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TITLE OF DOCUMENT

SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR DAYTON VALLEY COMMUNITY ASSOCIATION

SECOND AMENDED AND RESTATED

DECLARATION OF CONVENTS,

CONDITIONS AND RESTRICTIONS FOR

DAYTON VALLEY COMMUNITY ASSOCIATION

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SECOND AMENDED AND RESTATED

DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS FOR

DAYTON VALLEY COMMUNITY ASSOCIATION

This Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association (the Declaration) dated this 21st day of July, 2010 is made by the Dayton Valley Community Association, a non-profit corporation, (hereinafter referred to as "Association"), for the purposes of establishing the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association, a common interest community located in Lyon County, Nevada.

RECITALS

WHEREAS, this Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association is intended to amend and supercede the Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association, recorded on May 18, 1990, as Document No. 133393, Official Records, Lyon County Recorder, Yerington, Nevada and amended from time to time thereafter; and

WHEREAS, the Association consists of members who are owners of single family residences in the Dayton Valley Community Association located in Dayton, Nevada; and

WHEREAS, the amendments incorporated in this Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association were approved by in excess of a majority of the members; and

WHEREAS, the Association desires and intends to continue a uniform plan by imposing mutual and beneficial restrictions, covenants, conditions, obligations and easements to apply uniformly to the use, improvement, occupancy and conveyance of all members for the mutual enjoyment and convenience, protection and benefit of all members both present and future and in compliance with Nevada law as amended from time to time; and

WHEREAS, the provisions contained in this Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association are intended to secure such objectives; and

WHEREAS, all of the covenants, conditions and restrictions set forth in this Declaration shall constitute enforceable equitable servitudes, as well as covenants that shall run with the land comprising the Development, and shall be binding upon the inure to the benefit of each Owner of any portion of such real property or of any interest therein and their heirs, successors, and assigns.

NOW THEREFORE, let it be known that the Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association, effective on the date of recording this Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association, are hereby restated and amended to read as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions. Generally. When the words and phrases described in this Article are used in the Declaration, they will have the meanings set forth in this Article. The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine, and neuter shall each include the masculine, feminine, or neuter, as the context requires. The use of the term "may" in this Declaration indicates

discretion or choice, and use of the term "shall" in this Declaration shall mean imperative, mandatory or imposing an absolute duty.

1.2 Absolute Majority. "Absolute Majority" shall mean fifty percent (50%) plus one (1) of all unit owners who are eligible to vote.

1.3 Act. "Act" shall mean the Nevada Common Interest Ownership Act, Nevada Revised Statues, Chapter 116.1101 et seq. as it may be amended from time to time.

1.4 Additional Charges. "Additional Charges" shall mean all costs, fees, charges, and expenditures, including without limitation, interest, late charges, attorney's fees, recording and filing fees, and all other costs actually incurred by the Association in collecting and/or enforcing payment of Assessments, fines, and/or penalties.

1.5 Alternative Energy Systems. "Alternative Energy Systems" shall mean any equipment, structures, or systems meant to privately generate electrical energy or heat using the sun or wind installed at a residence as an alternative to obtaining electricity or heat from a public utility or commercial source.

1.6 Architectural Control Committee. "Architectural Control Committee" shall mean the committee created pursuant to Article 8 of this Declaration.

1.7 Architectural Rules. "Architectural Rules" shall mean the rules and regulations adopted by the Architectural Control Committee pursuant to Section 8.5 of this Declaration.

1.8 Articles. "Articles" shall mean the Articles of Incorporation of the Association, as they may be amended from time to time, and as filed with the Office of the Secretary of State of Nevada, as the same may from time to time be amended.

1.9 Assessment. "Assessment" shall mean a charge levied by the Association against an Owner and his or her Lot as provided in Article 6 of this Declaration. "Assessment" shall include any or all of the following:

(a) Regular Assessments, which shall have the meaning, set forth in Section 6.5 of this Declaration.

(b) Special Assessments, which shall have the meaning, set forth in Section 6.6 of this Declaration.

(c) Reimbursement Assessments, which shall have the meaning, set forth in Section 6.7 of this Declaration.

(d) Enforcement Assessments, which shall have the meaning, set forth in Section 6.8 of this Declaration.

1.10 Association. "Association" shall mean the Dayton Valley Community Association, a Nevada nonprofit corporation, its successors and assigns.

1.11 Board of Directors. "Board of Directors", "Executive Board", or "Board" shall mean the governing body of the Association. The Board of Directors is an "Executive Board" as defined by NRS 116.045.

1.12 Bylaws. "Bylaws" shall mean the Bylaws of the Association as they shall be adopted by the Members and any duly adopted amendments thereof.

1.13 Commercial Use. "Commercial Use" shall mean any governmental, professional, office, business, business park, eleemosynary, trade, or industrial use including any activity involving the offering of goods and or services.

1.14 Commercial Vehicles. "Commercial Vehicles" shall mean a vehicle designed, used or maintained for the transportation of persons for hire, for profit, or for business purposes. Any vehicle with a payload of one (1) ton or more, may or may not have side windows, or outfitted with a commercial rack or construction rack, commercial markings, or any exterior equipment normally used for commercial purposes shall be classified as a Commercial Vehicle. A marked Police or Emergency vehicle, Federal, State, or County vehicles or local Utility vehicles are excluded from this requirement for Commercial Vehicles.

1.15 Common Area. "Common Area" shall mean all real property owned or maintained by the Association for the common use and enjoyment of the Owners and Residents of the Development. The Common Area for the Development shall be identified in the Supplemental Declaration Recorded with the filing of the Subdivision Map for each Parcel within the Development or in the Declaration of Annexation for any property being annexed to the Development and shall consist of certain lots identified within parcels 1 through 14 as recorded on maps in the Office of the Recorder of Lyon County, State of Nevada and the real property located within the private roadway easements. Each Common Area lot is a "Common Element" as defined by NRS 116.017.

1.16 Contract Purchaser/Contract Seller. "Contract Purchaser" and "Contract Seller" shall mean the purchaser and the seller, respectively, under an installment land contract in which title to the property is transferred after the final installment payment is made.

1.17 County. "County" shall mean Lyon County, Nevada.

1.18 Declaration. "Declaration" shall mean this instrument, as it may be amended from time to time. If any Supplemental Declarations or Declarations of Annexation are approved and recorded in accordance with Article 14, below, then following such recordation any reference to this Declaration shall mean this Declaration as amended and supplemented by the Supplemental Declaration(s) and any Declarations Annexation.

1.19 Declaration of Annexation. "Declaration of Annexation" shall mean a declaration of annexing real property to the Development and subjecting the real property described therein to this Declaration, all as more particularly described in Article 14, below.

1.20 Deed of Trust. "Deed of Trust" shall mean a mortgage or a deed of trust as the case may be.

1.21 Development. "Development" shall mean all the real property described in Exhibit "A" of this Declaration attached hereto and incorporated herein by this reference, together with all buildings, structures, utilities, Common Area, and the Improvements now located or hereafter constructed or installed thereon, all appurtenances thereto. The term "Development" shall also include any additional property, as may hereafter be encumbered by a Declaration of Annexation otherwise made subject to this Declaration pursuant to Article 14, below.

1.22 Director. "Director" shall mean a member of the Board of Directors of the Association.

1.23 Golf Course. "Golf Course" shall mean any portion of the adjacent privately owned golf course with various buildings and related facilities and Improvements constructed within the physical perimeter boundaries of the Development.

1.24 Governing Documents. "Governing Documents" shall mean the Articles, Bylaws, Declaration, Rules (including the Architectural Rules), and the policies and resolutions duly adopted by the Board and distributed to the Members.

1.25 Improvement. "Improvement" shall mean any structure and all appurtenances thereto of every type and kind, including but not limited to building, outbuilding, patio, tennis court, pool, mailbox, aerial, antenna, road, driveway, parking area, walk, fence, screening wall, retaining wall, stair, deck, landscaping, court, gate, statue, marker, hedge, windbreak, planting, planted trees and shrubs, pole, sign, exterior air conditioning, pump, well, ditch,

tank, reservoir, pipe, line, meter, tower and other facilities used in connection with water, sewer, gas, electric, telephone, regular, satellite or cable television or other utilities.

1.26 Lot. "Lot" shall mean any plot of land shown upon a Subdivision Map, legally capable of being sold as a separate unit of real estate with the exception of the Common Area lots.

1.27 Manager. "Manager" shall mean the person, firm or corporation employed by the Association pursuant to section 2.6.

1.28 Member. "Member" shall mean an Owner, and refers to membership in the Association.

1.29 Member in Good Standing. "Member in Good Standing" shall mean a Member of the Association who is current in the payment of all dues, Assessments, fines, penalties, and other charges imposed in accordance with the Governing Documents.

1.30 Mortgage. "Mortgage" shall mean a deed of trust as well as a mortgage. "First Mortgage" shall mean any recorded Mortgage on a Lot with first priority over all other Mortgages on such Lot, if any.

1.31 Multi-Family Site. Any unit of land, whether or not shown on a recorded subdivision map and whether or not improved, which is designated for apartments, condominiums, or townhouses.

1.32 Owner. "Owner" shall mean any person, firm, corporation or other entity in which fee title to a Lot is vested as shown by the official records of the office of the County Recorder, including Contract Sellers, but excluding Contract Purchasers and excluding those having such interest merely as security for the performance of an obligation. If a Lot is transferred or conveyed to a trust, the Owner is the trustee or the co-trustees of such trust. A person or entity is not an Owner due to (a) community property or other equitable rights not shown of record, or (b) rights of adverse possession not shown of record. Where the context requires, the term "Owner" shall include the members of the Owner's household and the Owner's guests, tenants/lessees and invitees; provided, however, that such persons are not "Owners" for purposes of exercising voting rights in the Association.

1.33 Project. "Project" shall mean any real property located within the geographic boundaries of the Development that is developed as a common interest community, as that term is defined in NRS 116.021.

1.34 Record. "Record" or "record" shall mean, with respect to any document, the official recordation or filing of such document in the office of the County Recorder.

1.35 Recreational Vehicle. "Recreational Vehicle" is defined as Motor Homes, Campers, Boats, Travel Trailers and Storage Trailers, Motor Scooters, Dirt Bikes and ATVs.

1.36 Residence. "Residence" shall mean a residential structure located upon a Lot which is designed for human residential use and occupancy.

1.37 Resident. "Resident" shall mean any person who resides on a Lot within the Development whether or not such person is an Owner.

1.38 Rules. "Rules" shall mean the rules and regulations governing the use, occupancy, management, administration, and operation of the Development or any part thereof as adopted and published by the Board of Directors from time to time, and the Architectural Rules as adopted and published by the Architectural Control committee from time to time.

1.39 Simple Majority. "Simple Majority" shall mean a majority of the votes of the Members (i) represented and voting at a meeting at which a quorum is present, or (ii) cast by written ballot in which the number of ballots received equals or exceeds the number required to establish a quorum.

1.40 Single Family "Single Family" One or more persons each related to the other by blood, marriage, legal adoption, registered domestic partners or a group of not more than four (4) persons not all so related, together with their domestic employees and servants who maintain a common household in a residential unit and casual guests or as defined under Lyon County Code.

1.41 Single Family Use "Single Family Use" The occupancy and use of a residential unit or lot by a Single Family in conformity with the covenants, conditions and restrictions hereof, the rules and requirements imposed by applicable zoning laws and state or local rules and regulations.

1.42 Subdivision Map. "Subdivision Map" shall mean a subdivision map recorded for any portion of the Development. The initial Subdivision Map, as more particularly described in Exhibit "A".

1.43 Unit. "Unit" shall mean a residential structure located upon a Lot which is designed for human residential use and occupancy.

1.44 Use and Maintenance Agreements. "Use and Maintenance Agreements" shall mean any agreement to allocate costs or to permit the sharing of Common Area by owners of property not subject to Assessment or not otherwise a part of the Development.

ARTICLE 2 COMMUNITY ASSOCIATION

2.1 Management and Operation. The Association, through the Board of Directors and such officers as the Board may elect or appoint in accordance with this Declaration or the Bylaws, shall manage and operate the Development in accordance with the applicable provisions of the Governing Documents and the applicable provisions of Nevada law. The Association shall have all of the Powers set forth in the Governing Documents together with general power to do any and all things that a not for profit corporation may lawfully do under the laws of the State of Nevada, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Governing Documents

2.2 Membership. Every Owner of a Lot shall be a Member of the Association and shall remain a Member thereof until such time as his or her Lot ownership ceases for any reason. Membership shall be appurtenant to and may not be separated from ownership of a Lot and shall not be transferred, encumbered, pledged, alienated, or otherwise hypothecated in any way except in connection with the sale or encumbrance of the Lot to which it is appurtenant.

2.3 Voting.

(a) Commencement of Voting Rights. Voting rights attributable to the ownership of Lots shall not vest until Assessments against those Lots have been levied by the Association.

(b) Single Class of Membership. The Association shall have a single class of voting Members.

(c) Membership Voting Rights. Only Members in Good Standing shall be entitled to vote.

(d) Suspension of Voting Rights. Voting rights may be temporarily suspended under those circumstances described in Article 10, below.

(e) Joint Ownership Voting Rights. In the case of a Lot owned by two (2) or more persons or entities, Voting Rights shall be exercised by only one of them, who shall be designated in writing by all of the Owners of such Lot, or shall be the Owner exercising such right if only one Owner so exercises or in the absence of such designation by such Owner or exercise by a single Owner, shall be an Owner of the Lot selected by the Board.

2.4 Executive Board. The affairs of the Association shall be managed by or under the direction of a Board of Directors. The number and qualifications of Directors shall be as established in the Bylaws but in no event fewer than five (5) in number, and the members of the Board shall be elected and appointed as provided by law. The Board of Directors shall have all of the powers and duties set forth in any provision of the Governing Documents, including without limitation such powers and duties as may be expressly set forth in this Declaration. Each Director shall, within ninety (90) days of his or her appointment or election, certify in writing that he or she is an Owner and has read and reasonably understands the "Governing Documents" and applicable provisions of NRS Chapter 116 to the best of his or her ability.

2.5 Association Rules. The Board of Directors shall have the power and the authority to establish, promulgate, amend, repeal, and enforce such rules and regulations, which shall be known as "Rules", as the Board deems necessary for the management and operation of the Development and the conduct of business and affairs of the Association. The Rules may concern, but need not be limited to, matters pertaining to use of the Common Area, pets, signs, collection and disposal of refuse, minimum standards of maintenance of property, use of recreation facilities, parking and traffic regulations, rental or leasing of Lots, and any other subject matter within the jurisdiction of the Association as provided in the Governing Documents or by law. A copy of the Rules as adopted, amended or repealed shall be mailed or otherwise delivered to the Association members.

2.6 Manager and Other Personnel. The Board of Directors shall have the power and authority to employ a manager and such other persons or entities as the Board shall deem appropriate to assist in the managing of the Development and conducting the business and affairs of the Association, as more particularly set forth in the Bylaws.

2.7 Capital Improvements. The Board of Directors shall have the power and authority to provide for the construction, reconstruction, installation, or acquisition of capital improvements upon the Common Area.

2.8 Transfer or dedication of Common Area to Public Agency or Utility. The Board of Directors shall have the power to dedicate or transfer all or any part of the Common Area to a public agency, authority or utility or other person or entity for such purposes and subject to such conditions as may be agreed to by the Board and applicable law. However the Board of Directors may not dedicate or transfer the private roads of the Community or any part thereof whether or not the private roads are Common Area without a majority vote of the membership.

2.9 Borrow Money. The Board of Directors shall have the power to borrow money in the name of the Association.

2.10 Mortgage of Association Property. The Board of Directors shall have the power and authority to mortgage, pledge, encumber, or otherwise hypothecate the real and personal property of the Association for money borrowed or debts incurred by the Association.

2.11 Mergers and Consolidations. The Association may (i) participate in, mergers and consolidations with other nonprofit corporations organized for the same purposes as the Association, or (ii) annex additional property to the Development, in accordance with Section 14.1.

2.12 Dissolution. So long as the Development is a Common Interest community pursuant to Nevada law the Association may not dissolve.

2.13 Limitation of Liability. Neither the Association nor its directors, officers, employees, agents or committee members (collectively and individually referred to as the "Released Party") shall be personally liable for damages or in equity to any of the Members, or to any other person, for any error or omission in the discharge of their duties and responsibilities or for their failure to provide any service required hereunder or pursuant to the Bylaws, even if such Released Party is negligent, provided that such Released Party has not acted in bad faith. This standard of care and limitation of liability shall extend, without limitation, to matters such as (i) the establishment of the Association's annual financial budget, (ii) the funding of Association reserve accounts, (iii) the discharge of the

Association's maintenance, repair and replacement obligations, (iv) the enforcement of the Governing Documents, and (v) to any other fiduciary duties or responsibilities imposed by law or the Governing Documents.

