of installments or provide that it is payable in one (1) installment within such time period as the Board deems reasonable.

Notwithstanding the foregoing, to establish adequate reserves, including, without limitation, to establish or carry out a funding plan, the Board may, without seeking or obtaining the approval of the Members, impose any necessary and reasonable assessments against the Lots. Any such assessments imposed by the Board must be based on the study of the reserves conducted pursuant to NRS 116.31152.

6.6 Violation Assessments. Subject to the provisions of subparagraph 3.38 hereof, the Board shall have the power to levy Violation Assessments against Owners or Responsible Parties as authorized by this Declaration or to collect reasonable fines imposed by any rules or regulations promulgated by the Board or the Architectural Committee. The Board shall levy a Violation Assessment against the Owners of a Lot ("Violation Assessment") to pay for the cost of curing any Maintenance Violation of such Owners and/or any other work performed by the Association for such Owners' account pursuant to the provisions of this Declaration, and any costs or expenses incident thereto, including, but not limited to, attorneys' fees and court costs

6.7 Rate of Assessment: and Commencement of Annual Assessments. Except as otherwise specifically provided in this Declaration, all Assessments levied by the Association must be fixed at an equal rate for all Lots; and the amount assessed to each Lot shall be determined by dividing the total amount assessed by the total number of Lots subject to this Declaration.

6.8 Assessment Period. The Annual Assessment period shall coincide with the fiscal year of the Association, which shall commence on January 1 of each year and shall terminate on December 31 of such year. All Special Assessments shall be adjusted according to the number of months remaining in the fiscal year and shall be payable in equal monthly installments unless the Board adopts some other basis for collection.

6.9 Notices of Assessments: Delinquencies. Any Assessment installment hereunder which is not paid within fifteen (15) days following the date it is due shall be deemed delinquent. All delinquent Assessments shall bear interest at the rate of twelve percent (12%) per annum from the date the Assessment becomes delinquent hereunder until paid, and, in addition, a late charge of \$25.00 shall be due for each delinquent installment. The Association shall give written notice of all Assessments to the Owners of the Lots, which notice shall specify the amount of the Assessment and the date or dates payment of the same is due and shall be given in the manner provided for notices in this Declaration. One notice of an Assessment

shall be sufficient to meet the requirements of this paragraph, even though the Assessment may be payable in installments. Failure of the Association to give notice of any Assessment shall not affect the liability of the Owners of the Lot for such Assessment; provided, however, that the date when payment of the first installment of such Assessment shall become due in such a case shall be deferred to a date thirty (30) days after such notice shall have been given, and the first installment of such Assessment shall not be deemed delinquent until fifteen (15) days after such deferred due date.

6.10 Statement of Account. Upon payment of a reasonable fee, not to exceed Twenty- Five and no/100 Dollars (\$25.00), and upon written request of any Owner or any mortgagee, prospective mortgagee, or prospective purchaser of a Lot, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Lot, the amount of the current periodic assessment, and the date that such assessment becomes or became due, and if there is any credit for advance payments. Such statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be complied with within ten (10) business days following receipt of the written request and fee, all unpaid assessments which became due prior to the date of making such request shall be subordinate to the lien of a mortgagee which acquired its interest subsequent to requesting such statement.

6.11 Collection of Assessments. The right to collect and enforce Assessments is vested in the Board acting for and on behalf of the Association. The Board or its authorized representative can enforce the obligations of the Owners to pay Assessments provided for in this Declaration by commencement and maintenance of a suit at law or in equity; or the Board may enforce by judicial proceedings or, to the extent permitted by applicable law, through the exercise of the power of sale granted to the Board pursuant to applicable statutes and laws, and this Declaration. Subject to the applicable provisions of NRS Chapter 38, a suit to recover a money judgment against an Owner for unpaid assessments together with all other amounts due hereunder, shall be maintainable without first foreclosing against the Lot which is subject to the lien for such assessment or waiving the Lien rights granted hereby.

6.12 Lien for Assessments: Priority. All sums assessed to any Lot pursuant to this Declaration, and all fines imposed by the Association against the Owners of a Lot, together with interest thereon as provided herein, shall be secured by a lien on such Lot in favor of the Association from the date the Assessment or fine becomes due. If an Assessment or fine is payable in installments, the full amount of the Assessment or fine is a lien from the time the first installment thereof becomes due. Such lien shall be prior to all other liens and encumbrances on such Lot, except for: (a) valid tax and special assessment liens in favor of any governmental assessing authority; (b) liens and encumbrances recorded before the recordation of the Declaration; and (c) a deed of trust (defined in Article IX below) which is senior in priority to all other Deeds of Trust encumbering the Property ("First Deed of Trust") which is recorded before the date on which the Assessment or fine sought to be enforced became delinquent. The lien created by this Declaration for unpaid Annual Assessments is also prior to a First Deed of Trust to the extent of the amount of such Annual Assessments which would have become due during the nine (9) month period immediately preceding institution of an action to enforce the lien created hereunder. A lien of unpaid Assessments is extinguished unless proceedings to enforce the lien are instituted within three (3) years after the full amount of the Assessments becomes due. The Association may not foreclose a lien by sale for the assessment of a fine for a violation of the Declaration, Bylaws or the Rules and Regulations, unless the violation is a type that threatens the health, safety or welfare of the residents of the Property

6.13 Enforcement of Lien.

6.13.1 Notice of Delinquent. Assessment and Notice of Default. The Association may foreclose its lien by sale pursuant to the Act after:

