

CC&Rs
Bella Sera Homeowners Association

Order: 3C8M55G7W
Address: 11331 Notte Calma St
Order Date: 04-20-2023
Document not for resale
HomeWiseDocs

192-01-101-003,004

**AMENDED DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS AND RESERVATION OF EASEMENTS**

FOR

BELLA SERA HOMEOWNERS' ASSOCIATION

DATED May 9, 2002

CLARK COUNTY, NEVADA
JUDITH A. VANDEVER, RECORDER
RECORDED AT REQUEST OF:
FIRST AMERICAN TITLE COMPANY OF
07-03-2002 14:45 ARO 50
BOOK: 20020703 INST: 02391
FEE: 63.00 RPT: .00
AM RESTRICTIONS
CONFORMED COPY HAS NOT BEEN COMPARED TO THE ORIGINAL

**AMENDED DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS AND RESERVATION OF EASEMENTS**

FOR

BELLA SERA HOMEOWNERS' ASSOCIATION

DATED May 9, 2002

TABLE OF CONTENTS

I.	DEFINITIONS	2
	Section 1.01 "Architectural Review Committee" or "ARC"	2
	Section 1.02 "Architectural Committee Rules"	2
	Section 1.03 "Articles"	2
	Section 1.04 "Assessment, Annual"	2
	Section 1.05 "Assessment, Capital Improvement"	2
	Section 1.06 "Assessment, Reconstruction"	2
	Section 1.07 "Assessments, Special"	2
	Section 1.08 "Association"	2
	Section 1.09 "Association Rules"	2
	Section 1.10 "Association Maintenance Funds"	2
	Section 1.11 "Beneficiary"	3
	Section 1.12 "Board" or "Board of Directors"	3
	Section 1.13 "Budget"	3
	Section 1.14 "Bylaws"	3
	Section 1.15 "Close of Escrow"	3
	Section 1.16 "Common Area"	3
	Section 1.17 "Common Expenses"	3
	Section 1.18 "Declarant"	3
	Section 1.19 "Declaration"	3
	Section 1.20 "Deed of Trust"	3
	Section 1.21 "Dwelling Unit"	3
	Section 1.22 "Family"	3
	Section 1.23 "FHLMC"	4
	Section 1.24 "FHA"	4
	Section 1.25 "Fiscal Year"	4
	Section 1.26 "FNMA"	4
	Section 1.27 "GNMA"	4
	Section 1.28 "Improvement"	4
	Section 1.29 "Lot"	4
	Section 1.30 "Manager"	4
	Section 1.31 "Member," "Membership"	4
	Section 1.32 "Mortgage," "Mortgagee," "Mortgagor"	4
	Section 1.33 "Notice and Hearing"	5
	Section 1.34 "Owner"	5
	Section 1.35 "Person"	5
	Section 1.36 "Properties"	5
	Section 1.37 "Record," "Recorded," "Filed," or "Recordation"	5
	Section 1.38 "Rules and Regulations"	5
	Section 1.39 "VA"	5
II.	OWNERS' PROPERTY RIGHTS	5
	Section 2.01 Owners' Easements of Enjoyment	5
	Section 2.02 Parking Restrictions	7
	Section 2.03 Easements for Vehicular and Pedestrian Traffic	7
	Section 2.04 Easements for Public Service Use	7

Section 2.05 Waiver of Use	7
Section 2.06 Easements for Water and Utility Purposes	7
Section 2.07 Taxes	7
 III. HOMEOWNERS' ASSOCIATION	 8
Section 3.01 Organization of Association	8
Section 3.02 Duties and Powers	8
Section 3.03 Membership	8
Section 3.04 Transfer	8
 IV. VOTING RIGHTS	 9
Section 4.01 Classes of Voting Membership	9
Section 4.02 Vote Distribution	9
 V. JURISDICTION OF ASSOCIATION	 10
Section 5.01 Jurisdiction of Association	10
Section 5.02 The Association Rules	12
Section 5.03 No Personal Liability	12
Section 5.04 Exercise of Association Powers by Board	12
 VI. COVENANT FOR MAINTENANCE ASSESSMENTS	 13
Section 6.01 Creation of the Lien and Personal Obligation of Assessments	13
Section 6.02 Maintenance Funds of Association	13
Section 6.03 Purpose of Annual Assessments	13
Section 6.04 Limitations on Annual Assessment Increases	14
Section 6.05 Capital Improvement and Reconstruction Assessments	15
Section 6.06 Special Dwelling Unit Assessment	15
Section 6.07 Uniform Rate of Assessment	15
Section 6.08 Date of Commencement of Annual Assessments	15
Section 6.09 Exempt Property	16
Section 6.10 Assessment Against Declarant's Property.	16
 VII. EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION	 16
Section 7.01 Effect of Nonpayment of Assessments: Remedies of the Association	16
Section 7.02 Notice of Assessment	17
Section 7.03 Foreclosure Sale	17
Section 7.04 Curing of Default	18
Section 7.05 Cumulative Remedies	18
Section 7.06 Mortgage Protection	18
Section 7.07 Priority of Assessment Lien	18