ARTICLE 3 COMMON AREA

3.1 Purpose of Common Area. Subject to the provisions of the Declaration, the Common Area shall be held, maintained, and used to meet the common interests of the Owners, the members of the Owners' households, and the Owners' tenants, resident Contract Purchasers, and guests as provided in the Governing Documents.

3.2 Owners Non-Exclusive Easements of Enjoyment. Every Owner shall have a non-exclusive easement of use and enjoyment, to and throughout the Common Area. Each such non-exclusive easement shall be appurtenant to and pass with the title to every Lot, subject to the following rights and restrictions:

(a) Adoption of Rules. The right of the Board of Directors to establish and enforce reasonable Rules governing the use of the Common Area and the facilities thereon including, without limitation, Rules (i) limiting the number of guests or Members permitted to use the Common Area and the facilities thereon at any one time; (ii) limiting the hours of use of the Common Area and the facilities thereon; (iii) regulating the use of the Common Area and the facilities thereon for group activities; (iv) regulating the Common Area for organized events and community programming; and (v) regulating parking upon the use of the Common Area roadways if any, provided that no Owners shall be denied ingress and egress over Common Area roadways to such Owner's Lot;

(b) Facility Fees. The right of the Board to charge reasonable admission and other use fees for any facilities situated upon the Common Area, included, but not limited to the Community Recreational Facility;

(c) Suspension of Use. The right of the Board, as more particularly addressed in the Bylaws to suspend an Owner's right to use the recreational facilities located on the Common Area for (i) any period during which any Assessment against such Owner's Lot remains unpaid, and/or (ii) for violations of the Governing Documents by an Owner or any person for whom an Owner is responsible, provided that no Owners shall be denied ingress and egress over Common Area;

(d) Granting of Easements. The right of the Board to grant easements and rights of way in, on, over, or under the Common Area;

(e) Public Use Rights. The right of the public to use any portion of the Common Area which is subject to a public use right or public dedication as shown on a Subdivision Map;

(f) Transfer to Public Agency. The right of the Board to dedicate or transfer all or any part of the Common Area except as limited in paragraph 2.8 to any public agency, authority, or utility;

(g) Pledge as Security. The right of the Board to mortgage, pledge, encumber, or otherwise hypothecate the Common Area except as limited in paragraph 2.9, as security for money borrowed by the Association;

(h) Perform Obligations. The right of the Association or its authorized agents to perform its obligations under this Declaration, including, without limitation, obligations with respect to construction, maintenance, repair, or replacement for the benefit of the Common Area;

(i) Establish Signage and Improvements. The right of the Association to establish, construct, maintain, repair and replace entrance signs, privacy gates, street signs, lights, maps, directories and other similar Improvements upon the Common Area; and

(j) Association Storage Areas. The right of the Association to establish, construct, maintain, repair and replace facilities upon the Common Area including without limitation storage facilities and

workshops, which may be necessary or convenient in the discharge of the Association's duties and the exercise of its rights under the Governing Documents.

3.3 Assignment of Rights of Use. In addition to an Owner's assignment of Common Area use rights to a tenant, upon occupancy of a Lot by a Contract Purchaser, the Owner shall be deemed to have assigned all such Common Area rights exclusively to the Contract Purchaser of such Lot, except that such Owner shall continue to have an easement for ingress and egress to such Owner's Lot to the extent necessary to discharge the Owner's obligations and rights in relation to such assignment as a landlord. Any Common Area rights of enjoyment assigned pursuant to this section and subject to suspension to the same extent that rights of Owners are subject to suspension as provided in the Governing Documents. It is the express purpose and intent of the provisions of this section to limit the right of use and enjoyment of Common Area to Residents and their guests.

3.4 Common Area Construction. No person or entity other than the Association, or its duly authorized agents, (i) shall construct, reconstruct, refinish, alter, or maintain any Improvement upon the Common Area, (ii) shall make or create any excavation or fill upon the Common Area, (iii) shall change the natural or existing drainage of the Common Area, or (iv) shall plant, remove, or destroy any seed, plant material, tree, shrub, or other vegetation upon the Common Area.

3.5 Mechanic's Liens. In the event there shall be Recorded against the Common Area a notice of mechanic's lien for, or purporting to be for, labor or materials alleged to have been furnished or delivered for any Owner or his or her Lot, such Owner shall immediately cause such lien to be discharged by payment, bond, or otherwise. If the Owner fails to cause the lien to be discharged, the Board may send written notice to the Owner specifying that unless the Owner causes the lien to be discharged within five (5) days from the date of such notice, the Board may cause the lien to be discharged. Within such five (5) day period the Owner shall be granted a hearing before the Board regarding the validity of such lien and any offsets or defenses thereto. At that time, the Board shall determine whether the lien adversely and improperly affects and encumbers the right and interest of the Association or the other Owners. If the Board of Directors determines that the lien does adversely and improperly affect and encumber such rights and interests and the adequate protection of such rights and interests has not been provided, the Board may cause the lien to be discharged by payment, bond, or otherwise. The Board shall have the right to levy a Reimbursement Assessment against the Owner responsible for causing the lien to be discharged in an amount equal to all amounts paid by the Association together with interest thereon at the legal rate and all costs and expenses paid or incurred in connection therewith, including reasonable attorneys' fees.

ARTICLE 4 USE RESTRICTIONS

4.1 Residential Area. All property within the residential area (excluding any Recreational or Open Space in such residential area) is improved and is solely for residential use; except that any Common Area in such residential area may be improved and used for active and passive recreational purposes for the primary benefit of the Owners and occupants of Lots and Single Family sites in such residential area. The Board in its sole and absolute discretion may permit other improvements and uses consistent with zoning then in effect for such specific residential area.

(i) Except as provided in this section, no Lot shall be improved or used except as a dwelling or structure designed to be used as a Single Family residence plus garage, fencing and such other improvements as are necessary or customarily incident to a Single Family residence; provided, however that separate guest houses, and servants quarters may be erected on any Lot if permitted by applicable zoning.

(ii) No Lot shall be improved or used as a Multi-Family site.

4.2 Residential Use; Rentals. Except as defined in 4.5 (a) and (b), no residences on any Lot shall be used for any purpose other than Single-Family residential use. However, nothing in this Declaration shall prevent the rental of property within the residential area by the Owner thereof for residential purposes, on either a short or long term basis subject to all the provisions of this declaration. No commune, co-operative or similar type of living arrangement shall be permitted anywhere in the project. No rental of any unit for commercial purposes shall be allowed. This includes but is not limited to medical and dental offices or clinics, convalescent and medical rehab facilities as well as drug, criminal, and social halfway homes.

4.3 Offensive Conduct, Nuisances, Noise. No noxious, harmful or offensive activities shall be conducted upon or within any part of the Development, nor shall anything be done thereon which may be or become a nuisance, or cause unreasonable embarrassment, disturbance, or annoyance to any Residents of the Development, or which shall in any way interfere with their use of the Common Area and facilities thereon or the use and enjoyment of their Lots or Residences. Without limiting any of the foregoing, no Resident shall permit noise, including without limitation the barking of dogs or excessively loud music, to emanate from the Resident's Lot, Residence or vehicles, which would unreasonably disturb another Resident's enjoyment of his or her Lot or of the Common Area. The over flight of airplanes and the use of adjacent property as an airport is expressly permitted and no reasonable use of such activities or property use shall constitute a nuisance.

4.4 Unsightly Articles. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any property within the Development and no odors shall be permitted to arise there from so as to render any such property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property or to its occupants. Further, no unsightly articles shall be permitted to remain on any Lot so as to be visible at ground level from neighboring property or public or private thoroughfares. Without limiting the generality of the foregoing, trailers, motor homes, recreation vehicles, graders, trucks, (other than pick-ups) boats, tractors, campers, wagons, buses, sleighs, motorcycles, motor scooters, snowmobiles, ATVs, snow removal equipment, and garden maintenance equipment shall be kept at all times, except when actually in use, in an enclosed structure or screened so as not to be visible at ground level from neighboring property. No repair or maintenance work shall be done on any of the foregoing, or on any automobile, other than minor emergency repairs, except so as not to be visible from neighboring property. Refuse, garbage and trash shall be kept at all times in a covered container. See section 4.12.

4.5 Restriction on Businesses. No business of any kind shall be established, maintained, operated, permitted, or conducted within the Development except:

(a) Professional and Administrative. Those professional and administrative occupations as may be permitted by, and which are conducted in conformance with, all applicable governmental ordinances provided that there is no external evidence thereof, and further provided that the Board may, in its complete discretion, prohibit the conduct of any such activities which the Board determines to be, incompatible with the nature and character of the Development or which, in the Board's opinion, may or does otherwise negatively impact the quality of life and property values within the Development.

(b) Development and Sales of Lots and Residences. Lots and Residences used as models, sales offices, or construction headquarters for the purpose of constructing Residences and marketing Lots or Residences within the Development, provided that such models, sales offices, and construction offices are not used for short-term occupancy and will be subject to the Association's Regular Assessment.

(c) Commercial Property. Businesses permitted within Lots zoned and designated as commercial property.

(d) Permitted by Law. Those other businesses which by law must be permitted to be conducted within the Development.

(e) Solicitation. House to house solicitation by commercial enterprises is prohibited except that local youth and school organizations shall be exempted subject however, to approval by the Board.

4.6 Use of the Common Area. All use of the Common Area is subject to the Governing Documents. No alterations or additions to the Common Area shall be made, except as authorized by the Board. Nothing shall be placed, kept, stored, or parked on the Common Area, except by the Association, without the prior written consent of the Board. Without limiting the foregoing, no Owner shall place rubbish, debris, or other unsightly or unsanitary materials on the Common Area. Each Owner shall avoid causing damage to the Common Area

4.7 Golf Course Rules and Regulations. The Association makes no rules and or regulations for the Golf Course and accepts no responsibility for enforcing or managing Golf Course rules and regulations.

4.8 Requirement of Architectural Approval. As addressed in greater detail in Article 8, landscaping, construction, installation, modification, or alteration of buildings, outdoor structures, fences, awning, outdoor lighting and all other exterior Improvements are subject to approval of the Architectural Control Committee.

4.9 Sports Apparatus. No sports apparatus, whether portable or fixed, including without limitation basketball standards, which is visible from (i) any Lot other than the Lot upon which it is installed or utilized, (ii) any street within the Development, or (iii) the Common Area, shall be permitted within the Development except in strict accordance with the following provisions:

(a) Portable Sports Apparatus. The Board of Directors shall have the power, but not the obligation to permit the use of portable sports apparatus, including without limitation portable basketball standards, on any Lot. Use of such portable sports apparatus shall be subject to all Rules as the Board may in its discretion adopt. Such Rules may include, without limitation, requirements that the apparatus be stored completely out of sight from outside of the Lot when not in use, limitations on times of day during which such apparatus may be used, and regulations regarding the conduct and noise generated in the use of such apparatus.

(b) Fixed Sports Apparatus. The Board of Directors shall have the power, but not the obligation, to permit the installation of fixed sports apparatus, including without limitation basketball standards, which would otherwise be prohibited by this section upon any Lot provided that (i) Architectural approval pursuant to Article 8 is obtained, and (ii) the installation is in conformance with the provisions of the Declaration.

4.10 Window Coverings. In no event shall windows be painted, nor shall aluminum foil, newspaper, bed sheets, cardboard or similar materials be placed in windows. All window coverings shall be maintained in good repair and condition at all times. Unless more specific Rules are adopted by the Architectural Control Committee, all window shades, blinds, and coverings may not be garish.

4.11 Signs. No sign of any kind shall be displayed to the public view without the approval of the Architectural Control Committee or the Board, except such signs as may be required by legal proceedings or political signs. All signage shall be of architectural style in harmony with the overall Community. To the extent permitted by law, the Architectural Control Committee and or, the Board may adopt limitations on signs including, without limitation, restrictions on the size of the signs, the duration of their posting, content and their location.

(a) No flashing or moving signs shall be permitted in the Development.

(b) Real Estate (for sale / rental) Signs are limited in size to 18"x 18". Signs must be displayed from a 4"x 4" post mounted on the front of the lot, one real estate sign per lot.

4.12 Antennas. No outside mast, tower, pole, antenna, or satellite dish shall be erected, constructed, or maintained on the Common Area or upon any Lot, except as provided in this Section 4.8. Antennas or satellite dishes with a diameter or diagonal measurement not greater than one meter which are designed to receive direct broadcast satellite services, video programming services via multi-point distribution services, or television broadcast signals (collectively "Permitted Dishes") may be erected, placed or installed on a Lot, subject to the following restrictions, provided that the application of these restrictions does not unreasonably delay installation or expense, or preclude reception of an acceptable quality signal:

(a) Prioritized Placement Preferences. All Permitted Dishes shall be installed at locations in accordance with a prioritized list of placement preferences, if such a list is adopted by the Architectural Control Committee.

(b) Reasonable Restrictions. All Permitted Dishes shall be installed in accordance with such reasonable restrictions, which may be imposed as part of the Architectural Rules.

4.13 Trash Disposal. Trash, garbage, accumulated waste plant material and all other waste and refuse shall be deposited only in covered sanitary containers or recycling containers in accordance with the provisions listed below: Plastic trash bags are not acceptable outside Trash Containers except for landscape refuse such as grass clippings and tree and bush trimmings.

(a) Screened Containers. Except as provided in Section 4.12(b), the containers shall be maintained upon each Lot and shall be screened or otherwise concealed from view from the Golf Course, Common Area, the streets, and the ground floor of any other Residences.

(b) Refuse/Trash Pickup. The refuse/trash containers may be placed for pickup at a reasonable time prior to trash collection and shall be promptly stored, no later than midnight on the day of pickup, as specified in Section 4.12(a) after collection. The Board may adopt Rules regulating the placement of containers for trash collection, which Rules may include limitations on the period of time during which containers may be placed for collection.

(c) Trash Storage. No Owner or Resident shall permit or cause any garbage, trash, or other waste or refuse to be kept upon any portion of any Lot outside of the Residence or elsewhere in the Development, except as provided in this section 4.12

4.14 Construction Materials, Construction Debris. No portion of the Development shall be used for storage of building materials other than in connection with construction projects approved in accordance with Article 8. All construction debris shall be picked up and deposited daily in an appropriate container.

4.15 Vehicles and Parking.

(a) Limitations on Types of Vehicles.

(i) No trailer, motor home, recreational vehicle, camper, or boat, motor scooter, dirt Bike or ATV shall be parked, kept, stored, or permitted to remain upon any area within the Development on a regular basis unless stored completely within an enclosed garage.

(ii) No dilapidated, unclean, unsightly, inoperable, unregistered or abandoned vehicle shall, be parked, kept, stored, or permitted to remain upon any area within the Development unless placed or maintained completely within an enclosed garage.

(b) Limitation on Numbers and Parking of Resident and Owner Vehicles.

(i) The Residents and Owners of a single Lot shall not bring into the Development at any one time more vehicles than the combined capacity of their garage and driveway.

(ii) Vehicles of Residents and Owners may not be parked elsewhere within the Development including, without limitation, on the streets. Except, Residents and Owners may park temporarily on the streets during the day or anytime when visiting other neighbors. Members and Residents may not park on the streets between 12:00AM and 6:00AM. This restriction shall apply to all streets within the Development.

(c) Noisy and Polluting Vehicles. No unreasonably noisy vehicles, off-road only vehicles, unregistered vehicles, vehicles which do not pass automobile pollution requirements, or vehicles emitting foul smelling or offensive exhaust fumes shall be operated in the Development.

(d) Parking Rules and Enforcement Fines. In order to prevent or eliminate any parking problems within the Development, or to further define and enforce the restrictions contained in this section, the Board shall have the authority to adopt further reasonable rules and restrictions regarding vehicles and parking within the Development as the Board may deem prudent and appropriate. The Board shall also have the power to impose fines and other sanctions for violations of provisions of the Governing

Documents relating to vehicles and parking. Such authority and power shall include, without limitation, the power and authority to fix and impose fines for violations of this section in accordance with the Act.