(a) The Association has caused to be recorded with the County Recorder of the county in which the Property or any part thereof is situated (“the County Recorder”), a notice of delinquent assessment (herein “Notice of Delinquent Assessment”), which states the amount of the Assessments or fines which are due together with all interest and late charges thereon in accordance with the provisions of this Declaration, a description of the Lot against which the lien is imposed, and the name of the record Owner of the Lot; and

(b) Not less than thirty (30) days after mailing the Notice of Delinquent Assessment pursuant to subparagraph (a) above, the Association or other person conducting the sale has executed and caused to be recorded with the County Recorder, a notice of default and election to sell the Lot to satisfy the lien (“Notice of Default”), which shall contain the same information as the Notice of Delinquent Assessment, but which shall also describe the deficiency in payment and the name and address of the person authorized by the Association to enforce the lien by sale; and

(c) The Owners of the Lot or their successors in interest have failed to pay the amount of the lien, including interest and late charges, and costs, fees and expenses incident to its enforcement for a period of ninety (90) days which commences on the first day following the later of:

(i) The day on which the Notice of Default is so recorded; and

(ii) The day on which a copy of the Notice of Default is mailed by certified or registered mail, return receipt requested, to the Owners of the Lot or their successors in interest at their address if known, or otherwise to the address of the Lot.

6.13.2 Notice of Sale. The Association or other person conducting the sale shall, at any time after the expiration of such ninety (90) day period and before selling the Lot, give notice of the time and place of the sale (“Notice of Sale”) in the manner and for a time not less than that required by law for the sale of real property upon execution, except that a copy of the Notice of Sale must be mailed, on or before the date of first publication or posting, by certified or registered mail, return receipt requested, to the Owners of the Lot or their successors in interest, at their address if known, or otherwise to the address of the Lot. Such sale shall be conducted in any manner permitted by law. Each Owner who is liable for payment of the Assessment shall be required to pay the costs and expenses of such foreclosure proceeding including, but not limited to, the cost of preparation of all notices (whether or not such notice has been given to the Owners at the time payment is made), reasonable attorneys’ fees, and title insurance costs.

All such costs and expenses of the foreclosure shall be secured by the lien being foreclosed. Each Owner who is liable for payment of the Assessment shall be liable for any and all Assessments against such Owner which shall become due during the period of foreclosure and any reinstatement by such Owner shall include such amounts. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use, and otherwise deal with the Lot. The Association shall be entitled to bid on credit up to and including the amount secured by the lien being foreclosed.

A further notice stating the satisfaction and release of any such lien shall be executed by the Association and recorded in the Douglas County, Nevada, real estate records, upon payment of all sums secured by such lien.

Any encumbrancer holding a lien on a Lot may, but shall not be required to, pay any amounts secured by a lien for unpaid assessments, and upon such payment, such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including rights of priority.

ARTICLE VII INSURANCE

7.1 Insurance to be Obtained. The Association shall obtain and maintain in full force and effect at all times insurance coverage, provided by companies duly authorized to do business in Nevada, generally as set forth in this Article, and specifically as required by the Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), United States Department of Veterans Affairs ("VA") and the United States Department of Housing and Urban Development ("HUD") if the Property has been, or is intended to be, qualified with such entities.

7.2 Casualty Insurance. The Association shall obtain a master policy of insurance equal to full replacement value (i.e, 100% of current "replacement cost" exclusive of land, foundation, excavation, and other items normally excluded from coverage) on all insurable Improvements upon the Common Area, any other Improvements under the control of the Association (including all building service equipment and the like and any fixtures or equipment within such improvements) and all Association Property. Such insurance shall include fire and extended coverage, vandalism and malicious mischief, and such other risks and hazards against which the Association shall deem it appropriate to provide insurance protection. The Association shall comply with the above requirements by the purchase of a policy containing such coverage with "deductible" provisions as in the Association's opinion are consistent with good business practice.

7.3 Liability Insurance. The Association shall purchase broad form comprehensive liability coverage in such amounts and in such forms as it deems advisable to provide adequate protection. Such coverage shall be in an amount generally required by private institutional mortgage investors for projects similar in construction, location, and use, and in no event shall be less than \$1,000,000.00 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. The liability insurance shall name as separately protected insured's the Association, the Board, and their representatives, members, and employees, and shall include liability arising out of the maintenance or use of any Common Area, whether or not the same is owned by the Association. Every policy of insurance obtained by the Association shall contain an express waiver, if available, of any and all rights of subrogation against the Board, and their representatives, members, and employees.

7.4 Workmen's Compensation and Employer's Liability Insurance. The Association shall purchase workmen's compensation and employer's liability insurance and all other similar insurance in respect of employees of the Association in the amounts and in the forms now or hereafter required by law.

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

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

7.7 Premiums and Reviews. Premiums for all of the foregoing insurance carried by the Association shall be a Common Expense and shall be included in the Budget. The Board shall review the limits of all insurance policies of the Association at least once a year and adjust the limits as the Board deems necessary or appropriate.

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

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

ARTICLE VIII ARCHITECTURAL CONTROL

8.1 Design Standards. The Association reserves the right to adopt, by a separate instrument, building and landscaping standards for the Improvements to be constructed within the Property ("Design Standards"). The Design Standards applicable to the Property may vary from Lot to Lot based on size, topography and location of the Lot. The Design Standards may be, but are not required to be, recorded as a Supplement to this Declaration. Each Owner shall be bound by the Design Standards in effect on the date such Owner acquired title to his, her or its Lot. No additions or modifications to the Design Standards shall affect existing Improvements or Improvements under construction. For purposes of this Section, Improvements under construction shall include Improvements for which plans have been submitted to and approved by the governing body.