VIII. ARCHITECTURAL CONTROL	19
Section 8.01 Members of Committee	19
Section 8.02 Review of Plans and Specifications	19
Section 8.03 Meetings of the ARC	20
Section 8.04 No Waiver of Future Approvals	20
Section 8.05 Compensation of Members	20
Section 8.06 Correction of Defects	20
Section 8.07 Scope of Review	21
Section 8.08 Variance	22
Section 8.09 Liability	22
IX. MAINTENANCE AND REPAIR OBLIGATIONS	22
Section 9.01 Maintenance Obligations of Owners	22
Section 9.02 Maintenance Obligations of Association	22
Section 9.03 Damage to Common Area by Owners	23
Section 9.04 Damage and Destruction Affecting Dwelling Units-Duty to Rebuild	23
X. USE RESTRICTIONS	23
Section 10.01 Single Family Residence	23
Section 10.02 Business or Commercial Activity	23
Section 10.03 Nuisances	24
Section 10.04 Signs	24
Section 10.05 Parking and Vehicular Restrictions	24
Section 10.06 Animal Restrictions	25
Section 10.07 Trash	25
Section 10.08 View Obstructions	26
Section 10.09 Temporary Buildings.	26
Section 10.10 Common Area Facilities	26
Section 10.11 Outside Installations	26
Section 10.12 Natural Resource Development	26
Section 10.13 Further Subdivision	27
Section 10.14 Drainage	27
Section 10.15 Water Supply Systems	27
Section 10.16 Landscaping	27
XI. DAMAGE TO OR CONDEMNATION OF COMMON AREA	27
XII. INSURANCE	29
Section 12.01 Casualty Insurance	29
Section 12.02 Insurance Obligations of Owners	29
Section 12.03 Waiver of Subrogation	29
Section 12.04 Liability and Other Insurance	30
Section 12.05 Notice of Expiration Requirements	30

XIII. MORTGAGEE PROTECTION CLAUSE	31
XIV. DECLARANT EXEMPTION	33
XV. ANNEXATION	34
Section 15.01 Annexation of Additional Real Property	34
Section 15.02 Declaration of Annexation	35
Section 15.03 Method of Annexation	35
Section 15.04 Contents of Supplementary Declaration	35
XVI. GENERAL PROVISIONS	36
Section 16.01 Enforcement	36
Section 16.02 Severability	37
Section 16.03 Term	37
Section 16.04 Interpretation	37
Section 16.05 Termination and Amendment	37
Section 16.06 No Public Right or Dedication	39
Section 16.07 Constructive Notice and Acceptance	39
Section 16.08 Reservation of Easements	39
Section 16.09 Construction Easement	40
Section 16.10 Notices	40
Section 16.11 No Representation or Warranties	40
Section 16.12 Priorities and Inconsistencies	40

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND
RESERVATION OF EASEMENTS FOR BELLA SERA
HOMEOWNERS' ASSOCIATION

THIS DECLARATION is made this 9th day of May 2002 by Bella Sera, Inc., a Nevada Corporation ("Declarant")

WHEREAS, Declarant is the owner of certain real property located in the County of Clark State of Nevada, as described on Exhibit A, which is attached hereto and made a part hereof as if fully set forth herein (hereinafter referred to as "Properties").

WHEREAS, Declarant intends to develop a maximum of fifty three (53) Dwelling Units, and to that end establish a common interest planned community under the provisions of the Nevada Common Interest Ownership Act; provided, however, that there is no guarantee that all Dwelling Units will be completed or all facilities and amenities will be developed as planned; nor is there any guarantee that all of the Dwelling Units in all of the Properties contemplated hereby will be governed by the Association established herewith.

WHEREAS, Declarant has deemed it desirable to create a non profit corporation under the laws of the State of Nevada to which should be delegated and assigned the powers of owning, maintaining and administering the Common Area, administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereafter created for the Properties. Declarant will or has caused such corporation, the Members of which shall be the respective Owners of Lots pursuant to the provisions of this Declaration, to be formed for the purpose of exercising such functions.

WHEREAS, Declarant intends to develop and convey all of the Properties pursuant to a general plan for all of the Properties and subject to certain protective covenants, conditions, restrictions, rights, reservations, easements, equitable servitude, liens, and charges, all running with the Properties as hereinafter set forth.

WHEREAS, Declarant intends that the Properties thus developed shall be marketed and known as Bella Sera Homeowners' Association.

NOW, THEREFORE, Declarant hereby declares that the Properties shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied, and improved, subject to the following easements, restrictions, reservations, rights, covenants, conditions, and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Properties, in furtherance of a general plan for the protection, maintenance, subdivision, improvement, and sale of the Properties or any portion thereof. The covenants, conditions, restrictions, rights, reservations, easements, and equitable servitudes set forth herein shall run with and burden the Properties and shall be binding upon all persons having or acquiring any right, title or interest in the Properties, or any part thereof; their heirs, successors and assigns shall inure to the benefit of every portion of the Properties and any interest therein; and shall inure to the benefit of and be binding upon, and may be enforced by Declarant, each Owner and their respective heirs, executors and administrators, and successive owners and assigns.