(e) Commercial Vehicles. No vehicles with over one (1) ton payload capacity and having a permanent advertising sign or insignia anywhere on the vehicle, shall be parked on the driveway of a Lot or on the street overnight. Any and all vehicles, regardless of listed size restrictions, with a permanent advertising sign or insignia affixed anywhere on the vehicle shall not be parked on the driveway of any Lot or on the street overnight. The nominal movement of such vehicles shall be ineffective for the purposes of this provision. Vans reasonably necessary to meet the transportation needs of a disabled person residing on a Lot may be parked on a driveway. The terms "van", "truck", and "commercial vehicle" shall not include sedans or standard size pickup trucks and vans (with a payload capacity of one (1) ton or less) which are used for both business and personal uses, provided that any signs or marking of a commercial nature on such vehicles shall be removed or covered and carrying racks used for transportation of construction equipment and materials shall also be removed.

(f) Golf Carts. Golf carts shall enjoy an easement to operate on, over, and across all association roadways. Golf carts must obey all traffic rules, traffic signs, and speed limits. Golf cart operators assume all liability for injury and property damage related to their operation. Golf carts may not be driven on sidewalks or homeowner property to avoid speed bumps or other traffic control devices. Drivers of motor vehicles within the Development shall grant the right of way to golf carts at all times. Golf Carts must be stored in a garage and at no time are they allowed to be parked on the street or a driveway overnight. The SPEED LIMIT for all vehicles driven on Association roads is 15 MPH.

(g) Variances. The Board, in its complete discretion and upon such basis and terms as it deems prudent shall have the power to adopt, modify, and repeal Rules permitting the temporary use and parking within the Development of vehicles otherwise prohibited by the provisions of this section.

4.16 Garages and Driveways.

(a) Garage Doors. Each garage door shall remain closed except during the time required for the entry and exit of vehicles and individuals and then only for as long as reasonably necessary to (i) clean the garage, (ii) perform routine washing of vehicles, and (iii) perform yard maintenance upon the Lot. Each garage door shall be maintained in good condition, appearance and repair.

(b) No Garage Conversions. No garage shall be remodeled or used as a permanent workshop, storage space, hobby facility or for any other use or facility which would interfere with the ability of the Owner of the Lot to accommodate the number of full-sized passenger vehicles which the garage would normally be, or was originally designed to, accommodate. In no event shall any garage be converted to or used as a living area.

(c) Garage Sales No Sales of any type including but not limited to Garage, Driveway, Moving, Annual Sales conducted from or upon any Lot within the Development are permitted at any time.

4.17 Outbuildings and Temporary Structures. No outbuilding, tent, shack, trailer, shed, cabana, temporary building, or similar building or structure, shall be located within the Development, except in strict compliance with the provisions of this Declaration, including Articles 5 and 8. In no event shall any such building or structure be used as a living area. The Architectural Control Committee may approve plans for permanent storage building Improvements, provided such Improvements are consistent with the existing Residence in color, construction materials, design, and quality and must meet Lyon County Building Code for such outbuildings.

4.18 Compliance with Laws. Nothing shall be done or kept anywhere within the Development which violates any local, state or Federal law, ordinance, statute, rule or regulation.

4.19 Animals.

(a) Household Pets. No animals, reptiles, rodents, birds, livestock, or poultry shall be raised, bred, or kept outside of a Residence, except that up to a total of three (3) domesticated cats or dogs may be kept on a Lot, and fish within ponds may be kept, provided that any such pets are not kept, or maintained for any commercial purposes and they are maintained under reasonable control at all times, and all in conformance with any County ordinances.

(b) Registering and Licensing. All dogs must be registered and licensed per Lyon County Code.

(c) Owner's Responsibility for Pets. The owner of each pet shall be responsible for immediately removing and disposing of any waste introduced by such pet to any portion of the Development including but not limited to Common Areas and open, undeveloped Lots. The Board shall have the power to impose fines and other sanctions for violations of provisions of the Governing Documents relating to pets, including without limitation fines for failure to remove and dispose of pet waste as required by this section. Each Owner, Resident, and any person bringing or keeping an animal within the Development shall be absolutely liable to the Association and all other persons for any injury or damage to persons or property caused by the animal brought upon, or kept upon the Development by such person or by members of his or her household, tenants, guests, or invitees. Each Owner and Resident must have complete control of their pets at all times. Each Owner and Resident shall indemnify the Association and its officers, directors, and agents against any and all claims, damages, losses, demands, liabilities, and expenses, including but not limited to attorney's fees, arising out of or resulting from the presence or conduct of any animal brought upon or kept within the Development by the Owner or Resident, members of his or her household, guests, tenants, or invitees

(d) Pet Rules. The Board may adopt and enforce pet Rules in addition to the provisions of this section. Such Rules may include, without limitation, regulations regarding the presence of pets on the Common Area and requirements that pets be registered with the Association. The Association shall have the right to prohibit the keeping of any animal, which constitutes, in the sole and exclusive opinion of the Board, a nuisance or danger to any other person.

(e) Wild Animals. The feeding of wild animals, including but not limited to, ducks, geese, coots, pigeons, birds of prey, etc. is prohibited except that backyard songbird seed feeders and hummingbird feeders for the feeding of songbirds and hummingbirds is permitted.

4.20 Rental of Lots. An Owner shall have the right to rent his or her Lot subject to the provisions of the Governing Documents, including without limitation the following specific requirements:

(a) Notification of the Board. The Owner shall notify the Association of the duration of the lease and shall provide the Association with (i) the names of the tenants, (ii) the names of the members of the tenants' household, (iii) the tenants' telephone numbers, and (iv) such other information as the Board deems appropriate. The Association may, in its discretion, adopt a form for the provision of information required by this subsection. Tenants must be given a copy of the C.C.&Rs and all Governing Documents. Tenants must acknowledge by written proof that they have read, understand and agree to abide by the Governing Documents. Such written proof will be submitted to the Association for filing.

(b) Owner Responsibility. Each Owner renting a Lot shall be strictly responsible and liable to the Association for the actions of such Owner's tenant in or about all Lots and Common Area and for each tenant's compliance with the provisions of all Governing Documents. An Owner renting a Lot shall provide the tenant with copies of the Governing Documents and all subsequent amendments.

(d) Association Enforcement Rights. In the event conduct involves damage or misuse of any Common Area or facilities on any Common Area or constitutes an unreasonable nuisance to other Residents, the Association shall be entitled to fine the Owner of the Lot.

(e) Indemnification of Association. Every Owner of a Lot that is occupied by persons other than the Owner pursuant to a rental agreement or otherwise, agrees to and shall indemnify and defend the Association, its officers, directors, managers, and agents and shall hold them harmless from any cost, loss, claim, or damages of any kind, including but not limited to attorneys' fees arising out of the conduct or presence of the occupants of the Lot upon the Development, including any such arising or alleged to have arisen out of the enforcement or non-enforcement by the Association of the Governing Documents against such occupants. Without limiting the generality of the foregoing, all costs, including attorneys' fees incurred by the Association to enforce the Governing Documents against such occupants, including eviction as provided herein, shall be reimbursed to the Association by the Owner and may be assessed by the Association as a Reimbursement Assessment.

(f) Requirements of Written Rental Agreement. The rental of any Lot shall be only by written rental agreement which shall expressly provide (i) that it is subject to all of the provisions of the Governing Documents, (ii) that the tenants of such Lot shall comply with all provisions of the Governing Documents, and (iii) that any violation of any provisions of the Governing Documents shall constitute a breach and default of the terms of such rental agreement. The rental agreement shall not attempt to, nor shall any such agreement be effective to, transfer membership in the Association to the lessee.

(g) Requirement of Inclusive Rental Agreement. No Owner may rent or hire any garage, accessory building, or similar improvement to anyone who does not have the right of possession of the entirety of the Residence on the Lot.

4.21 Clotheslines. No exterior clotheslines or other outside clothes drying or airing facility shall be erected or maintained upon any Lot.

4.22 Mailboxes and Exterior Newspaper Tubes. Except for the cluster-style, grouped mailboxes which are the mail receptacles for the Lots, no newspaper tubes or mailboxes shall be erected or maintained within the Development.

4.23 Alternative Energy Devises. To the extent provided by Federal, State, and Local law, Alternative Energy generating devices are permitted in the Development, provided that the installation of such devices are approved by the Architectural Control Committee and/or the Board. The Architectural Control Committee and/or the Board in its sole discretion may reasonably determine where, how, and if possible, the form in which the device may be installed without impeding its effectivity and function.

4.24 No Hazardous Activities. No activities shall be conducted on any property and no Improvements constructed on any property which might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any property and no open fires shall be lighted or permitted on any property except in a contained barbecue unit while attended and in use for cooking. Outdoor fireplaces and fire-pits shall be gas fired.

4.25 Activities Affecting Insurance. Nothing shall be done or kept within the Development, which will increase the rate of insurance maintained by the Association without the prior written consent of the Association. No Owner shall permit anything to be done or kept within the Development which would result in cancellation of any insurance policy maintained by the Association or any other Owner.

4.26 Storage of Personal Property. Items of personal property stored in the front, back, or side yards of Lots shall be kept screened and concealed from view from the Golf Course, Common Area, public streets and from the ground floor windows of Residences within the Development.

4.27 Drainage Patterns. Except as approved by the Architectural Control Committee or performed by the Association, there shall be no interference with the natural or established drainage systems or patterns within the Development. This shall include road and gutter drainage.

4.28 Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two feet and six feet above the roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines or, in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. No fence or hedge exceeding three feet in height shall be erected or permitted to remain or allowed to grow nearer any street than setback lines shown on the Subdivision Map.

4.29 Indemnification. Each Owner, by acceptance of a deed to a Lot agrees for himself or herself and for the members of his or her household, and his or her Contract Purchasers, tenants, guests or invitees, to indemnify each and every other Owner, and to hold them harmless from, and to defend them against, any claim of any person for personal injury or property damage occurring within the Lot of that particular Owner, except that such Owners liability may be diminished to the extent that the injury or damage occurred by reason of negligence of any other Owner or person temporarily visiting such Lot or is fully covered by insurance.

4.30 Variances. The Board shall be authorized to grant reasonable variances from the provisions of Article 4 of this Declaration upon written application from any Owner provided that the Board determines, in its sole discretion, that the specific application of the restriction to such Owner will (i) cause substantial undue hardship to the Owner, or (ii) fail to further or accomplish the common plan for the Development as contemplated by this Declaration. The Board shall have the power to limit any variance granted in scope or duration or otherwise impose such specific requirements as the Board may, in its complete discretion, see fit to require. The granting of a variance by the Board shall be specific to that request only and is not to be construed as setting precedence for future requests for like or similar variances. The Board shall follow the following procedures in acting on any request for a variance:

(a) Initial Board Determination. The Board, in its sole discretion, shall make an initial determination whether or not the variance on its face meets the requirements set forth in this section. If the Board determines that it does not, the variance request shall be denied and the Board shall so notify the applicant within thirty (30) days of the Board's decision. If the Board determines that the variance does on its face meet the requirements of this section, the procedures set forth in the remainder of this section shall be followed.

(b) Board Hearing. The Board shall conduct a hearing on the variance within forty-five (45) days of the receipt of the written request for a variance. Notice shall be given to all Members not less than fifteen (15) days prior to the date of the hearing. Members may submit comments in writing prior to the hearing and/or appear at the hearing. The Board shall establish a reasonable time limit for Member comments during the hearing. No decision regarding the request for variance shall be made until the conclusion of the hearing.

(c) Board Determination. After the conclusion of the hearing, the Board shall, in its sole discretion, either grant or deny the request for variance in accordance with the standards set forth in this section. As more fully discussed above, if the Board grants the variance request, the Board may impose such conditions as the Board deems appropriate and shall notify the applicant within thirty (30) days of the hearing of the Board's decision.

ARTICLE 5 MINIMUM CONSTRUCTION STANDARDS

Unless a variance is requested from, and granted by, the Architectural Control Committee, in accordance with Article 8, Improvements constructed on any Lot shall conform to the following minimum construction standards:

(i) No more than one (1) residence unit shall be constructed on any Lot; however, if the size of the Lot permits, a single detached guest house for guests or domestic employees shall be considered as part of the residence unit.

(ii) All improvements shall be constructed in full compliance with all applicable zoning laws, building codes, and other laws, ordinance, and regulations applicable to the construction, use and occupancy of improvements.

(iii) The placement of improvements on a Lot, the type of roof, exterior materials, and building shapes shall be established in such a manner as to be determined reasonable in the sole discretion of the Architectural Control Committee.

5.1 Approval by Architectural Control Committee. No Building, fence, wall or other permanent structure or Improvement shall be erected, altered or placed on any Lot until building plans, specifications and a plot plan showing the location of structures on the Lots have been submitted to the Architectural Control Committee for review and approval as described in Article 8, below.

5.2 Residence Size. On a Lot which is one-half (½) acre or more in size, a Residence constructed thereon must be at least two thousand seven hundred fifty (2,750) square feet or more in size, plus a three (3) car garage; on Lots that are twelve thousand (12,000) square feet or more, but less than one half (1/2) acre, Residences thereon must be at least two thousand two hundred fifty (2,250) square feet or more is size, plus a three (3) car garage; on Lots that are ten thousand (10,000) square feet or more, but less than twelve thousand (12,000) square feet, Residences thereon must be at least two thousand (2,000) square feet or more in size, plus a three (3) car garage; on Lots that are eight thousand (8,000) square feet or more but less than ten thousand (10,000) square feet, Residences thereon must be at least one thousand seven hundred fifty (1,750) square feet or more in size, plus a three (3) car garage; on Lots that are six thousand (6,000) square feet or more but less than eight thousand (8,000) square feet, Residences thereon must be one thousand five hundred fifty (1,550) square feet or more in size, plus a two (2) car garage; and on all Lots smaller than eight thousand (8,000) square feet. Residences must be at least one thousand two hundred fifty (1,250) square feet or more in size, plus a two (2) car garage.

5.3 Colors and Exterior Finishes. No reflective finishes (other than glass) shall be used on exterior surfaces (other than surfaces of hardware fixtures), including but without limitation, the exterior surfaces of any of the following: roofs, all projections above roofs, retaining walls, doors, trim, fences, pipes, and equipment. No exterior finishes, textures or materials shall be used without approval of the Architectural Control Committee. Generally, colors shall be restricted to those found in the immediate vicinity of the Residence and colors found in nature will be favored and the Committee shall be authorized, as part of the Design Guidelines, to adopt a chart of approved colors and stains for exterior finishes. All exterior colors, textures and materials, including the roof materials, must be adequately described in the plans and specifications (with an indication where the colors will be used upon the finished dwelling) and approved in writing by the Committee prior to initiation of construction. Color samples shall be submitted to the Committee along with the plans and specifications. The Committee is authorized to maintain a chart of approved colors.

5.4 Drainage. No Owner shall do any work, construct any Improvement, place any landscaping, or suffer the existence of any condition whatsoever which shall alter or interfere with the drainage pattern for the Owner's or any adjacent Lots or parcels or Common Area as established in connection with the approval of the final subdivision and parcel maps applicable to the Development, except to the extent such alteration in drainage pattern is approved in writing by the Architectural Control Committee, the County, and all other public authorities having jurisdiction.

5.5 Exterior Lighting and Fixtures. Fluorescent, mercury vapor, sodium, amber vapor lights, or standard outdoor lights of the type used for security must be enclosed in a manner that directs the light in a specific area without causing a visual impairment to passing motorists or a nuisance to neighboring properties. The issue of whether a nuisance exists shall be determined by the Architectural Control Committee in its sole discretion. All exterior fixtures that are attached to the main Residence and any post-mounted exterior fixtures shall be of compatible design and materials as the fixtures attached to the main Residence. Temporary holiday lighting and decorations may be placed on Residences and Lots in yards on Residences. The Architectural Control Committee

may establish Architectural Guidelines regarding the placement of holiday lighting and decorations, including, but not limited to, the duration of display prior to and following the celebrated holiday.

ARTICLE 6 ASSESSMENTS AND LIENS

6.1 Covenant of Owner.

(a) Owner's Assessment Obligation. Each Owner of a Lot within the Development, by acceptance of a deed or other conveyance thereof, whether or not it shall be so expressed in such deed or conveyance, shall be deemed to have covenanted and agreed to pay to the Association: (i) Regular Assessments; (ii) Special Assessments; (iii) Reimbursement Assessments; and (iv) Enforcement Assessments levied by the Association as hereinafter provided, together with all Additional Charges. Such deed or conveyance shall be deemed to vest in the Association the right and power to initiate all actions and procedures as the Board shall deem necessary or appropriate for the collection of such Assessments and Additional Charges and for the enforcement of the liens in accordance with the Act and as provided herein.