8.2 Architectural Committee.

8.2.1 Organization. There shall be an Architectural Committee comprised of at least three (3) members appointed by the Board, and such members need to be Owners or Members.

8.2.2 Duties. It shall be the duty of the Architectural Committee to consider and act upon such proposals or plans submitted to it pursuant to the terms hereof, to adopt Architectural Committee Rules, to perform other duties delegated to it by the Association, and to carry out all other duties imposed upon it by this Declaration.

8.2.3 Meetings. The Architectural Committee shall meet from time to time as necessary to properly perform its duties hereunder. The vote or written consent of any two (2) members shall constitute an act by the Architectural Committee unless the unanimous decision of its members is otherwise required by this Declaration. The Architectural Committee may charge a reasonable filing fee to be used to pay an architect, who may or may not be a member of the Architectural Committee, to review the submitted plans and specifications. On the date of recordation of this Declaration, the maximum fee is \$750.00. Actual fees are determined on a time and materials basis and may vary depending on the completeness of plans received for review. The Board may reimburse members for reasonable expenses incurred by them in the performance of any Architectural Committee function.

8.2.4 Architectural Committee Rules. The Architectural Committee may from time to time and in its discretion subject to approval of the Board adopt, amend, and repeal rules and regulations to be known as "Architectural Committee Rules" in addition to the provisions of this Declaration, which Architectural Committee Rules shall set forth procedural rules for the submission of plans, fees to be charged, and reasonable restrictions relating to construction activities within the Property. The Architectural Committee Rules, as they may from time to time be adopted, amended, or repealed, shall be a part of the Design Guidelines and maintained in the office of the Association and shall be available for inspection and copying by any Owner or any Beneficiary at any reasonable time during the business hours of the Association.

8.2.5 Application for Approval of Plans and Specifications. Any Owner of a Lot proposing to make any Improvements (as defined by paragraph 1.15 above) or to perform any work that requires the prior approval of the Architectural Committee shall apply to the Architectural Committee for approval by notifying the Architectural Committee of the nature of the proposed work. Prior to the commencement of construction, the Owner shall submit to the Architectural Committee for its review and approval such information and materials as the Architectural Committee in the exercise of its reasonable discretion deems necessary for it to be adequately informed with respect to the work to be undertaken by such Owner. All plans and specifications submitted for the construction of a residence, or Improvements must be prepared by an architect or certified residential designer licensed in the State of Nevada. Notwithstanding the forgoing, plans and specifications submitted for Minor Improvements may be prepared by the Owner or any other non-licensed draftsman. Procedure for submission of plans shall be in accordance with the Architectural Committee Rules.

8.2.6 Basis for Approval or Disapproval. The Architectural Committee shall grant the required approval only if:

(a) The Owner shall have strictly complied with the provisions of paragraph 8.2.5 and the Architectural Committee Rules; and

(b) The Architectural Committee finds that the plans and specifications conform to this Declaration, the Design Standards and to the Architectural Committee Rules in effect at the time such plans were submitted to the Architectural Committee; and

(c) The Architectural Committee in its reasonable discretion determine that the proposed Improvements would be compatible with the other property in the Property and the purposes of the Declaration as to the quality of workmanship and materials, as to harmony of external design with existing structures, and as to location with respect to topography and finish grade elevation.

Any disapproval shall be specific as to the reasons therefor. The Architectural Committee may disapprove any application on aesthetic grounds, and more specifically because of: (a) the reasonable dissatisfaction of the Architectural Committee with (i) the Improvement proposed to be erected, (ii) the materials of which an Improvement is to be built, (iii) the harmony of the Improvement with its surroundings, or (iv) any additional maintenance, repair or replacement burden such Improvement would impose upon the Association; or (b) non-compliance with any of the specific conditions and restrictions contained in this Declaration; or (c) non-compliance with the Design Standards which the Architectural Committee may adopt.

8.2.7 Form of Approval. All approvals or disapprovals by the Architectural Committee shall be in writing; provided, however, any request for approval which has not been rejected within forty-five (45) days from the date of submission thereof to the Architectural Committee shall be deemed

approved. The approval may be conditioned upon the deposit by the Owner of a performance bond or cash deposit to assure completion of the approved Improvement in accordance with the terms of the approval once construction thereof is commenced and to serve as a security deposit to repair any damage caused by the constructing owner, his contractor or their representatives to the Common Elements or other Lots. Nothing set forth in this Section

8.2.7 shall be construed as a limitation on the amount of damage to which the Association may be entitled as a result of such failure to complete or repair.

8.2.8 Proceeding with and Completing the Work. Upon receipt of approval from the Architectural Committee pursuant this Section 8.2, the Owner shall, as soon as practicable, satisfy all conditions thereof and diligently proceed with the commencement and completion of all construction, reconstruction, refinishing, alterations, and excavations pursuant to the approval. Construction of the approved Improvements shall commence, in all cases, within one (1) year from the date of such approval and any such Improvements shall be completed, in all cases, within one (1) year from the date of commencement. If the Owner shall fail to comply with this paragraph, any approval given by the Architectural Committee shall be deemed revoked unless the Architectural Committee, upon written request of the Owner made prior to the expiration of such approval, extends the time for commencement or completion of the approved Improvements. No such extension shall be granted except upon a finding by the Architectural Committee that there has been no change in the circumstances upon which the original approval was granted.