(b) Owner's Personal Obligation. Without affecting the Association's right to lien the Owner's lot, each Assessment levied by the Association under this article, together with all Additional Charges, shall be a separate, distinct, and personal debt and obligation of the Owner against whom it is assessed, and shall bind his or her heirs, devisees, personal representatives, successors, and assigns. Such obligation to pay Assessments and Additional Charges and the right and power of the Association to initiate all actions and procedures for collection shall run with the land, so that each successive Owner or Owners of Record of any Lot shall, in turn, become liable to pay all such Assessments and Additional Charges. After an Owner transfers of Record any Lot he or she owns, he or she shall not be liable for any Assessments levied thereafter with respect to such Lot. Such Owner shall remain personally liable, however, for all unpaid amounts due and owing at the time of transfer, together with Additional Charges accruing until time of collection. A Contract Seller of any Lot shall continue to be liable for all Assessments and Additional Charges until a conveyance by deed of such Lot is Recorded.

6.2 Creation of Lien. Each Assessment or fine levied by the Association pursuant to this Declaration, together with all Additional Charges, shall be a lien against an Owner's Lot from the time the Assessment or fine becomes due.

6.3 Purpose of Assessments. The Assessments levied by the Board shall be used exclusively for (i) managing and operating the Development; (ii) conducting the business and affairs of the Association; (iii) maintaining and enhancing the property values of the Owners and Residents of the Development; (iv) improving and maintaining the Common Area and, to extent provided for in the Governing Documents or by law, the Lots situated within the Development; (v) enforcing the Governing Documents, and/or (vi) providing bulk services including but not limited to Telecommunications Services to Owners and Residents, and/or (vii) otherwise benefiting the Owners.

6.4 Authority of the Board Ratification by Members. The Board shall have the power and the duty to levy Regular Assessments and Special Assessments sufficient to meet the Association's obligations under the Governing Documents and applicable law. Not less than thirty (30) days nor more than sixty (60) days before the beginning of the fiscal year beginning January 1st of the applicable year, the Board shall prepare and distribute a copy of the summary of the budget to be voted on by the Board. Within thirty (30) days after adoption of any proposed budget for the Association, the Board shall provide a summary of the budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing the summary. Unless at the ratification meeting a majority of the Owner of all Lots within the Development vote to reject the budget, the budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

6.5 Regular Assessment.

(a) Calculation of Estimated Requirement. The budget shall provide for the net funds required by the Association for the fiscal year (including a reasonable amount allocated to contingencies and to a reserve fund for restoration, repair, and/or replacement of those components for which the Association is responsible and which must be repaired or replaced on a periodic basis) to manage, administer, operate, and maintain the Development, to pay the costs, fees and expenses related to providing bulk services, including, common area maintenance and road maintenance; to conduct the affairs of the Association and to perform all of the Association's duties in accordance with this Declaration ("budget expenses"). The funds required by the Association pursuant to this subsection shall be assessed among the Owners of Lots and other properties within the Development as Regular Assessments as further provided in this Section 6.5.

(b) Assessments All assessments shall be levied and collected in accordance with the Act.

(c) Regular Assessment . Regular Assessments shall consist of the budgeted expenses of the Association divided annually among the Lots as herein provided.

(d) Allocation of Regular Assessment.

(i) When there are no longer any unimproved Lots, and, thereafter, the Regular Assessments shall each be allocated and assessed equally among the Lots within the Development by dividing the amount by the number of Lots, so that each Lot bears an equal share of each component.

(ii) When there are improved Lots and Lots which have never been improved, the Board shall establish assessments for improved and unimproved Lots. The formula for calculating the assessments for an unimproved Lot shall be the sum of: (1) an equal share with all Lots of the "reserve" component of the budgeted expenses; (2) the charge for managing an unimproved Lot charged by the management company; and, (3) the number which represents fifteen percent (15%) of the assessment charged to an improved Lot in the prior fiscal year minus the amounts charged for reserves and management fees. Improved Lots shall share equally the balance of the budgeted expenses.

(e) Payment of Regular Assessments. Unless the Board shall designate otherwise, Regular Assessments shall be levied on an annual basis and shall be paid in four (4) quarterly installments during the fiscal year, and each installment shall be due and payable on the first day of that quarter.

(f) Commencement of Regular Assessments. Regular Assessments shall commence as to each Lot within the Development immediately upon Annexation The first annual Regular Assessment shall be prorated, if necessary after annexation, according to the number of months remaining in the fiscal year.

6.6 Special Assessments.

(a) Purpose of Special Assessments. If at any time during any fiscal year the Regular Assessment proves inadequate for any reason, including nonpayment of any Owner's share thereof or the unexpected repair, replacement, or reconstruction of Improvements located in the Development, or if funds are otherwise required for any authorized activity of the Association, the Board may levy a Special Assessment in the amount of such actual or estimated inadequacy or cost.

(b) Allocation of Special Assessments. Special Assessments shall be allocated and assessed among the Lots in the same manner as Regular Assessments.

6.7 Reimbursement Assessments. The Association shall levy a Reimbursement Assessment against any Owner and his or her Lot (i) if a failure by such Owner, or any person or pet for whom the Owner is responsible, to comply with any provisions of the Governing Documents has necessitated or resulted in an expenditure of funds by the Association to deal with such lack of compliance or to bring such Owner or his Lot into compliance, or (ii) in the event that the Association has expended funds performing emergency repairs as authorized by this Declaration

or for any other reasons specifically authorized by the provisions of this Declaration. A Reimbursement Assessment shall include any costs, including attorneys' fees, incurred by the Association, including costs of collecting from an Owner any amount which the Owner is obligated to pay to the Association. A Reimbursement Assessment shall be due and payable to the Association.

6.8 Enforcement Assessments. Any fine imposed by the Board in accordance with the provisions of the Governing Documents and the Act shall be deemed to be an Enforcement Assessment. The Board may levy an Enforcement Assessment for violation of any of the provisions of the Governing Documents. Any Enforcement Assessment shall be due and payable to the Association when levied. The Board may fine the maximum fine allowed by law for all violations, unless it has adopted lesser fines in the Rules.

6.9 Failure to Fix Assessments. The failure or omission by the Board to fix or levy any Regular Assessment provided for by the terms of this Declaration before the expiration of any fiscal year, for that fiscal year or the next fiscal year, shall not be deemed either a waiver or a modification in any respect of the provisions of this Declaration, nor release of any Owner from the obligation to pay Assessments or any installment thereof for that or any subsequent year, but the amount of the Regular Assessment fixed for the preceding fiscal year shall be the amount of the Regular Assessment for the ensuing fiscal year until a new Regular Assessment is levied

6.10 Offsets. All Assessments levied by the Board shall be payable in the full amount specified, including any Additional Charges incurred as provided by the terms of this Declaration, and no offsets against any such amounts shall be permitted for any reason whatsoever, including without limitation a claim that the Association has failed to properly exercise its duties of maintenance or enforcement.

6.11 Delinquent Assessments. Any installment or other portion of an Assessment not paid within fifteen (15) days after its due date shall be delinquent and shall be subject to interest and late charges not to exceed the maximum rate permitted by law, as well as all other Additional Charges incurred. The Board, on behalf of the Association, may enforce the payment of any delinquent Assessment plus Additional Charges by bringing an action at law against any Owner personally obligated to pay the same, or by foreclosing the lien against the Owner's Lot by judicial or non-judicial foreclosure, except as prohibited by law.

6.12 Power of Sale. Except as provided in subsection (d), of this Section 6.12, the Association shall have the power to foreclose an Assessment lien by sale after:

(a) Notice to Owner. The Association has mailed by certified or registered mail, return receipt requested, to the Lot's owner or successor in interest, at his address if known, and at the address of the Lot, a notice of delinquent assessment which states the amount of the assessments and other sums which are due, a description of the Lot against which the lien is imposed, and the name of the record owner of the Lot. The notice of default and election to sell must be signed by the person designated by the Association for that purpose, or if no one is designated, by the president of the Association;

(b) Recorded Notice of Default. Not less than thirty (30) days after mailing the notice of delinquent assessment pursuant to Section 6.12(a), above, the Association or other person conducting the sale has executed and caused to be Recorded a notice of default and election to sell the Lot to satisfy the lien, which contains the same information as the notice of delinquent assessment, but must 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) Owner's Failure to Pay. The Lot's owner or his successor in interest has failed to pay the amount of the lien, including costs, fees and expenses incident to its enforcement, for ninety (90) days following the recording of the notice of default and election to sell. The period of ninety (90) days begins on the first day following the later of:

(i) The day on which the notice of default is recorded; or

(ii) The day on which a copy of the notice of default is mailed by certified or registered mail, return receipt requested, to the Lot's Owner or successor in interest at the Owner's address if known, and at the address of the Lot.

(d) No Foreclosure for Fines or Penalties. The Association may not foreclose a lien by sale for the Assessment based on a fine or penalty for a violation of the Governing Documents of the Association, unless the violation is of a type that threatens the health, safety or welfare of the residents of the Development.

6.13 Commencement of Foreclosure Proceedings. In order for the Association to commence foreclosure proceedings against an Owner's Lot, the association shall comply with the Act.

6.14 Certificate of Outstanding Balance. Within ten (10) days of receipt of a written request, the Association shall furnish to a Lot Owner a statement setting forth the amount of unpaid assessments against the Lot. If requested, the statement must be in recordable form. The statement is binding on the Association, its Board of Directors, and every Lot's Owner.

6.15 Priority. The lien securing each of the Assessments provided for under this article shall have priority as provided by the Act.

6.16 Association Funds. All Association accounts shall be maintained in one or more banks or other depositories selected by the Board, which accounts shall be clearly designated as belonging to the Association. The Assessments collected by the Association shall be properly deposited into such accounts. All Association funds maintained in reserve accounts may not be withdrawn without the signatures of at least two members of the Board of Directors. All Association deposited funds shall be deposited in Banks or other depositories which insure its deposits by the Federal Deposit Insurance Corporation or equivalent.

ARTICLE 7 MAINTENANCE OF PROPERTY

7.1 Association Responsibilities. The Association shall have the following maintenance responsibilities:

(a) Common Area. The Association shall maintain, repair, and replace the Common Area keeping the same in good condition and repair.

(b) Other Association Property. The Association shall maintain, repair, and replace all other real and personal property that may be acquired by the Association, keeping such property in good condition and repair.

(c) Storm Water Drainage Systems. The Association shall maintain, repair, and replace any drainage facility within the Development not located on individual Lots or otherwise maintained by the County. The Association shall maintain, repair, and replace and keep free from debris or obstructions the drainage channels, systems, and devices, if any, located on Common Area, except those for which a public authority or utility has accepted responsibility.

(d) Roadways. The Association shall maintain and keep in good repair all roadways within the Development, which are owned by the Association not located on individual Lots or otherwise maintained by the County or over which the Association and Owners have an access easement by reason of their deed or this Declaration.

7.2 Owner Responsibilities. Each Owner shall be solely and exclusively responsible for the maintenance, repair and replacement on his or her Lot and all Improvements thereon, and shall keep the same in good and attractive condition and repair. Each Owner's obligations shall include, without limitation, the following:

(a) Residence and Other Buildings. Each Owner shall maintain, in good and attractive condition and repair, the Residence, other buildings, driveway, and sidewalks located on his or her Lot. The garage door for the garage of the Residence shall be maintained in good condition, appearance, and repair.

(b) Landscaping. Except on those Lots where the Association has elected to provide for landscaping, and assessments are therefore levied, each Owner shall complete the landscaping on their Lot, including planting a lawn, shrubs, trees and or ground cover within (1) year from the date of issuance of a Certificate of Occupancy by Lyon County for such residence to mitigate and eliminate dust and unsightly yard areas. Prior to construction of a residence, each Owner shall take any and all steps as are necessary, including but not limited to the application of dust palliatives or planting of ground cover to mitigate flying dust particulate on the Lot(s) owned. If any Owner fails to mitigate said dust in a manner acceptable to the Board, the Board shall have the right of entry onto said Lot to apply such dust mitigation measures as are necessary in the Board's discretion and the Board may assess the Owner the costs thereto. At the January Board meeting the Board shall set a date by which the owners of vacant or unincorporated Lots must clear, clean and maintain their lots that year. Any failure by an owner to clear, clean or maintain their vacant lot by such date shall be a violation of this Declaration for which a fine may be imposed. Each Owner, whether or not a residence is constructed thereon shall keep all shrubs, trees, grass, and plantings on his Lot neatly mowed, trimmed, properly cultivated and free from trash, weeds, and other unsightly material. Each Owner shall maintain all trees on his Lot and shall replace any tree that dies or becomes diseased. No Owner shall remove, alter or injure any tree or shrub placed in any area by the Association or any tree in excess of six (6) inches in diameter without prior approval of the Architectural Control Committee. The Association, the Architectural Control Committee and their respective authorized agents shall have the right (without the duty) to enter upon any Lot at any reasonable time for the purpose of planting, replacing, maintaining or cultivating trees and shrubs or to clear and clean a vacant lot. The lot Owner shall reimburse the Association for all costs incurred as a Reimbursement Assessment.

(c) Fences. Each Owner shall maintain, repair, and replace the fences located on his or her Lot keeping the same in good and attractive condition and repair. All fences must be approved by the Architectural Control Committee. Common fences shared by Lots shall be maintained in accordance with the following provisions:

(i) General Rules of Law Apply. Each fence, which is placed on the dividing line between the Lots, shall constitute a common fence. The general rules of law regarding common fences and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(ii) Sharing of Repair and Maintenance. The cost of maintenance and repair of a common fence shall be shared by the Owners who make use of the fence in proportion to such use.

(iii) Side Yard Fences The Architectural Control Committee shall have the authority to approve the construction of side yard privacy fences of a height of up to six (6) feet in the areas alongside each residence provided that said fence meets the Architectural Control Committee Rules standards and provided that said fence does not extend beyond the front or the rearmost point or front of the residence, exclusive of any decks or patio. The foregoing may only be varied by written consent of the Architectural Control Committee or the Board.

(iii) Fences Abutting the Golf Course All rear fences that abut the Golf Course inclusive of fairways, lakes, tees, and greens shall be no greater than four (4) feet in height, made of black or dark green wrought iron or similar material and which allow for viewing through the fence.

(iv) Destruction by Fire or Other Casualty. If a common fence is destroyed or damaged by fire or other casualty, any Owner who has used the common fence may restore it,

and if the other Owner thereafter, makes use of the common fence, he or she shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

(v) Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this section shall be appurtenant to and run with the land and shall pass to such Owner's successors in title.

(d) Utility Connections. Utility lines and connections, including without limitation, water, sewer, electrical, cable television, telephone and gas lines, which are located on, under or over any Lot and which provide service to the Residence or other Improvements located upon such Lot, shall be maintained, repaired, and replaced by the Owner of such Lot or by the utility company providing such service.

(e) Storm Water Drainage Systems. Each Owner shall be responsible for maintaining, repairing, and replacing any storm water drainage system located on such Owner's Lot. There shall be no interference with or obstruction of the established surface drainage pattern(s) over any Lot within the Development, unless an adequate alternative provision is made for proper drainage. Any alteration of the established drainage pattern must at all times comply with all applicable local governmental ordinances. For the purpose hereof, "established" drainage is defined as the drainage, which exists at the time the overall grading of any Lot is completed by the Developer. Each Owner shall maintain, repair, and replace and keep free from debris or obstructions the drainage channels, systems, and devices, if any, located on his Lot, except those for which a public authority or utility is responsible.

7.3 Compliance With Architectural Provisions. An Owner's right and responsibility for maintaining, repairing and replacing any portions of his or her Lot, including landscaping shall be subject to any applicable provisions of the Governing Documents relating to landscaping and Architectural control including Section 8.

7.4 Owner Failure to Maintain. The Board shall have the absolute discretion to determine whether any maintenance, repair, or replacement, which is the responsibility of an Owner, is necessary to preserve the appearance and value of the property comprising the Development, or any portion thereof, and may notify an Owner of the work the Board deems necessary. In the event an Owner fails to perform such work within thirty (30) days after notification by the Board to the Owner, the Board may, after written notice to the Owner and the right of a hearing before the Board, cause such work to be done and charge the cost thereof to the Owner as a Reimbursement Assessment.

7.5 Owner Liability. In the event the need for any maintenance, repair, or replacement by the Association is caused by willful or negligent act or omission of an Owner, members of any Owner's household, or an Owner's tenants, Contract Purchaser, guests, invitees, or household pets, the cost of such maintenance, repair, or replacement, including the cost of materials, labor, supplies, and services shall be charged to, and paid by, such Owner in the form of Reimbursement Assessment.

7.6 Authority for Entry of Lot. The Association or its agents may enter any Lot, whenever such entry is necessary, in the Board's sole discretion, in connection with the performance of any maintenance, repair, construction, or replacement for which the Association is responsible or which it is authorized to perform, including without limitation the authorization provided in Section 7.4. Although under no obligation to do so, the Board, in its complete and sole discretion, may enter or may authorize the Association's agents to enter any Lot to effect emergency repairs where such repairs are necessary for safety reasons or to prevent or discontinue damage to the entered Lot, any other Lot or the Common Area. The cost of performing any such emergency repairs shall be charged to the Owner as a Reimbursement Assessment. Such entry shall be made with as little inconvenience to the Residents as practicable and only upon reasonable advance written notice of not less than twenty-four (24) hours, except in emergency situations.

7.7 Association Liability. The Association shall not be responsible or liable for any maintenance, repair, or replacement of a Lot or any Improvement thereon, except to the extent that the need for such maintenance, repair, or replacement results from the negligence or fault of the Association, its employees, contractors, or agents.

7.8 Board Discretion. The Board shall have the discretion to determine the manner, method, extent, and timing of the performance of any and all maintenance, repair, and replacement obligations imposed upon the Association by this article.

7.9 Cooperative Maintenance Obligations. To the extent necessary or desirable to accomplish the Association's maintenance and repair obligations hereunder, individual Owners shall cooperate with the Association and its agents and maintenance personnel in the prosecution of its work.

7.10 Monitoring System. The following provisions shall govern any Monitoring System, which serves the Development.

(a) Right to Install. The Association shall have the right, but not the obligation, to contract for the installation, maintenance, replacement and/or operation of a Monitoring System for some or all of the Development. The existence from time to time of any portion of the Monitoring System is not a guarantee of its future maintenance or existence. In addition, all Owners specifically acknowledge that the Development may have a perimeter access control system, such as fences, walls, hedges, or the like of certain perimeter areas, which may form part of the Monitoring System. THE ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OR FAILURE TO PROVIDE ADEQUATE ACCESS CONTROL OR INEFFECTIVENESS OF ACCESS CONTROL MEASURES UNDERTAKEN.

(b) Components. The Monitoring System, if installed, may include one or more electronic gates and roving attendants using vehicles. The Association does not warrant or guaranty in any manner that the system will include these items, but reserves the right to install or provide the foregoing items, or any other items they deem appropriate in their sole and absolute discretion. The Association may expand the Monitoring System by a vote of the majority of the Board. Without limiting the foregoing, the Association reserves the right to, at any time, increase, decrease, eliminate, or add manned or unmanned gates houses, information booths, sensors, gates and other access monitoring measures as they deem appropriate in their sole and absolute discretion.

(c) Part of Regular Assessments. If furnished and installed, the cost of operating and monitoring any Monitoring System shall be included in operating costs of Association and shall be payable as a portion of the Regular Assessments against Owners. The purpose of the Monitoring System will be to control access to the Development.

(d) Owner's Responsibility. All Owners and occupants of any Residence, and the tenants, guests, and invitees of any Owner, as applicable, acknowledge that the Association, the Board and officers, their nominees or assigns, and any Association Committee and its members, do not represent or warrant that (a) any Monitoring System, designated by or installed according to guidelines established, will not be compromised or circumvented, (b) any Monitoring System will prevent loss by fire, smoke, burglary, theft, hold-up, or otherwise, and/or (c) the Monitoring System will in all cases provide the detection for which the system is designed or intended. Each Owner and the Association is responsible for protecting and insuring themselves in connection with such acts or incidents. The provision of a Monitoring System (including any type of gatehouse) shall in no manner constitute a warranty or representation as to the provision of or level of security within Development. The Association does not guarantee or warrant, expressly or by implication, the merchantability or fitness for use of any community Monitoring System, or that any such system (or any of its components or related services) will prevent intrusions, fires, or other occurrences, regardless of whether or not the Monitoring System is designed to monitor the same. Each and every Owner and the occupants of each Residence acknowledges that the Association, their employees, agents, managers, directors, and officers, are not insurers of Owners or Residences, or the personal property

located within Residences. The Association will not be responsible or liable for losses injuries, or deaths resulting from any such events.

ARTICLE 8 ARCHITECTURAL CONTROL

8.1 Submission of Plans and Specifications.

(a) Purpose of Architectural Regulation Authority. It is intended that the Development was developed with various Improvements that are architecturally compatible and aesthetically pleasing; and that those initial Improvements be maintained in essentially the same condition and appearance as originally developed for the duration of the term of this Declaration. The Architectural and use controls set forth herein are to facilitate those intentions and purposes and are to be construed consistent therewith.

(b) Submission of Plans and Specifications. Except for Improvements made or constructed by or on behalf of the Association, no Improvements including without limitation landscaping, Residences, buildings, fences, walls, balconies, screens, decks, patio covers, awnings, gazebos, pergolas, alternate energy systems, or other structures of any kind, shall be commenced, located, erected, painted, or maintained within the Development, nor shall any exterior addition to or change or alteration therein be made, until the plans and specifications showing the nature, kind, shape, color, height, size, materials, and location of the same shall have been submitted to and approved in writing by the Architectural Control Committee as to (i) quality of workmanship and design, (ii) harmony of external design in relation the nature and character of the Development and the Improvements thereon, and (iii) location in relation to surrounding structures, topography, and finished grade elevation. Notwithstanding this section, and provided that the existing color and finish were approved by the Architectural Control Committee in the first instance, an Owner may repaint and refinish the exterior of the Improvements on his or her Lot in an identical color and finish without the approval of the Architectural Control Committee.

8.2 Establishment of Architectural Control Committee. The Board shall appoint an Architectural Control Committee consisting of five (5) Members, who shall serve at the pleasure of the Board. The Board shall have the power, in its complete discretion and either with or without cause, to remove any member of the Architectural Control Committee. In the event of death, resignation or removal of any member of the Architectural Control Committee, the Board shall have the full authority to designate a successor. If at any time there shall not be a duly constituted Architectural Control Committee, the Board shall exercise the functions of the Architectural Control Committee in accordance with the terms of this article.

(a) Chairman. The Chairman of the Architectural Control Committee appointed by the Board shall:

(i) Be responsible to call meetings as needed;

(ii) Be responsible to ensure the Committee's records are complete and safely maintained; and

(iii) Select or appoint, a Committee Member to solely review and approve/deny a Homeowner's request that is determined by the Chairman not to require the full Committee's review.

8.3 Duties. It shall be the duty of the Architectural Control Committee to consider and act upon proposals or plans submitted to it, to perform other duties delegated to it by the Board, and to carry out all other duties imposed upon it by this Declaration.

8.4 Meetings. The Architectural Control Committee shall meet as necessary to properly perform its duties hereunder. Every act done or decision made by a majority of the members of the Architectural Control Committee shall be the act or decision of the Architectural Control Committee. The Architectural Control Committee shall keep and maintain a record of all actions taken by it at such meetings or otherwise. The

Architectural Control Committee and its members shall be entitled to reimbursement for reasonable out-of-pocket expenses incurred by them in the performance of any Architectural Control Committee function.

(a) Unless the Board is acting as the Architectural Control Committee, as provided in Section 8.2, meetings for reviews and decisions on submitted plans and Requests for Approval may be performed by using E-mail, telephone, or other telecommunications methods amongst the members of the committee as long as a record of such reviews and decisions are maintained.

8.5 Architectural Rules. The Architectural Control Committee may, from time to time, and subject to the Board's approval, adopt, amend, and repeal rules and regulations to be known as Architectural Rules. The Architectural Rules shall interpret and implement the provisions of this article by setting forth the standards and procedures for Architectural Control Committee review and guidelines for Architectural design, placement of Residences and other structures, color schemes, exterior finishes and materials, and similar features which are recommended for use in the Development, provided, however, that the Architectural Rules shall not be derogation of the minimum standards required by this Declaration. The Architectural Rules shall comply with all Federal, State and local laws, regulation, and ordinance. The Architectural Rules may also impose limits on the days and hours of construction and impose any other restrictions and regulations, which the Board deems, appropriate to limit the impact of construction activities on the Residents. In its discretion, and subject to the Board review provisions of Section 8.12, the Architectural Control Committee may grant variances from specific Architectural Rules subject to such terms and conditions, as it deems appropriate. A copy of the Architectural Rules as they may from time to time be adopted, amended, or repealed, certified by any member of the Architectural Control Committee, shall be maintained at the office of the Association and shall be available for inspection and copying by any member, at any reasonable time during the business hours of the Association. Architectural Rules are also posted on the Dayton Valley Community Association website.

8.6 Application. Any Owner proposing to perform any work of any kind whatever, which requires prior approval pursuant to this article, shall apply for approval by notifying the Association, in writing, of the nature of the proposed work and furnishing such information and documentation as the Architectural Control Committee or Board may require, including without limitation samples of proposed paints in such sizes and formats as the Committee or the Board may deem appropriate. In accordance with Article 10, and in addition to any other remedies the Association may have, the Board may impose a fine against any Owner who fails to submit an application, and obtain the required approval thereof, prior to proceeding with any Improvement for which approval is required pursuant to this article. Except as provided in the last sentence of Section 8.1(b), any Owner who paints his or her Residence or any other Improvement without first submitting an application and obtaining the approval required by this article may be required, in the Board's discretion, to repaint the Residence or Improvement.

8.7 Fees. The Architectural Control Committee may charge a reasonable fee or fees for its review of architectural or landscaping applications, drawings, plans, and specifications, which may include the cost of retaining outside consultants including, but not limited to architects, engineers, soil experts, or contractors.

8.8 Grant of Approval. The Architectural Control Committee shall grant the requested approval only if:

(a) Application. The Owner shall have complied with the provisions of Section 8.1 and Section 8.6, above, and any applicable Architectural Rules;

(b) Plans and Specification. The Architectural Control Committee finds that the plans and specifications conform to both (i) this Declaration, and (ii) the Architectural Rules in effect at the time such plans were submitted to the Committee, unless a variance is granted from such Architectural Rules pursuant to Section 8.19; and

(c) Aesthetics and Workmanship. The Architectural Control Committee determines that the proposed Improvements would be consistent with the standards of the Development and the purposes of this Declaration as to workmanship, design and materials, as to harmony of exterior design with the existing structures, and as to location with respect to topography and finished grade elevations.

8.9 Form of Approval. All approvals and denials of requests for approval shall be in writing except as provided in Section 8.10. The Architectural Control Committee may approve a request for approval subject to the Owner's consent to any modifications made by the Architectural Control Committee. If the Owner does not consent to the modifications, the request for approval shall be deemed denied in its entirety. Any approval or approval with modifications shall become effective on the thirty-first day following the date of such approval and shall be subject to Board review as provided in Section 8.11.

8.10 Time for Architectural Control Committee Action. Any request for approval, which has not been acted upon by the Architectural Control Committee with forty-five (45) days from the date of receipt thereof by the Architectural Control Committee, shall be deemed approved. The Owner requesting approval shall have the burden of establishing the date of receipt of the request for approval by the Architectural Control Committee by evidence in the form of either a copy of such request for approval date stamped by the Association or by a return receipt provided by the U.S. Postal Service acknowledging that such request for approval was delivered to the Association.

8.11 Board Review. The Board may also review the action of the Architectural Control Committee at the request of the Architectural Control Committee or any Member, including the Owner submitting the request for approval, provided that any such request shall be presented to the Board within ten (10) days from the date of the approval or denial of the request for approval by the Architectural Control Committee. If a review is conducted, the Board may affirm, reverse, or modify the decision in its discretion and in accordance with the provisions of the Governing Documents and shall so notify the applicant within thirty (30) days following the Board's decision.

8.12 Commencement. Upon receipt of approval pursuant to this article, the Owner shall, as soon as practicable, satisfy all conditions thereof and diligently proceed with the commencement and completion of all installation, construction, reconstruction, refinishing, alterations, and excavations pursuant to such approval, commencement to occur, in all cases, within ninety (90) days from the effective date of such approval or upon such later date as the Architectural Control Committee or the Board may in its discretion designate. If the Owner shall fail to comply with this paragraph, any approval previously given shall be deemed revoked unless the Architectural Control Committee or the Board, upon written request of the Owner made prior to the expiration of the time for commencement, extends the time for such commencement. No such extension shall be granted except upon a finding by the Architectural Control Committee or Board that there has been no change in the circumstances upon which the original approval was granted.

8.13 Completion. The Owner shall, in any event, complete the installation, construction, reconstruction, refinishing, or alteration of any Improvement, within six (6) months after commencing construction thereof (or in the case of projects under construction when this Declaration is Recorded, within six (6) months after the date of Recordation), except and for as long as such completion is rendered impossible or would result in great hardship to the Owner due to strikes, fires, national emergencies, natural calamities, or the supervening forces beyond the control of the Owner or his agents. If an Owner fails to comply with this section, the Board shall proceed in accordance with the provisions of Section 8.17, below, as though the failure to complete the Improvements was a non-compliance with approved plans.

8.14 Inspection. Inspection of work and correction of defects therein shall proceed as follows:

(a) Notice of Completion. Upon the completion of any installation, construction, reconstruction, alteration, or refinishing of the exterior of any Improvements, or upon the completion of any other work for which approved plans are required under this article, the Owner shall give written notice thereof to the Architectural Control Committee.

(b) Inspection by Committee. Within sixty (60) days after the receipt of such written notice, the Architectural Control Committee, or its duly authorized representative, may inspect such Improvement to determine whether it was installed, constructed, reconstructed, altered, or refinished to substantial compliance with the approved plans. If the Architectural Control Committee finds that such installation, construction, reconstruction, alteration, or refinishing was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such non-compliance within such sixty (60) day

period, specifying particulars of non-compliance and shall require the Owner to remedy such non-compliance.

(c) Notice Procedures of Non-Compliance. If the Owner shall have failed to remedy such non-compliance upon the expiration of thirty (30) days from the date of such notification, the Architectural Control Committee shall notify the Board in writing of such failure. The Board shall then set a date on which a hearing before the Board shall be held regarding the alleged non-compliance. The hearing date shall be not more than thirty (30) or less than fifteen (15) days after notice of the non-compliance is given to the Board by the Architectural Control Committee. Notice of the hearing date shall be given at least ten (10) days in advance thereof by the Board to the Owner, to the Architectural Control Committee and, in the discretion of the Board, to any other interested party.

(d) Hearing. At the hearing the Owner, an Architectural Control Committee representative, and, in the Board's discretion, any other interested person, may present information relevant to the question of the alleged non-compliance. After considering all such information, the Board shall determine whether there is a non-compliance, and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a non-compliance exists, the Board shall require the Owner to remedy or remove the same within a period of not more than forty-five (45) days from the date of the Board's ruling. If the Owner does not comply with the Board's ruling within such period or within any extension of such period as the Board, in its discretion, may grant, the Board, at its option, may either remove the non-complying Improvement or remedy the non-compliance and all expenses incurred in connection therewith shall be assessed against the Owner as a Reimbursement Assessment.

(e) Deemed Approval. If, for any reason, the Architectural Control Committee fails to notify the Owner of any non-compliance within sixty (60) days after receipt of notice of completion from the Owner, the Improvement shall be deemed to be in accordance with the approval plans. The Owner shall have the burden of establishing the date of receipt of the notice of completion by the Architectural Control Committee by evidence in the form of either a copy of such notice date stamped by the Associations' office or by a return receipt provided by the U.S. Postal Service acknowledging that such notice was delivered to the Association.

8.15 Non-Waiver. The approval by the Architectural Control Committee of any plans, drawings, or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Control 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.

8.16 Estoppel Certificate. Within thirty (30) days after written demand is delivered to the Association by any Owner, and upon payment to the Association of a reasonable fee (as fixed from time to time by the Board), the Board shall issue an estoppel certificate, and Record, if permitted by the County, certifying (with respect to any Lot of such Owner) that as of the date thereof, either (i) all Improvements made and other work completed by such Owner comply with this Declaration, or (ii) such Improvements or work do not so comply, in which event the certificate shall also identify the non-complying Improvements or work set forth with particularity the basis of such non-compliance. Any purchaser from the Owner, or from anyone deriving any interest in a Lot through him, shall be entitled to rely on such certificate with respect to the matters therein set forth, such matters being conclusive as between the Association and all Owners and such persons deriving any interest through them.

8.17 Notice of Non-compliance. If any Improvements are not timely installed or are installed within the Development that are not in conformance with this Declaration, the Association is authorized to Record a Notice of Non-compliance, if permitted by the County. The Notice of Non-compliance shall provide: (i) a legal description of the Lot affected, (ii) the name of the record Owner as most recently reported to the Association, and (iii) a description of the general nature of the non-compliance. If and when such Lot is brought to compliance with this Declaration, as determined by the Board, the Association shall issue and, if permitted by the County, Record an estoppel certificate in accordance with Section 8.16, above.