8.2.9 Waiver and Variances. The approval by the Architectural Committee of any plans, drawings, or specifications for any work done or proposed or for any other matter requiring the approval of the Architectural Committee under this Declaration shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification, or matter subsequently submitted for approval. The Architectural Committee may grant variances or adjustments from the provisions of this Article VIII where, in the sole and absolute judgment of the majority of the Architectural Committee, literal application of these provisions will result in unnecessary hardship and the granting of such variances or adjustments will not be materially detrimental or injurious to other Owners' Lots.

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

ARTICLE IX PROTECTION OF LENDERS

9.1 Encumbrance of Parcels Permitted. Any Owner may encumber such Owner's Lot with a mortgage or deed of trust (collectively, "Deed of Trust"); provided that in no event shall foreclosure under any Deed of Trust impair the rights of any Owner or the Association with respect to any portions of the Common Area which are located within the Lot being foreclosed.

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

9.3 Non-Liability for Unpaid Assessments. Any beneficiary of a First Deed of Trust who acquires title to a Lot pursuant to the judicial or non-judicial foreclosure remedies provided in the First Deed of Trust shall take the Lot free of any claims for unpaid assessments or Association charges against the encumbered Lot that accrue greater than nine (9) months prior to the time such beneficiary so acquires ownership of the Lot; provided, however, after the foreclosure of any such First Deed of Trust, such Lot shall remain subject to the Declaration; and the amount of all Assessments, to the extent they relate to expenses incurred subsequent to such foreclosure sale, shall be assessed hereunder to the grantee or purchaser thereunder.

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

9.5 Notice to Eligible Mortgage Holders Insurers and Guarantors. The holder of any First Deed of Trust shall be entitled to become an "Eligible Mortgage Holder" pursuant to the provisions of this Declaration and any insurer or guarantor of a First Deed of Trust shall be entitled to become an "Eligible Insurer" hereunder by notifying the Association of its name, address and the address of the Lot encumbered by the First Deed of Trust which it holds or insures in the manner provided in paragraph 11.5 below. Such notification shall be deemed to be a request with respect to such Lot for written notice from the Association of: (i) any default in the payment of Assessments which remains uncured for a period of sixty (60) days; (ii) any condemnation or casualty loss that affects a material portion of the Property or the Lot; (iii) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and (iv) any proposed action described in paragraph 9.9 below. The Association shall give written notice to Eligible Mortgage Holders in accordance with the provisions of this paragraph 9.5 and in the manner prescribed in paragraph 11.5 below. Any holder of a First Deed of Trust encumbering any Lot or any portion of the Property who does not so request notice, shall not be deemed to be an Eligible Mortgage Holder under the terms of this Declaration. Unless and until notice is given to the Association as provided in this Declaration by a mortgage holder, insurer or guarantor, such mortgage holder, insurer or guarantor shall not be entitled to notice of default, nor to any right, distribution or notice pursuant to this Declaration.

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

9.7 Appearance at Meetings. Because of its financial interest in the Property, any beneficiary of a First Deed of Trust may appear (but cannot vote) at meetings of the Members and the Board, and may draw attention to violations of this Declaration that have not been corrected or made the subject of remedial proceedings or Assessments.

9.8 Examination of Records. The holders of First Deeds of Trust shall have the right to examine at reasonable times the books and records of the Association and can require the submission of financial data concerning the Association, including annual audit reports and operating statements as and when furnished to the Owners, Prior Approvals. Unless at least sixty-seven percent (67%) of the Eligible

Mortgage Holders have given their prior written approval (each Eligible Mortgage Holder having one vote for each Lot encumbered by it), neither the Association nor any Member shall do the following:

- (a) Change the voting rights as set forth herein with respect to any Member of the Association or any Eligible Mortgage Holder;
- (b) Change the pro rata interest or obligations of any Lot for purposes of levying Assessments;
- (c) Change the subordinate priority of the provisions of this Declaration relating to allocation of hazard insurance proceeds or condemnation awards as set forth in paragraph 9.6 hereof in relation to the holders of First Deeds of Trust;
- (d) Fail to maintain the insurance required by paragraph 7.2 hereof; or (e) Take any action to terminate the legal status of the Property or the continued existence of this Declaration after substantial destruction or condemnation occurs.

In the event any Eligible Mortgage Holder is notified in the manner provided in paragraph 11.5 below and at the address designated by such Eligible Mortgage Holder to the Association in the manner provided in such paragraph 11.5, of any proposed decision or action described in subparagraphs (a) through (e), inclusive, above, and fails to submit a written response within thirty (30) days after notice of such proposed decision or action, then such Eligible Mortgage Holder shall be deemed to have given its approval of such decision or action and such implied approval shall be conclusive as to all persons relying thereon in good faith.

ARTICLE X MISCELLANEOUS PROVISIONS

10.1 Duration. The provisions of this Declaration shall continue and be effective for a period of twenty (20) years from the date of recordation hereof and shall be automatically extended for successive periods of ten (10) years each until (i) the Owners of at least eighty percent (80%) of the Lots within the Property shall execute a written instrument, which may be executed in counterparts, in recordable form declaring that the provisions of this Declaration shall terminate, and (ii) such written instrument is recorded in the office of the Recorder of Douglas County, Nevada.

10.2 Amendment. Except as otherwise provided in NRS Section 116.2117 or otherwise expressly provided herein, this Declaration may be amended by vote or agreement of not less than fifty-one percent (51%) of the voting power of the Association. All such amendments must be in writing, and prepared, executed, recorded and certified on behalf of the Association by the President of the Association. Such amendment shall be recorded in the office of the County Recorder of the County in which the Property is located. Section 11.1 shall be amended only upon the written consent of the Owners of eighty percent (80%) of the Lots within the Property.