8.18 Imposition of Penalties for Non-compliance. The Association shall be permitted to levy construction penalties in accordance withNRS 116.310305, as amended from time to time with the maximum amount of the construction penalty being fifty dollars ($50) per day.

8.19 Variances.

(a) Reasonable Variances. The Architectural Control Committee, in its sole discretion, shall be entitled to allow reasonable variances in any procedures specified in this article and those minimum construction standards in Article 5 and the Committee's Architectural Rules in order to overcome practical difficulties, avoid unnecessary expense, or prevent unnecessary hardships.

(b) Criteria for Variances. The Architectural Control Committee must make a good faith written determination that the variance is consistent with one or more of the following criteria: (i) the requested variance will not constitute a material deviation from any restriction contained herein or that the variance proposal allows the objectives of the violated requirement(s) to be substantially achieved despite non-compliance; or (ii) that the variance relates to a requirement land use restriction or minimum construction standard otherwise applicable hereunder that is unnecessary or burdensome under the circumstances; or (iii) that the variance, if granted, will not result in a material detriment or create an unreasonable nuisance with respect, to any other Lot or Common Area within the Development. At the request of the Architectural Control Committee the Association Board is authorized and empowered to execute and Record a notice of any variance granted pursuant to this section in a form acceptable to the County Recorder's Office.

8.20 Liability. Neither the Board, the Architectural Control Committee nor any member or representative thereof shall be liable to the Association or to any Owner for any damage, loss, or prejudice suffered or claimed on account of: (i) the approval or disapproval of any plans, drawings, and specifications, whether or not defective; (ii) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications; (iii) the development of any property within the Development; (iv) the execution and filing of an estoppel certificate pursuant to Section 8.16, whether or not the facts therein are correct, provided, however, that the Architectural Control Committee, the Board, or any member or representative thereof has acted in good faith on the basis of such information as may be possessed by it or him; or (v) the execution and filing of a notice of non-compliance pursuant to Section 8.17, whether or not the facts therein are correct, provided, however, on the basis of such information as may be possessed by it or him. Without in any way limiting the generality of the foregoing, the Architectural Control Committee, the Board, or any member or representative thereof, may, but 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 Control Committee. Every purchaser, by acquiring title to a Lot or portion thereof agrees not to and waives any right to bring an action or suit against the Board, the Architectural Control Committee, or their members or representatives seeking to recover injunctive or damages for loss or injury arising out of matters described above.

8.21 Compliance With Governmental Requirements. The application to the Association, and the review and approval of any proposals, plans, or other submittals by the Board or the Architectural Control Committee, shall in no way be deemed to satisfy or ensure compliance with any building permit process or any other governmental requirements, the responsibility for which lies solely with the respective Owner, nor shall it constitute the assumption of any responsibility by or impose any liability on the Board, the Architectural Control Committee, or their members as to the accuracy, efficacy, or sufficiency of such proposals, plans, or other submittals.

ARTICLE 9 EASEMENTS

9.1 Easements in General. In addition to all easements reserved and granted on the Subdivision Map and the easements specified in the First Amended and Restated Declaration of Covenants, Conditions and Restrictions of Dayton Valley Country Club recorded as Document 133393 on May 18, 1990 Official Record of Lyon County, Nevada and Article 3, there are hereby specifically acknowledged, reserved and granted for the benefit of the Lots and the Owners in common and for each Lot and Owner severally, and for the Association, as their respective interests shall exist, the easements and rights of way as particularly identified in this Article.

9.2 Easement of Enjoyment. Every Member of the Association shall have a right and easement in and to the Common Area. Any Owner may delegate his or her right of enjoyment to the members of his or her family, tenants, or social invitees, as applicable subject to reasonable regulation by the Board and in accordance with procedures it may adopt. An Owner who leases his or her Unit shall be deemed to have delegated all such rights to the unit's lessee.

9.3 Perimeter Easement. The Association shall maintain an easement along the rear property lines of those Lots wherein the rear property lines abut the exterior boundary lines of the Development, for the maintenance and repair of any security walls as defined by the Act.

9.4 Utility Easements. Subject to the provisions of Sections 9.6, 9.7, and 9.8, below, non-exclusive easements over and under the Development or any portion thereof for the installation, repair, maintenance, and replacement of (i) electric, telephone, telecommunications, water, gas, and sanitary sewer lines, meters, and facilities, (ii) cable lines and facilities and Telecommunications Systems, (iii) drainage facilities, (iv) walkways, and (v) landscaping, as shown on the Subdivision Map, and as may be hereafter required or convenient to service the Development, are reserved by and shall exist in favor of the Association, together with the right to grant and transfer the same. The Association shall maintain all utility installations located in the Common Area except for those installations maintained by utility companies, public, private, or municipal.

9.5 Easements Granted by Board. Subject to the provisions of Section 9.6, 9.7, and 9.8, below, the Board shall have the power to grant and convey to any person or entity easements and rights of way, in, on, over, or under the Common Area for the purpose of (i) constructing, erecting, operating, or maintaining thereon, therein, or thereunder overhead or underground lines, cables, wires, conduits, or the devices for electricity, cable television, power, telephone, public sewers, storm drains and pipes, water systems, sprinkling systems, water heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities, and (ii) for any other purposes deemed by the Board to be appropriate and not inconsistent with the purposes and interests of the Association. Each purchaser, in accepting a deed to a Lot, expressly consents to such easements and rights of way. No such easements may be granted if they would unreasonably interfere with the use, occupancy, or enjoyment by an Owner or Resident of his or her Lot without the consent of the affected Owner of the Lot.

9.6 General Association Easements for Maintenance, Repair and Replacement. The Association shall have an easement in, on, over, or under every Lot as reasonably necessary to (i) inspect, maintain, and repair the Common Area, (ii) perform maintenance upon a Lot which is not performed by its Owner as provided by Sections 7.2, 7.4, and 7.6, and (iii) otherwise perform its obligations under this Declaration.

9.7 Encroachment Easements. Each Lot is hereby declared to have an easement over adjoining Lots and Common Area for the purpose of accommodating any encroachment due to fences or walls which are built in accordance with the original design, plans and specifications of any developer, and due to engineering errors, errors in original construction, settlement or shifting, or similar causes. There shall be valid easements for the maintenance of said encroachments as long as they shall exist, and the rights and obligations of the Owner shall not be altered in any way by said encroachment, settlement or shifting, provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurs due to the willful misconduct of said Owner or Owners. In the event a structure is partially or totally destroyed, and is repaired or rebuilt, the Owners of each adjoining Lot agree that minor encroachments of the adjoining Lots shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

9.8 Utility Maintenance and Repair Easements. Wherever sanitary sewer connections or water connections or electricity, gas, or telephone, television lines, or drainage facilities are installed within the Development, which connections, lines, or facilities, or any portion thereof, lie in or upon Lots owned by other than the Owner of the Lot served by said connections, the Owners of any Lots served by said connections, lines, or facilities shall have the right, and are hereby granted an easement to the full extent necessary therefore, to enter such Lots or to have utility companies enter therein, or any portion thereof, to repair, replace, and generally maintain said connections as and when the same may be necessary. Wherever sanitary sewer house connections and/or water

residence connections or electricity, gas, or telephone lines, or drainage facility are installed within the Development, which connections serve more than one Lot, the Owner of each Lot served by said connections shall be entitled to the full use and enjoyment of such portions of said connections as service his Lot.

ARTICLE 10 ENFORCEMENT

10.1 Violations as Nuisance. Every act or omission constituting or resulting in a violation of any of the provisions of the Governing Documents shall be deemed to constitute a nuisance. In addition to any other remedies, which may be available, such nuisance may be abated or enjoined by the Association, its officers, the Board, or by any Owner. The Board shall not be obligated to take action to abate or enjoin a particular violation if, in the exercise of its discretion, the Board determines that acting to abate or enjoin such violation is not likely to foster or protect the interests of the Association and its Members as a whole.

10.2 Violation of Law. Any violation of a state, municipal, or local law, ordinance, or regulation pertaining to the ownership, occupancy, or use of any property within the Development is hereby declared to be a violation of this Declaration and subject to any and all of the enforcement procedures set forth herein.

10.3 Owners' Responsibility for Conduct and Damages. Each Owner shall be fully responsible for informing members of his or her household and his or her tenants, Contract Purchasers, contractors, and guests of the provisions of the Governing Documents, and shall be fully responsible for the conduct, activities, any Governing Document violation of any of them, and for any damage to the Development or Association resulting from the negligent or intentional conduct of any of them or any household pets. If a Lot is owned jointly by two or more persons, the liability of each Owner in connection with the obligations imposed by the Governing Documents shall be joint and several.

10.4 No Avoidance. No Owner may avoid the burdens or obligations imposed by the Governing Documents through non-use of any Common Area facilities or by abandonment of his or her Lot.

10.5 Rights and Remedies of the Association.

(a) Rights Cumulative. The Association, its Directors, Officers, or agents, and any Owner shall have the right to enforce any and all provisions of the Governing Documents by any proceeding at law or in equity, or through the use of such other remedies as are available and deemed appropriate by the Board. Each remedy provided is cumulative and not exclusive.

(b) Member Not In Good Standing. Upon a determination by the Board of Directors, after prior notice to the affected Member and an opportunity for a hearing, that such Member has violated any provision of the Governing Documents including a failure to pay any Assessment when due, the Board shall give notice in writing to such Member that he or she is deemed not to be a Member in Good Standing. Such Member shall be deemed to remain in the status until such time as the Board shall determine in writing that the violation which resulted in the Board's determination has been cured or remedied or, on some other basis as in the judgment of the Board is just and proper, that such Member shall again be deemed to be a Member in Good Standing of the Association. Such Member shall be so notified in writing with a copy given to the Secretary.

(c) Imposition of Sanctions. In the event of a breach or infraction of any provision of the Governing Documents by an Owner, members of an Owner's household, or his or her tenants, Contract Purchasers, contractors, guests, pets or invitees, the Board shall have the power to impose sanctions against the Owner. Such sanctions may include, without limitation, the imposition of fines and/or the suspension of an Owner's rights as a Member, including an Owner's voting rights. All fines by the Board shall be levied and collected in accordance with Section 116.31031 of the Act. Except as provided in Section 10.7, below, imposition of sanctions shall be effective only after the Board has held a hearing in accordance with the Act. The payment of any such fine may be enforced as an Enforcement Assessment as provided in Section 6.8 of this Declaration as well as in any manner permitted by law. Further, each Owner shall be obligated to pay Reimbursement Assessments levied by the Board for reimbursement of any costs incurred

by the Association relating to violation of any provision of the Governing Documents by such Owner, members of such Owner's household, or his or her tenants, Contract Purchasers, contractors, guests, pets or invitees.

(d) Inadequacy of Legal Remedy. Except for the non-payment of any Assessments, it is hereby declared that a remedy at law to recover damages for a default in the performance of any of the terms and provisions of any of the Governing Documents or for the breach or violation of any such provisions is inadequate and that the failure of any Owner or member of the household of any Owner or an Owner's tenants, guests, or household pets or any other occupant or user of any of the property within the Development to comply with any provision of the Governing Documents may be enjoined in any judicial proceedings initiated by the Association, its Officers, or Board of Directors, or by any Owner or by their respective successors in interest.

(e) Limitation on Disciplinary Rights. The Association shall not have the power and authority to cause a forfeiture or abridgment of a Member's right to the full use and occupancy of his or her Lot as the result of the failure by such Owner, members of such Owner's household, or his or her tenants, guests, invitees or household pets to comply with any provision of the Governing Documents, except where such forfeiture or abridgement is the result of the judgment of a court of competent jurisdiction, a decision arising out of an arbitration proceeding, or a foreclosure or sale under private power of sale for failure of such Owner to pay Assessments levied by the Association pursuant to Article 6 of this Declaration. The provisions of this subsection shall not affect the Association's right to impose fines or monetary penalties or to suspend an Owner's membership rights, as provided in the Governing Documents.

(f) Limitation on Commencing Civil Actions. Except for civil actions commenced by the Association to enforce the Governing Documents, including the payment of Assessments, or to proceed with a counterclaim, the Association may commence a civil action only after providing at least twenty-one (21) calendar days notice of a meeting, at which an absolute majority of the Members consent to the filing of the civil action. At least ten (10) days before the meeting seeking consent to the filing of the civil action, the Association shall provide a written statement to all Lot owners that includes:

(i) A reasonable cost estimate of civil action, including reasonable attorneys' fees;

(ii) An explanation of the potential benefits of the civil action and the potential adverse consequences if the Association does not commence the action or lithe action is not favorable to the Association; and

(iii) All disclosures that are required to be made upon sale of a Lot.

10.6 Disciplinary Rules. The Board or a committee appointed by the Board for that purpose may adopt rules and regulations that further elaborate upon and refine procedures for conducting disciplinary proceedings and otherwise imposing sanctions upon Members of the Association for violation of provisions of the Governing Documents. Such rules, when approved and adopted by the Board, shall be deemed to be a part of the Association Rules provided for in, and constituting a part of, the Governing Documents.

10.7 Emergency Situations. The following shall constitute emergency situations: (i) an immediate and unreasonable infringement of or threat to the safety or peaceful enjoyment of Residents of the Development, (ii) a traffic or fire hazard, or (iii) a threat of material damage to or destruction of the Development or any portion thereof. Notwithstanding any other provisions of the Governing Documents, under circumstances involving conduct that constitutes an emergency situation, the Association may undertake immediate corrective action. Hearings with respect to such corrective action shall be held following the corrective action in accordance with due process procedures as provided in the Act and the Bylaws.

10.8 Non-Waiver. Failure to enforce any provision of the Governing Documents at any time shall not be deemed a waiver of the right to do so thereafter with respect to the same or any other violation of any provision of the Governing Documents.

10.9 Notices. Any notices required or given under this Article shall, at a minimum, set forth the date, time, and location of any hearing, a brief description of the act or omission constituting the alleged violation of the Governing Documents, a reference to the specific Governing Document provision or provisions alleged to have been violated, and the sanction, disciplinary action, or other enforcement action being contemplated by the Board, if any. The notice shall be in writing and may be given by any method reasonably calculated to give actual notice to the affected Member, provided, however, that if notice is given by mail, it shall be sent by first-class mail, postage prepaid, sent to the most recent address for the affected Member as shown on the records of the Association.

10.10 Costs and Attorneys' Fees. In the event the Association shall take any action to enforce any of the provisions of the Governing Documents or shall determine that any Member or members of his or her household or his or her tenants, Contract Purchasers, guests, invitees or household pets have violated any provision of the Governing Documents, and whether or not legal or judicial proceedings are initiated, the prevailing party shall be entitled to recover the full amount of all costs incurred, including attorneys' fees, in responding to such a violation and/or enforcing any Governing Document provision. The remedies of the Association to recover the amount of such costs and attorneys' fees shall include, without limitation, the imposition of a Reimbursement Assessment as provided in Section 6.7 of this Declaration.

10.11 Indemnification. Each Owner, by acceptance of his or her deed, agrees for himself or herself and for the members of his or her household, his or her Contract Purchasers, tenants, guests, or invitees, to (i) indemnify each and every other Owner for, (ii) to hold each and every other Owner harmless from, and (iii) to defend each and every other Owner against, any claim of any person for personal injury or property damage occurring with the Lot of such Owner, except that such Owner's liability may be diminished to the extent that the injury or damage occurred by reason of the negligence of any other Owner or person temporarily visiting in such Lot or is fully covered by insurance.

10.12 Enforcement by County. In the event the Association fails to enforce any of the provisions of this Declaration, then the County shall be entitled to commence an action to enforce such provisions by the levy of a special assessment equally against all of the Owner of Lots within the Development. The County's special assessment shall be secured by a lien against all of the Lots within the Development. Notwithstanding the foregoing, the County shall be entitled to commence such action only after (a) the County has given reasonable notice (which shall be no less than thirty (30) days) to the Association describing such violation, or if no Association is in existence, by publication of reasonable notice in a newspaper of general circulation in Lyon County, and (b) the Association or Owners of Lots within the Development have failed to cure such violation within a reasonable time thereafter to the reasonable satisfaction of Lyon County.

ARTICLE 11 INSURANCE

11.1 Types of Insurance Coverage. The Association shall, at the discretion of the Board of Directors, purchase, obtain and maintain, with the premiums therefore being paid out of the Common Funds, all insurance reasonably necessary to protect the best interests of the Members or required by the Act, including but not limited to the following types of insurance, if and to the extent they are available at a reasonable premium cost:

(a) Property Insurance. The Association shall obtain and maintain a master or blanket policy of property insurance, written on all risk, replacement cost basis, on all Common Area. The insurance shall be kept in full force and effect at all times and the full replacement value of the insured property shall be redetermined on an annual basis. Depending on the nature of the insured property and the requirements, if any, imposed by institutional Mortgagees having an interest in such property, the policies maintained by the Association pursuant to this section shall contain an agreed amount endorsement or contingent liability from operation of building laws endorsement or the equivalent, an extended coverage endorsement, vandalism, malicious mischief coverage, a special form endorsement and a clause to permit cash settlements for full insurable value in case of partial destruction. The policies required hereunder shall name as insured the Association and all Mortgagees as their respective interests may appear. The policies may contain a loss payable endorsement in favor of the trustee described in Section 11.5 below.

(b) General Liability Insurance. To the extent such insurance is reasonably obtainable, a *policy of comprehensive general liability insurance naming* as parties insured the Association, each member of the Association Board of Directors, any manager, the Owners and occupants of Lots, and such other persons as the Board may determine. The policy will insure each named party against any liability incident to the ownership and use of the Common Area and any area of the Development that the Association is obligated to maintain, and such policy shall include, if obtainable, a cross liability or severability of interest endorsement insuring each insured against liability to each other insured. The limits of such insurance shall not be less than One Million Dollars ($1,000,000.00) covering all claims for death, personal injury, and property damage arising out of a single occurrence. Such insurance shall include coverage against water damage liability, liability for non-owned and hired automobiles, liability for property of others, and any other liability or risk customarily covered with respect to common interest development projects similar to construction, location, facilities, and use.

(c) Director's and Officer's Liability Insurance. To the extent such insurance is reasonably obtainable the Association shall maintain individual liability insurance for its directors and officers providing coverage for negligent acts or omissions in their official capacities. The minimum coverage, of such insurance shall be at least One Million Dollars ($1,000,000.00).

(d) Additional Insurance and Bonds. To the extent such insurance is reasonably obtainable, the Association may also purchase with Common Funds such additional insurance and bonds as it may, from time to time, determine to be necessary or desirable, including, without limiting the generality of this section, demolition insurance, flood insurance, earthquake insurance, and workers' compensation insurance. The Board shall also purchase and maintain fidelity bonds or insurance in an amount not less than one hundred percent (100%) of each year's estimated annual operating expenses and shall contain an endorsement of any person who may serve without compensation. The Board shall purchase and maintain such insurance on personal property owned by the Association and any other insurance, including directors and officers liability insurance that it deems necessary or desirable.

11.2 Coverage Not Available. In the event any insurance policy, or any endorsement thereof, required by Section 11.1 is for any reason unavailable, then the Association shall obtain such other or substitute policy or endorsement as may be available which provides, as nearly as possible, the coverage hereinabove described. The Board shall notify the Owners of any material adverse changes in the Association's insurance coverage.

11.3 Copies of Policies. Copies of all insurance policies (or certificates thereof showing the premiums thereon have been paid) shall be retained by the Association and shall be available for inspection by Owners at any reasonable time.

11.4 Individual Owner's Property Insurance. Each Owner shall purchase and at all times maintain a policy of personal liability and property insurance insuring the Owner's Lot, Residence, any Improvements to the Owner's Lot, and personal property.

11.5 Trustee. All insurance proceed payable under Section 11.1, above, may, in the discretion of the Board of Directors, be paid to a trustee to be held and expended for the benefit of the Owners, Mortgagees, and others, as their respective interests shall appear.

11.6 Adjustment of Losses. The Board is appointed attorney-in-fact by each Owner to negotiate and agree on the value and extent of any loss under any policy carried pursuant to Section 11.1, above. The Board is granted full right and authority to compromise and settle any claims or enforce any claim by legal action or otherwise and to execute releases in favor of any insured.

ARTICLE 12 DAMAGE OR DESTRUCTION; CONDEMNATION

12.1 Damage to or Destruction of Improvements to Association Property. In the event of damage to or destruction of any Improvement to the Common Area or to any other real property owned by the Association, the Board of Directors shall, in its discretion and based upon considerations such as the existence of insurance proceeds from insurance coverage for such damage or destruction and the frequency of use of the Improvement, determine whether to repair or replace the damaged or destroyed Improvement. If any such damage or destruction was insured against and the insurance proceeds are insufficient to cover the costs of repair or replacement of the damaged or destroyed Improvement, and if the Board elects to repair or replace the Improvement, the Association may levy a Special Assessment against the Members as provided in this Declaration to cover the additional cost of the repair or replacement not covered by the insurance proceeds. If the Board elects not to repair or replace the Improvement, the applicable insurance proceeds shall be used in the manner consistent with the purposes of the Association and as determined by the Board.

12.2 Damage to or Destruction of Improvements to Lots. In the event of damage to or destruction of the Improvements on any Lot, the Owner of such Lot shall (i) completely repair or rebuild the Improvements to the same state as they existed prior to such damage or destruction or in any other manner approved by the Architectural Control Committee or (ii) completely remove all remaining portions of such damaged or destroyed Improvements. Such repair, rebuilding, or removal shall be commenced within a reasonable time, which shall in no event exceed one (1) year after the occurrence of the damage or destruction and shall be completed within one (1) year after the date of commencement unless a longer period is agreed to in writing by the Board.

12.3 Condemnation of Common Area. If at any time all or any portion of any Common Area, or any interest therein, shall be taken for any public or quasi-public use, under any statute, by right of eminent domain, or by private purchase in lieu of eminent domain, the entire compensation or award in condemnation, to the extent such award is not apportioned among the Owners by court judgment or by agreement among the condemning authority, the Association and each of the affected Owners, shall be paid to the Association and shall be used in the manner determined by the Board, provided that such use shall not be inconsistent with the purposes of the Association. The Association shall represent the interests of all Owners in any proceedings relating to such condemnation to the extent such owners have any interest in Common Area.

12.4 Condemnation of Lots. If an entire Residence or Lot, or so much thereof as to render the remainder unfit for use as a residence, is condemned or taken for a public or quasi-public use, pursuant to any statute, by right of eminent domain, or by private purchase in lieu of eminent domain, the Owner's membership in the Association shall terminate as of the last day of the month in which the condemnor obtains the right to possession, or upon Owner's vacating the premises, whichever occurs last. If only a portion of such Residence or Lot is taken and the remainder is fit for use as a Residence, the Owner shall continue to be a Member of the Association. In any condemnation action involving an Owner's Residence or Lot, the Association shall have the right to seek compensation for any damages incurred by the Association.

ARTICLE 13 PROTECTION OF LENDERS

13.1 Amendments Affecting Mortgages. No amendment of this Declaration shall affect any of the rights of the holder of any Mortgage under its recorded Mortgage instrument, made in good faith and for value, if such Mortgage is recorded.

13.2 Default by Owner; Mortgagee's Right to Vote. In the event of a default by any Owner under a Mortgage encumbering such Owner's Lot, the Mortgagee under such Mortgage shall, upon: (a) giving written notice to the defaulting Owner; (b) recording a Notice of Default; and (c) delivering a copy of such recorded Notice of Default to the Association, have the right to exercise the vote of the Owner at a regular or special meeting of the association held only during such period as such default continues, provided the Mortgagee continues to pay the Regular Assessment and maintains a status of a Member in Good Standing as defined in Article 1.

13.3 Breach; Obligation After Foreclosure. No breach of any provision of this Declaration by the Association or any Owner shall impair or invalidate the lien of any recorded Mortgage made in good faith and for

value and encumbering any Lot. The Association or their successor and assigns shall be obligated to abide by all of the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges and equitable servitudes provided for in this Declaration as it may be amended from time to time with respect to any person who acquires title to or any beneficial interest in any Lot through foreclosure, trustee's sale, or otherwise.

13.4 Right to Examine Books and Records of the Association. All Mortgagees, insurers, and guarantors of any Mortgages on any Lot shall have the right, upon written request to the Association, to:

(a) Examination of Records. Examine current copies of the Governing Documents and the Association's books, records, and financial statements, during normal business hours;

(b) Audited Statements. Require the Association to provide an audited statement for the preceding fiscal year; and

(c) Notice of Meetings. Receive a written notice of all meetings of the Association and designate a representative to attend all such meetings.

13.5 Declaration to Conform With Mortgagee Requirements. It is the intent of this article that this Declaration, the Articles of Incorporation, the Bylaws, and the Development in general, shall now and in the future meet all requirements of any institutional Mortgagee intending to secure its Mortgage by a Lot or necessary to purchase, guarantee, insure or subsidize any Mortgage of a Lot by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, or the Veterans' Administration.

ARTICLE 14 ANNEXATIONS AND SUPPLEMENTAL DECLARATIONS

14.1 Association Annexations. Annexations of other real property may be made by the Association with the approval by vote or written consent of Members entitled to exercise not less than two-thirds of the Voting Power of the Membership of the Association. Upon obtaining the requisite approval of the Members pursuant to this section, the owner of the property being annexed shall Record a Declaration of Annexation .

A Declaration of Annexation shall conform to the requirements of the Act and shall be recorded covering the applicable portion of the real property being annexed. The Declaration of Annexation shall identify the Lots and Common Area, if any, within the annexed property.

14.2 Deannexation. The Association may deannex Lots from this Declaration upon the vote of a majority of its membership and a majority of the Lots to be deannexed. A Declaration of Deannexation shall be recorded to effectuate any deannexation upon which the vote to approve such deannexation shall be certified by the Board of Directors.

ARTICLE 15 AMENDMENT

15.1 Amendment. Any amendment shall be approved by the vote or assent by written ballot of the holders of not less than fifty-one percent (51 %) of the total voting power of the Members. Notwithstanding the foregoing, the percentage of the voting power necessary to amend a specific clause or provision of this Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause.

(a) County Approvals. No provision of this Declaration required by the County as part of the approval of the Development may be amended with the prior written consent of the County.

15.2 Effective Date of Amendment. The amendment will be effective upon the Recording of a Certificate of Amendment, duly executed and certified by the president and secretary of the Association setting forth in full the amendment so approved and that the approval requirements of Section 16.1, above have been duly met. If the consent or approval of any governmental authority, Mortgagee, or other entity is required under this Declaration

to amend or revoke any provision of this Declaration, no such amendment or revocation shall become effective unless such consent or approval is obtained.

15.3 Reliance on Amendment. Any amendments made in accordance with the terms of this Declaration shall be presumed valid by anyone relying on them in good faith.

ARTICLE 16 GENERAL PROVISIONS

16.1 Severability. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any provision hereof shall not invalidate any other provisions hereof.

16.2 Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of fostering a plan of community ownership and occupancy and of management of the Development for the benefit of the community.

16.3 Easements Reserved and Granted. Any and all easements referred to herein shall be deemed reserved or granted, or both reserved and granted, as appropriate, by reference to this Declaration in a deed to any Lot.

16.4 Power of Attorney. To the extent necessary to carry out and enforce the provisions of this Declaration, an irrevocable power of attorney coupled with an interest is granted to the Association by the Owners and each of them.

16.5 Term. The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges, and equitable servitudes contained in this Declaration shall run with and shall benefit and burden all of the real property subject to this Declaration, including without limitation the Lots and the Common Area, and shall inure to the benefit of and be binding upon the Owners, the Association, its Board of Directors and officers, and their respective agents and successors in interest, for a term of fifty (50) years from the date of Recordation of this Declaration. Thereafter the term shall be automatically extended for successive periods of ten years each, unless within the six months prior to the expiration of the initial fifty (50) year term or any ten (10) year extension period a written instrument, approved be at least seventy-five percent (75%) of the Owners, terminating the effectiveness of this Declaration is Recorded.

IN WITNESS WHEREOF, the undersigned certify that the above amendments were approved by a majority of the total votes of the Members, and no other amendments were passed.

The undersigned President and Secretary of the Dayton Valley Community Association in executing this instrument Certify that the approvals of in excess of 51% of the number of votes entitled to be cast pursuant to the First Amended and Restated Declaration of Covenants, Conditions and Restrictions for the Dayton Valley Country Club approving these amendments have been obtained and that such action was taken in compliance with NRS 116 and NRS 82 and this instrument reflects those amendments so approved.

IN WITNESS WHEREOF, the Dayton Valley Community Association has hereunto caused these amendments to be executed this 21st day of July, 2010.

DAYTON VALLEY COMMUNITY ASSOCIATION

By: _____
EDDIE HULT, President

By: _____
MARC ANDREWS, Secretary

STATE OF NEVADA)
: ss.
COUNTY OF Carson City

On July 19, 2010, personally appeared before me, a notary public, EDDIE HULT, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he is the President of DAYTON VALLEY COMMUNITY ASSOCIATION, a Nevada non-profit corporation, and who further acknowledged to me that he executed the foregoing Second Amended and Restated Declaration of Covenants, Conditions and Restrictions on behalf of said corporation.

DEIRDRE REID
NOTARY PUBLIC
STATE OF NEVADA
APPT. No. 08-7072-3
MY APPT. EXPIRES JUNE 18, 2012

NOTARY PUBLIC

STATE OF NEVADA)
: ss.
COUNTY OF Carson City

On July 21, 2010, personally appeared before me, a notary public, MARC ANDREWS, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he is the Secretary of DAYTON VALLEY COMMUNITY ASSOCIATION, a Nevada non-profit corporation, and who further acknowledged to me that he executed the foregoing Second Amended and Restated Declaration of Covenants, Conditions and Restrictions on behalf of said corporation.

DEIRDRE REID
NOTARY PUBLIC
STATE OF NEVADA
APPT. No. 08-7072-3
MY APPT. EXPIRES JUNE 18, 2012

NOTARY PUBLIC

EXHIBIT "A"

LEGAL DESCRIPTION
(Dayton Valley Country Club)

That portion of Sections 17, 18 and 19, Township 16 North, Range 22 East, M.D.B.&M., in the County of Lyon, State of Nevada, being more particularly described as follows:

Beginning at the Northeasterly corner of Parcel 3 of file No. 102040, Official Records of said Lyon County, said corner being on a curve concave to the Northeast and having a radius of 540.00 feet, a radial line through said corner bears S. 7° 41' 00" W.; thence Northwesterly along said curve through a central angle of 25° 03' 47" an arc distance of 236.21 feet; thence N. 57° 15' 13" W., 539.63 feet to the beginning of a curve concave to the Southwest and having a radius of 300.00 feet; thence Northwesterly along said curve, through a central angle of 7° 39' 34" an arc distance of 40.10 feet to a point on said curve, a radial line through said point bears N. 25° 05' 13" E.; thence leaving said curve, N. 20° 45' 54" W., 796.46 feet to a point on a curve, concave to the Northwest and having a radius of 650.00 feet; thence Northeasterly along said curve through a central angle of 11° 22' 27" an arc length of 129.04 feet; thence N. 23° 46' 31" E., 269.10 feet to the beginning of a curve concave to the Southeast and having a radius of 780.00 feet; thence Northeasterly along said curve through a central angle of 25° 53' 27" an arc distance of 352.47 feet; thence N. 49° 40' 05" E., 1184.35 feet to the beginning of a curve concave to the Southeast and having a radius of 1930.00 feet; thence Northeasterly along said curve through a central angle of 9° 56' 21" an arc distance of 334.80 feet; thence N. 39° 36' 26" E., 4545.00 feet; thence S. 30° 23' 34" E., 715.00 feet; thence S. 1° 03' 02" W., 922.60 feet to a point on a curve, said curve being concave to the Southwest and having a radius of 350.00 feet, a radial line through said point bears N. 11° 29' 21" E.; thence Southeasterly along said curve through a central angle of 47° 48' 09" an arc distance of 292.01 feet; thence S. 30° 42' 25" E., 53.62 feet to the beginning of a curve concave to the Northeast and having a radius of 375.00 feet; thence Southeasterly along said curve through a central angle of 39° 21' 42" an arc distance of 257.62 feet; thence S. 69° 08' 00" E., 232.48 feet to the beginning of a curve concave to the Southwest and having a radius of 350.00 feet; thence Southeasterly along said curve through a central angle of 64° 19' 33" an arc distance of 392.94 feet to the point of compound curvature with a curve concave to the Northwest and having a radius of 1100.00 feet, a radial line through said point bears N. 84° 15' 26" E; thence Southwesterly along said curve through a central angle of 31° 00' 00" an arc distance of 595.16 feet to a point of reverse curvature with a curve concave to the Southeast and having a radius of 310.00 feet, a radial line through said point bears N. 64° 44' 34" W.; thence Southwesterly along said curve, through a central angle of 28° 30' 00" an arc distance of 154.20 feet; thence S. 3° 14' 34" E., 21.72 feet to the beginning of

Southwesterly and Northwesterly along said curve through a central angle of 100° 03' 54" an arc distance of 506.47 feet; thence N. 83° 10' 40" W., 17.32 feet to the beginning of a curve concave to the South and having a radius of 300.00 feet; thence Westerly along said curve, through a central angle of 24° 22" 29" an arc distance of 127.62 feet; thence S. 72° 26' 51" W., 305.57 feet to the beginning of a curve concave to the Southeast and having a radius of 830.00 feet; thence Southwesterly along said curve through a central angle of 24° 36' 43" an arc distance of 356.53 feet; thence S. 47° 50' 08" W., 110.00 feet to the beginning of a curve concave to the Northwest and having a radius of 500.00 feet; thence Southwesterly along said curve through a central angle of 35° 19' 50" an arc distance of 308.32 feet; thence N. 6° 50' 02" W., along a radial line, 50.00 feet to the beginning of a reverse curve, concave to the Southeast and having a radius of 350.00 feet; thence Southwesterly along said curve through a central angle of 52° 01' 32" an arc distance of 317.80 feet to the beginning of a reverse curve, concave to the Northwest and having a radius of 626.28 feet; thence Southwesterly along said curve through a central angle of 34° 29' 57" an arc distance of 377.10 feet; thence S. 65° 38' 23" W., 972.70 feet to the beginning of a curve concave to the Northwest and having a radius of 1035.00 feet; thence Southwesterly along said curve through a central angle of 20° 42' 22" an arc distance of 374.04 feet to the beginning of a reverse curve concave to the Southeast and having a radius of 2270.00 feet; thence Southwesterly along said curve through a central angle of 17° 28' 46" an arc distance of 692.52 feet to the beginning of a reverse curve, concave to the North and having a radius of 3450.00 feet; thence Westerly along said curve through a central angle of 28° 49' 01" an arc distance of 1735.18 feet to the POINT OF BEGINNING.