10.3 Enforcement and Waiver.

10.3.1 Owner's Right of Enforcement. In addition to the rights of enforcement granted to the Association pursuant to the provisions of paragraph 5.1.3 hereof, any Owner shall have the right (but not the duty) to enforce any and all of the covenants, conditions, and restrictions now or hereafter imposed by this Declaration upon the Owners or upon any of the Property. Except as expressly provided herein, nothing herein shall be construed as creating a third party beneficiary contract in favor of parties who are not Owners or Eligible Mortgage Holders.

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

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

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

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

10.4 Termination of Former Owner's Liability for Assessments. Upon the conveyance, sale, assignment, or other transfer of a Lot to a new Owner, the transferring Owner shall not be liable for any Assessments levied with respect to such Lot after notification of the Association of such transfer in the manner provided in paragraphs 4.3.4 and 11.5 hereof and the payment of a transfer fee as provided in paragraph 4.3.4 hereof. No person, after the termination of his status as an Owner and prior to his again becoming an Owner, shall incur any of the obligations or enjoy any of the benefits of an Owner under this Declaration.

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

Hidden Woods Homeowners Association
Post Office Box 12188
Zephyr Cove NV 89448

All notices given by the Association to any Owner shall be sent by regular mail, or by registered or certified mail, return receipt requested, to such Owner's Lot address or to such other address as may be designated by such Owner from time to time, in writing, to the Board. All notices to Eligible Mortgage Holders shall be sent by registered or certified mail, return receipt requested, at the address to which such Eligible Mortgage Holder has last requested that notice be sent by notifying the Association in the manner provided in this paragraph 11.5. All notices shall be deemed to have been received within seventy-two (72) hours after the mailing thereof, except notices of change of address which shall be deemed to have been given when actually received.

10.6 Approvals. Any consent or approvals by the Board or Architectural Committee shall be in writing.

10.7 Construction and Severability. Singular and Plural: Titles.

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

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

10.7.3 Singular Includes Plural. The singular shall include the plural and the plural the singular unless the context requires the contrary; and the masculine, feminine, or neuter shall each include the masculine, feminine, and neuter, as the context requires.

10.7.4 Captions. All captions or titles used in this Declaration are intended solely for convenience of reference and shall not affect that which is set forth in any of the provisions of any paragraph.

10.9 Adjustment of Amounts. All sums of money referenced herein by specific dollar amounts may be adjusted by the Board using the Consumer Price Index (or replacement index) for the San Francisco Bay Area, "all items" category ("Index"). The "base month" shall be the month this Declaration is recorded. The "comparison month" shall be the month of the most recently published Index at the time the adjustment is made.

Signature Page to Follow

IN WITNESS WHEREOF, the undersigned, hereunto set his/her/its hand and seal the day and year first written above.

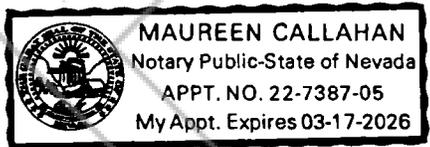
HIDDEN WOODS HOMEOWNERS ASSOCIATION

By: James A. Hadley
James Hadley, its President

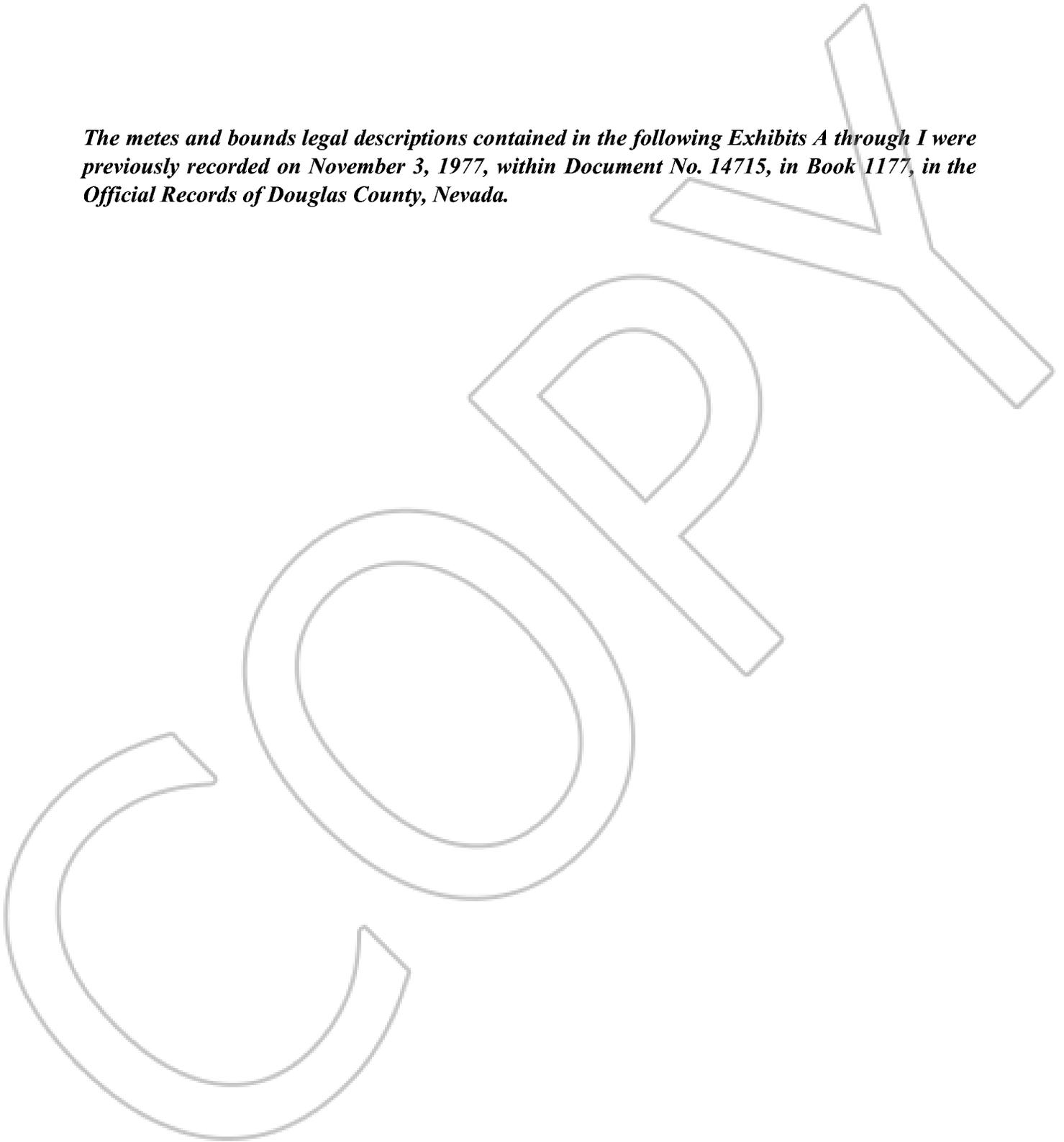
State of NEVADA)
 :ss.
County of DOUGLAS)

This instrument was acknowledged before me on July 29, 24 by James Hadley in his capacity as President of Hidden Woods Homeowners Association.

Maureen Callahan
(Signature of Notarial Officer)



The metes and bounds legal descriptions contained in the following Exhibits A through I were previously recorded on November 3, 1977, within Document No. 14715, in Book 1177, in the Official Records of Douglas County, Nevada.



LEGAL DESCRIPTION

PARCEL 1

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

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence Southerly along the North-South centerline of said Section 34, South $00^{\circ} 28' 50''$ West 2162.69 feet to the TRUE POINT OF BEGINNING; thence South $89^{\circ} 52' 48''$ East 120.00 feet; thence South $04^{\circ} 30' 00''$ East 449.13 feet; thence North $89^{\circ} 52' 38''$ West 159.05 feet; thence North $00^{\circ} 28' 58''$ East 447.66 feet to the TRUE POINT OF BEGINNING.

TOGETHER with a non-exclusive easement for access and utility purposes described as follows:

Beginning at the Northwest corner of the above described parcel; thence South $89^{\circ} 52' 48''$ East 165.00 feet; thence North $46^{\circ} 24' 02''$ West 50.92 feet to a point on a curve concave to the Northwest having a radius of 105.00 feet and a central angle of $48^{\circ} 45' 01''$; thence Southwest along said curve an arc length of 89.34 feet to the beginning of a curve concave to the South having a radius of 2634.25 feet and a central angle of $1^{\circ} 02' 21''$; thence along said curve an arc length of 47.78 feet; thence South $00^{\circ} 28' 58''$ West 3.79 feet to the point of beginning.

NOTE: Refer this description to your Title Company before incorporating into any Legal Document.

Prepared by:

JONES & TURNER
Engineering and Surveying

EXHIBIT "A"

14715

BOOK 1177 PAGE 323

LEGAL DESCRIPTION
PARCEL 2

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

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.N., thence Southerly along the North-South centerline of said Section 34, South 00° 28' 58" West 2162.69 feet; thence South 89° 52' 48" East 120.00 feet to the TRUE POINT OF BEGINNING; thence South 89° 52' 48" East 130.02 feet; thence South 04° 30' 00" East 449.12 feet; thence North 89° 52' 38" West 130.02 feet; thence North 04° 30' 00" west 449.13 feet to the TRUE POINT OF BEGINNING.

TOGETHER with a non-exclusive easement for access and utility purposes described as follows:

Beginning at the Northeast corner of the above described parcel; thence South 89° 52' 48" East 40.41 feet; thence South 12° 52' 44" West 101.37 feet; thence South 04° 30' 00" East 201.79 feet; thence North 89° 52' 48" West 10.03 feet; thence North 04° 30' 00" West 300.98 feet to the point of beginning.

NOTE: Refer this description to your Title Company before incorporating into any Legal Document.

Prepared by:

JONES & TURNER
Engineering and Surveying

EXHIBIT "B"

14715
BOOK 1177 PAGE 324

LEGAL DESCRIPTION
PARCEL 3

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

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence Southerly along the North-South centerline of said Section 34, South $00^{\circ} 28' 58''$ West 2162.69 feet; thence South $89^{\circ} 52' 48''$ East 250.02 feet to the TRUE POINT OF BEGINNING; Thence South $89^{\circ} 52' 48''$ East 224.50 feet; thence South $36^{\circ} 00' 00''$ West 145.00 feet; thence South $04^{\circ} 30' 00''$ East 32.62 feet; thence North $89^{\circ} 52' 48''$ West 130.02 feet; thence North $04^{\circ} 30' 00''$ West 150.49 feet to the TRUE POINT OF BEGINNING.

SUBJECT TO a non-exclusive easement for access and utility purposes described as follows:

Beginning at the Northwest corner of the above described parcel; thence South $89^{\circ} 52' 48''$ East 40.41 feet; thence South $12^{\circ} 52' 44''$ West 101.37 feet; thence South $04^{\circ} 30' 00''$ East 201.79 feet; thence North $89^{\circ} 52' 48''$ West 10.03 feet; thence North $04^{\circ} 30' 00''$ West 300.98 feet to the point of beginning.