Exhibit "A" Continued

TOGETHER WITH:

Those portions of Sections 17, 18 and 19, Township 16 North, Range 22 East, M.D.B.& M., in the County of Lyon, State of Nevada, being more particularly described as follows:

Parcels 2 through 12 as hereinafter described:

Parcel 2: Beginning at the most Southerly corner of Lot 28 of DAYTON VALLEY COUNTRY CLUB UNIT I, as said subdivision is shown per File No. 126598, Official Records of the County of Lyon, State of Nevada; thence S. 49° 07' 30" W., 34.98 feet; thence S. 43° 54' 41" W., 69.38 feet; thence S. 12° 44' 46" W., 829.91 feet to a point on a curve, said curve being concave to the Northeast and having a radius of 115.00 feet, a radial line through said point bears S. 15° 14' 17" W.; thence Easterly along said curve through a central angle of 2° 29' 31", an arc distict of 5.00 feet; thence S. 77° 15' 14" E., 52.68 feet to the beginning of a curve concave to the Northwest and having a radius of 285.00 feet; thence Easterly along said curve through a central angle of 22° 56' 00", an arc distance of 114.07 feet to a point on said curve, a radial line through said point bears S. 10° 11' 14" E.; thence N. 6° 00' 00" W., 68.06 feet; thence N. 26° 56' 06" E., 717.00 feet; thence N. 48° 40' 05" E., 423.76 feet; thence S. 47° 06' 06" E., 113.22 feet; thence N. 9° 57' 53" E., 129.71 feet to the beginning of a curve concave to the Southwest and having a radius of 272.00 feet; thence Northerly and Westerly along said curve through a central angle of 83° 52' 12", an arc distance of 398.16 feet; thence Northeasterly along a radial line N. 16° 05' 41" E., 60.00 feet to the beginning of a curve, concave to the Southwest and having a radius of 332.00 feet; thence Southeasterly along said curve through a central angle of 59° 53' 12", an arc distance of 347.02 feet; thence N. 70° 27' 41" E., 65.11 feet; thence S. 39° 27' 58" E., 132.79 feet; thence S. 28° 17' 31" E., 61.01 feet; thence S. 30° 19' 39" E., 62.95 feet; thence S. 61° 57' 16" W., 173.00 feet; thence N. 56° 27' 07" W., 75.82 feet; thence S. 9° 57' 53" W., 37.00 feet to the beginning of a curve concave to the Northwest and having a radius of 230.00 feet; thence Southwesterly along said curve through a central angle of 7° 43' 31", an arc distance of 31.01 feet to a point on said curve, a radial line through said point bears S. 72° 18' 36" E.; thence S. 61° 24' 38" E., 62.97 feet; thence S. 27° 59' 36" E., 79.48 feet; thence S. 37° 14' 03" W., 65.00 feet; thence S. 33° 57' 54" W., 95.18 feet; thence N. 49° 23' 35" W., 0.82 feet; thence S. 17° 06' 32" W., 60.29 feet; thence S. 79° 44' 21 W., 39.28 feet; thence S. 63° 50' 00" W., 45.00 feet; thence S. 38° 36' 10" W., 52.27

feet; thence S. 47° 33' 33" W., 81.60 feet; thence S. 36° 42' 02" W., 38.68 feet; thence S. 17° 55' 56" W., 10.37 feet; thence S. 7° 40' 22" W., 24.75 feet; thence S. 26° 58' 56" E., 30.24 feet; thence S. 35° 37' 27" W., 58.55 feet; thence S. 43° 49' 34" W., 34.16 feet; thence S. 17° 32' 02" W., 34.23 feet; thence S. 23° 39' 17" E., 40.00 feet; thence S. 42° 04' 32" W., 11.89 feet; thence S. 78° 29' 12" W., 48.98 feet; thence S. 47° 57' 51" W., 40.08 feet; thence S. 28° 19' 29" W., 41.78 feet; thence S. 10° 52' 19" W., 27.79 feet; thence S. 9° 00' 42" E., 22.00 feet; thence S. 40° 02' 16" E., 28.02 feet; thence S. 58° 04' 48" E., 73.82 feet; thence S. 49° 30' 57" E., 36.24 feet; thence S. 57° 55' 14" E., 38.11 feet; thence S. 76° 05' 26" E., 47.74 feet; thence N. 89° 45' 34" E., 22.92 feet; thence N. 83° 33' 45" E., 26.93 feet; thence S. 50° 45' 52" E., 44.68 feet; thence S. 61° 52' 53" E., 45.56 feet; thence N. 77° 57' 04" E., 62.11 feet; thence S. 64° 41' 18" E., 20.71 feet; thence S. 31° 54' 29" E., 20.50 feet; thence S. 17° 44' 58" E., 32.70 feet; thence S. 4° 35' 18" E., 72.48 feet; thence S. 2° 04' 14" W., 102.74 feet; thence S. 12° 12' 05" W., 118.29 feet; thence S. 35° 00' 51" W., 27.32 feet; thence S. 75° 07' 02" W., 54.89 feet; thence S. 84° 45' 41" W., 43.05 feet; thence N. 89° 25' 08" W., 120.85 feet; thence N. 83° 27' 51" W., 55.54 feet; thence N. 81° 35' 30" W., 77.32 feet; thence N. 61° 51' 46" W., 27.89 feet; thence N. 50° 12' 11" W., 92.99 feet; thence N. 24° 10' 54" W., 51.00 feet; N. 46° 54' 36" W., 51.00 feet; thence N. 40° 33' 15" W., 136.99 feet; thence N. 31° 34' 49" W., 86.03 feet; thence N. 23° 50' 54" W., 65.19 feet to a point on a curve, a radial line through said curve bears S. 29° 34' 53" E., said curve being concave to the North and having a radius of 345.00 feet; thence Southerly and Westerly along said curve through a central angle of 42° 19' 39", an arc distance of 254.87 feet; thence N. 77° 15' 14" W., 52.68 feet to the beginning of a curve concave to the Northeast and having a radius of 175.00 feet; thence Northwesterly along said curve through a central angle of 8° 31' 21", an arc distance of 26.03 feet to a point of reverse curvature, a radial line through said curve bears S. 21° 16' 07" W., said reverse curve being concave to the Southeast and having a radius of 25.00 feet; thence Westerly and Southerly along said curve through a central angle of 75° 31' 21", an arc distance of 32.95 feet; thence along a radial line N. 54° 15' 14" W., 50.00 feet to the beginning of a curve concave to the West and having a radius of 25.00 feet; thence Northerly and Westerly along said curve through a central angle of 75° 31' 21", an arc distance of 32.95 feet to a point of reverse curvature, a radial line through said point bears N. 50° 13' 25" E., said reverse curve being concave to the Northeast and having a radius of 175.00 feet; thence Northwesterly along said curve through a central angle of 52° 31' 21", an arc distance of 160.42 feet; thence N. 12° 44' 46" E., 59.00 feet to the beginning of a curve concave to the Southwest and having a radius of 25.00 feet; thence Northerly and Westerly along said curve through a central angle of 90° 00' 00", an arc distance of 39.27 feet; thence along a radial line N. 12° 44' 46" E., 50.00 feet to the beginning of a curve concave to the Northwest and having a radius of 25.00 feet; thence Easterly and

Exhibit "A Continued

Northerly along said curve through a central angle of 90° 00' 00", an arc distance of 39.27 feet; thence N. 12° 44' 46" E., 170.00 feet to the beginning of a curve concave to the Southwest and having a radius of 25.00 feet; thence Northerly and Westerly along said curve through a central angle of 90° 00' 00", an arc distance of 39.27 feet; thence along a radial line N. 12° 44' 46" E., 50.00 feet to the beginning of a curve concave to the Northwest and having a radius of 25.00 feet; thence Easterly and Northerly along said curve through a central angle of 90° 00' 00", an arc distance of 39.27 feet; thence N. 12° 44' 46" E., 221.00 feet to the beginning of a curve concave to the Southeast and having a radius of 430.00 feet; thence Northeasterly along said curve through a central angle of 8° 00' 24", an arc distance of 60.09 feet to a point of reverse curvature, a radial line through said point bears N. 69° 14' 50" W., said reverse curve being concave to the Southwest and having a radius of 25.00 feet; thence Northerly and Westerly along said curve through a central angle of 61° 05' 05", an arc distance of 26.65 feet; thence N. 40° 19' 55" W., 49.63 feet; thence along a radial line N. 49° 40' 05" E., 90.00 feet to the beginning of a curve concave to the North and having a radius of 25.00 feet; thence Easterly and Northerly along said curve through a central angle of 100° 07' 36", an arc distance of 43.69 feet to a point of reverse curvature, a radial line through said point bears S. 50° 27' 31" E., said reverse curve being concave to the Southeast and having a radius of 430.00 feet; thence Northeasterly along said curve through a central angle of 10° 07' 36", an arc distance of 76.00 feet; thence S. 40° 19' 55" E., 175.77 feet to the POINT OF BEGINNING.

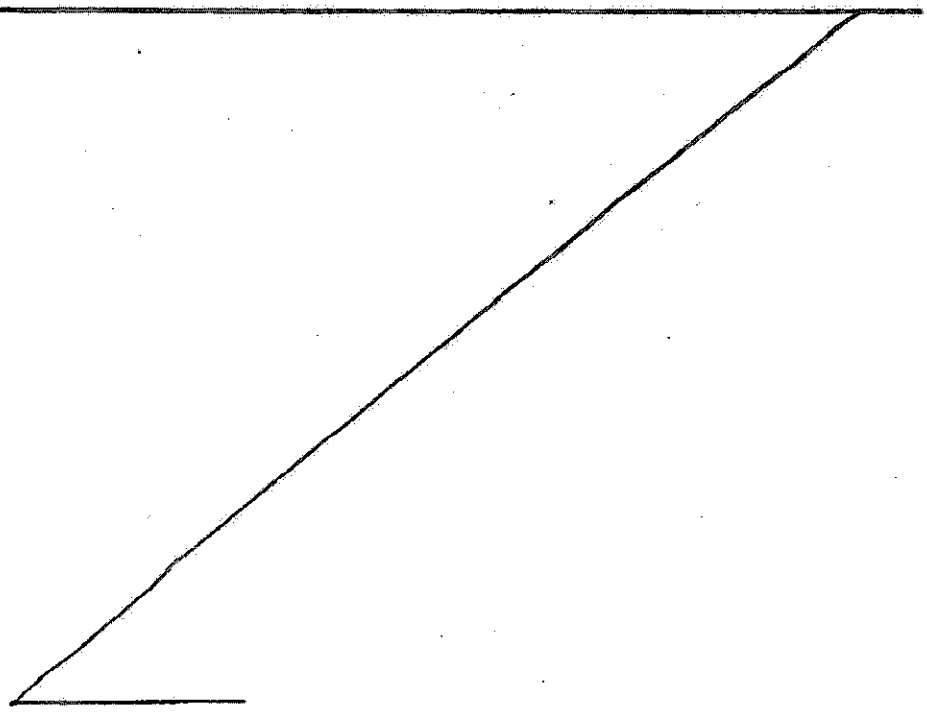


Exhibit "A" Continued

As further described, if at all, in the following documents:

All of the lands shown on that certain Planned Unit Development Final Map for Dayton Valley Country Club Unit 1, filed in the Office of the Lyon County Recorder's Office August 17, 1989 as File No. 126598;

All of the lands shown on that certain Planned Unit Development Final Map for Dayton Valley Country Club Unit 2, filed in the Office of the Lyon County Recorder's Office December 6, 1990 as File No. 138166;

All of the lands shown on that certain Planned Unit Development Final Map for Dayton Valley Country Club Unit 2B, filed in the Office of the Lyon County Recorder's Office May 7, 1992 as File No. 151220;

All of the lands shown on that certain Planned Unit Development Final Map for Dayton Valley Country Club Unit 2C, filed in the Office of the Lyon County Recorder's Office May 20, 1993 as File No. 161360;

All of the lands shown on that certain Planned Unit Development Final Map for Dayton Valley Country Club Unit 2E, filed in the Office of the Lyon County Recorder's Office June 6, 1996 as File No. 194108;

All of the lands shown on that certain Planned Unit Development Final Map for Dayton Valley Country Club Unit 3A, filed in the Office of the Lyon County Recorder's Office July 16, 1993 as File No. 162948;

All of the lands shown on that certain Planned Unit Development Final Map for Dayton Valley Country Club Unit 3B, filed in the Office of the Lyon County Recorder's Office June 15, 1995 as File No. 183173;

All of the lands shown on that certain Planned Unit Development Final Map for Dayton Valley Country Club Unit 4, filed in the Office of the Lyon County Recorder's Office November 5, 1992 as File No. 156206;

All of the lands shown on that certain Official Plat of Dayton Valley Country Club Unit 5A, filed in the Office of the Lyon County Recorder's Office April 19, 2001 as File No. 259889;

All of the lands shown on that certain Official Plat of Dayton Valley Country Club Unit 6A, filed in

the Office of the Lyon County Recorder's Office May 3, 2001 as File No. 260514;

All of the lands shown on that certain Official Plat of Dayton Valley Country Club Unit 5B, filed in the Office of the Lyon County Recorder's Office July 18, 2002 as File No. 279806;

All of the lands shown on that certain Official Plat of Dayton Valley Country Club Unit 6B, filed in the Office of the Lyon County Recorder's Office September 19, 2002 as File No. 282826;

All of the lands shown on that certain map for DAVADA Development Corporation Recorded In The Office Of The Lyon County Recorder On September 12, 1986 as Document No. 102038, Official Records Of Lyon County, State of Nevada;

All of the lands shown on that certain Boundary Line Adjustment Map Recorded In The Office Of The Lyon County Recorder On April 25, 1991 as Document No. 141060, Official Records Of Lyon County, State of Nevada;

All of the lands shown on that certain Parcel Map for John Lawrence (Nevada) Inc. Recorded In The Office Of The Lyon County Recorder On June 7, 1995 as Document No. 182901, Official Records Of Lyon County, State of Nevada;

All of the lands shown on that certain Map For Comlaw No. 445 Limited Recorded In The Office Of The Lyon County Recorder On April 19, 1999 as Document No. 232541, Official Records Of Lyon County, State of Nevada;

All of the lands shown on that certain Parcel Map For Comlaw No. 445 Limited Recorded In The Office Of The Lyon County Recorder On April 13, 1999 as Document No. 232542, Official Records Of Lyon County, State of Nevada;

All of the lands shown on that certain Map For Dayton Valley Country Club Unit 3e Recorded In The Office Of The Lyon County Recorder On September 4, 2003 as Document No. 303551, Official Records Of Lyon County, State of Nevada.