SUBJECT TO a non-exclusive 50' wide easement for access and utility purposes, the centerline of which is described as follows:

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence along the North-South centerline of said Section 34, South $00^{\circ} 28' 58''$ West 2162.69 feet; thence South $89^{\circ} 52' 48''$ East 474.52 feet to the TRUE POINT OF BEGINNING; thence South $36^{\circ} 00' 00''$ West 145.00 feet; thence South $04^{\circ} 30' 00''$ East 183.11 feet to its Southerly terminus, at the radius point of a 45 foot radius cul-de-sac.

NOTE: Refer this description to your Title Company before incorporating into any Legal Document.

PREPARED BY:

JONES & TURNER
Engineering and Surveying

EXHIBIT "C"

14715

800-1177 PAGE 325

LEGAL DESCRIPTION
PARCEL 4

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

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North Range 18 East, M.D.M., thence Southerly along the North-South centerline of said Section 34, South 00° 28' 58" West 2162.69 feet; thence South 89° 52' 48" East 250.02 feet; thence South 04° 30' 00" East 150.49 feet to the TRUE POINT OF BEGINNING; thence South 89° 52' 48" East 130.02 feet; thence South 04° 30' 00" East 150.49 feet; thence North 89° 52' 48" West 130.02 feet; thence North 04° 30' 00" West 150.49 feet to the TRUE POINT OF BEGINNING.

SUBJECT TO a non-exclusive easement for access and utility purposes described as follows:

Beginning at the Northwest corner of the above described parcel thence South 89° 52' 48" East 40.41 feet; thence South 12° 52' 44" West 101.37 feet thence South 04° 30' 00" East 201.79 feet; thence North 89° 52' 48" West 10.03 feet; thence North 04° 30' 00" West 300.98 feet to the point of beginning.

SUBJECT TO a non-exclusive 50' wide easement for access and utility purposes, the centerline of which is described as follows:

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence along the North-South centerline of said Section 34, South 00° 28' 58" West 2162.69 feet; thence South 89° 52' 48" East 474.52 feet to the TRUE POINT OF BEGINNING; thence South 36° 00' 00" West 145.00 feet; thence South 04° 30' 00" East 183.11 feet to its Southerly terminous, at the radius point of a 45 foot radius cul-de-sac.

NOTE: Refer this description to your Title Company before incorporating into any Legal Document.

PREPARED BY:

JONES & TURNER
Engineering and Surveying

EXHIBIT "D"

14715
BOOK 1177 PAGE 326

LEGAL DESCRIPTION

PARCEL 5

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

Commencing at the one-quarter corner common to sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence Southerly along the North-South centerline of said Section 34, South $00^{\circ} 28' 58''$ West 2162.69 feet; thence South $89^{\circ} 52' 48''$ East 250.02 feet; thence South $04^{\circ} 30' 00''$ East 300.98 feet to the TRUE POINT OF BEGINNING; thence South $89^{\circ} 52' 48''$ East 130.02 feet; thence South $04^{\circ} 30' 00''$ East 148.16 feet; thence North $89^{\circ} 52' 38''$ West 130.02 feet; thence North $04^{\circ} 30' 00''$ West 148.15 feet to the TRUE POINT OF BEGINNING.

SUBJECT TO the Easterly 7.50 feet of the above described parcel, a non-exclusive easement for access and utility purposes.

SUBJECT TO a non-exclusive 50' wide easement for access and utility purposes, the centerline of which is described as follows:

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence along the North-South centerline of said Section 34, South $00^{\circ} 28' 58''$ West 2162.69 feet; thence South $89^{\circ} 52' 48''$ East 474.52 feet to the TRUE POINT OF BEGINNING; thence South $36^{\circ} 00' 00''$ West 145.00 feet; thence South $04^{\circ} 30' 00''$ East 183.11 feet to its Southerly terminous, at the radius point of a 45 foot radius cul-de-sac.

NOTE: Refer this description to your Title Company before incorporating into any Legal Document.

PREPARED BY:

JONES & TURNER
Engineering and Surveying

14715

EXHIBIT "E"

BOOK 1177 PAGE 327

LEGAL DESCRIPTION

PARCEL 6

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

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence Southerly along the North-South centerline of said Section 34, South 00° 28' 58" West 2162.69 feet; thence South 89° 52' 48" East 474.52 feet to the TRUE POINT OF BEGINNING; thence South 89° 52' 48" East 180.75 feet; thence South 00° 25' 17" West 150.00 feet; thence North 89° 52' 48" West 262.31 feet; thence North 04° 30' 00" West 32.62 feet; thence North 36° 00' 00" East 145.00 feet to the TRUE POINT OF BEGINNING.

SUBJECT TO a non-exclusive 50' wide easement for access and utility purposes, the centerline of which is described as follows:

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence along the North-South centerline of said Section 34, South 00° 28' 58" West 2162.69 feet; thence South 89° 52' 48" East 474.52 feet to the TRUE POINT OF BEGINNING; thence South 36° 00' 00" West 145.00 feet; thence South 04° 30' 00" East 183.11 feet to its Southerly terminus, at the radius point of a 45 foot radius cul-de-sac.

NOTE: Refer this description to your Title Company before incorporating into any Legal Document.

PREPARED BY:

JONES & TURNER
Engineering and Surveying

EXHIBIT "F"

14715

BOOK 1177 PAGE 328

LEGAL DESCRIPTION
PARCEL 7

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

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, N.D.M., thence Southerly along the North-South centerline of said Section 34, South $00^{\circ} 28' 58''$ West 2162.69 feet; thence South $89^{\circ} 52' 48''$ East 474.52 feet; thence South $36^{\circ} 00' 00''$ West 145.00 feet; thence South $04^{\circ} 30' 00''$ East 32.62 feet to the TRUE POINT OF BEGINNING; thence South $89^{\circ} 52' 48''$ East 262.31 feet; thence South $00^{\circ} 25' 17''$ West 150.00 feet; thence North $89^{\circ} 52' 48''$ West 249.39 feet; thence North $04^{\circ} 30' 00''$ West 150.49 feet to the TRUE POINT OF BEGINNING.

SUBJECT TO a non-exclusive 50' wide easement for access and utility purposes, the centerline of which is described as follows:

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, N.D.M., thence along the North-South centerline of said Section 34, South $00^{\circ} 28' 58''$ West 2162.69 feet; thence South $89^{\circ} 52' 48''$ East 474.52 feet to the TRUE POINT OF BEGINNING; thence South $36^{\circ} 00' 00''$ West 145.00 feet; thence South $04^{\circ} 30' 00''$ East 183.11 feet to its Southerly terminus, at the radius point of a 45 foot radius cul-de-sac.

NOTE: Refer this description to your Title Company before incorporating into any Legal Document.

PREPARED BY:

JONES & TURNER
Engineering and Surveying

EXHIBIT "G"

14715

BOOK 1177 PAGE 329

LEGAL DESCRIPTION
PARCEL 3

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

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence Southerly along the North-South centerline of said Section 34, South $00^{\circ} 28' 58''$ West 2162.69 feet; thence South $89^{\circ} 52' 48''$ East 474.52 feet; thence South $36^{\circ} 00' 00''$ West 145.00 feet; thence South $04^{\circ} 30' 00''$ East 183.11 feet to the TRUE POINT OF BEGINNING; thence South $89^{\circ} 52' 48''$ East 249.39 feet; thence South $00^{\circ} 25' 17''$ West 147.69 feet; thence North $89^{\circ} 52' 38''$ West 236.66 feet; thence North $04^{\circ} 30' 00''$ West 148.16 feet to the TRUE POINT OF BEGINNING.

SUBJECT TO the Westerly 7.50 feet of the above described parcel, a non-exclusive easement for access and utility purposes.

SUBJECT TO a non-exclusive easement for access and utility purposes described as follows:

Beginning at the Southwest corner of the above described parcel; thence South $89^{\circ} 52' 38''$ East 236.66 feet; thence North $00^{\circ} 25' 17''$ East 70.00 feet; thence South $89^{\circ} 52' 38''$ West 55.00 feet; thence North $89^{\circ} 52' 38''$ West 167.95 feet; thence South $04^{\circ} 30' 00''$ East 15.05 feet to the point of beginning.

SUBJECT TO a non-exclusive 50' wide easement for access and utility purposes, the centerline of which is described as follows:

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence along the North-South centerline of said Section 34, South $00^{\circ} 28' 58''$ West 2162.69 feet; thence South $89^{\circ} 52' 48''$ East 474.52 feet to the TRUE POINT OF BEGINNING; thence South $36^{\circ} 00' 00''$ West 145.00 feet; thence South $04^{\circ} 30' 00''$ East 183.11 feet to its Southerly terminous, at the radius point of a 45 foot radius cul-de-sac.

NOTE: Refer this description to your Title Company before incorporating into any Legal Document.

PREPARED BY:

JONES & TURNER
Engineering and Surveying

EXHIBIT "H"

14715

BOOK 1177 PAGE 330

LEGAL DESCRIPTION

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

All that portion of Lincoln Meadows Unit No. 1, recorded on December 14, 1971, in Book 94, Page 344, Document #55858, more particularly described as follows:

Commencing at the one-quarter corner common to Sections 27 and 34, Township 14 North, Range 18 East, M.D.M., thence Southerly along the North-South centerline of said Section 34; South 00° 28' 58" West 1633.26 feet to the TRUE POINT OF BEGINNING; thence South 89° 52' 56" East 654.70 feet; thence South 00° 25' 17" West 529.45 feet; thence North 89° 52' 48" West 655.27 feet; thence North 00° 28' 58" East 529.43 feet to the TRUE POINT OF BEGINNING.

NOTE: Refer this description to your Title Company before incorporating into any Legal Document.

Prepared by:

JONES & TURNER
Engineering and Surveying

DOUGLAS COUNTY TITLE

38.00 pd
NOV -4 8 17

RECORDED

EXHIBIT "I" Donna Justice 14715
11/10/10
BOOK 1177 PAGE 331

CERTIFICATE OF APPROVAL

I, JAMES HADLEY, being duly elected and acting as President of Hidden Woods Homeowners' Association hereby certify as follows:

1. That effective June 29, 2024, not less than fifty-one percent (51%) of the total voting power voted in favor of the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions of Hidden Woods Homeowners' Association ("Hidden Woods"), a common interest community created by that original Declaration recorded in the Official Records of Douglas County, Nevada as Document No. 14715, Book 1177, Page 296; and

2. That the current number of lots in Hidden Woods is 28 and that 16 of such lot Owners voted to approve the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions of Hidden Woods.

DATED this 30th day of July 2024.

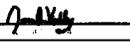
By: 
JAMES HADLEY, President

EXHIBIT "J"