I. DEFINITIONS

Section 1.01 "Architectural Review Committee" or "ARC" shall mean a committee created pursuant to Article VIII hereof.

Section 1.02 "Architectural Committee Rules" shall mean the rules adopted by the Architectural Committee.

Section 1.03 "Articles" shall mean the Articles of Incorporation of the Association; as such, Articles may be amended from time to time.

Section 1.04 "Assessment, Annual" shall mean the annual or supplemental charge against each Owner and his Lot, representing a portion of the Common Expenses, which are to be paid by each Owner to the Association in the manner and proportions provided herein.

Section 1.05 "Assessment, Capital Improvement" shall mean a charge against each Owner and his Lot, representing a portion of the costs to the Association for installation or construction of any Improvements on any portion of the Common Area which the Association may, from time to time, authorize pursuant to the provisions of this Declaration. Such charge shall be levied among all Owners and their Lots in the same proportion as Annual Assessments.

Section 1.06 "Assessment, Reconstruction" shall mean a charge against each Owner and His Lot, representing a portion of the cost to the Association for reconstruction of any portion of the Improvements on the Common Area pursuant to the provisions of this Declaration. Such charge shall be levied among all Owners and their Lots in the same proportion as Annual Assessments.

Section 1.07 "Assessments, Special" shall mean a charge against a particular Owner and his Lot, directly attributable to or reimbursable by that Owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of this Declaration, or a reasonable fine or penalty assessed by the Association, plus interest and other charges on such Special Assessments as provided for herein.

Section 1.08 "Association" shall mean and refer to Bella Sera Homeowners' Association, a Nevada nonprofit corporation its successors and assigns. Bella Sera Homeowners' Association is a nonprofit corporation set up to govern Bella Sera, a common interest planned community comprising no more than fifty-three (53) Lots.

Section 1.09 "Association Rules" shall mean those rules and regulations adopted by the Board pursuant to the Bylaws, as such rules and regulations may be amended from time to time.

Section 1.10 "Association Maintenance Funds" shall mean the accounts created for receipts and disbursements of the Association, pursuant to Section VI hereof.

Section 1.11 "Beneficiary" shall mean a mortgagee under a mortgage or a beneficiary under a deed of trust, as the case may be, and the assignees of such mortgagee or beneficiary;

Section 1.12 "Board" or "Board of Directors" shall mean the Board of Directors of the Association, elected pursuant to the Articles and Bylaws of the Association.

Section 1.13 "Budget" shall mean a written itemized estimate of the expenses to be incurred by the Association performing its functions and responsibilities.

Section 1.14 "Bylaws" shall mean the Bylaws of the Association as such Bylaws may be amended from time to time.

Section 1.15 "Close of Escrow" shall mean the date on which a deed is recorded conveying Lot in the Properties from Declarant to a member of the home-buying public.

Section 1.16 "Common Area" shall mean all the real property and improvements, which are owned by the Association, in fee or by easements, for the common use and enjoyment of all of the Owners.

Section 1.17 "Common Expenses" shall mean those expenses for which the Association is responsible under this Declaration, including the actual and estimated costs of: maintenance, management, operation, repair, and replacement of the common Area; unpaid Special Assessments, Reconstruction Assessments and Capital Improvement Assessments as defined in Section VI; the costs of any commonly metered utilities and other commonly metered charges for the Properties; costs of management and administration of the Association including, but not limited to, compensation paid by the Association to managers, accountants, attorneys, and other employees; the costs of all utilities, gardening, trash pickup, and other services benefiting the Common Area; the costs of fire, casualty and liability insurance, worker's compensation insurance, and other insurance, all covering the Properties; the costs of bonding the members of the management body; taxes paid by the Association; amounts paid by the Association for discharge of any lien or encumbrance levied against the Properties, or portions thereof; and the costs of any other item or items incurred by the Association for any reason whatsoever in connection with the Properties, for the benefit of all of the Owners.

Section 1.18 "Declarant" shall mean Bella Sera, Inc., a Nevada Corporation, its successors and assigns.

Section 1.19 "Declaration" shall mean this instrument as it may be amended from time to time.

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

Section 1.21 "Dwelling Unit" shall mean a building located on a Lot designed and intended for use and occupancy as a residence by a single family.

Section 1.22 "Family" shall mean: (a) a group of one or more natural persons related to each other by blood, marriage or legal adoption; or (b) a group of one or more natural persons not all so related, but who together maintain a common household in a Dwelling Unit on a Lot.

Section 1.23 "FHLMC" shall mean the Federal Home Loan Mortgage Corporation (also known as The Mortgage Corporation) created by Title II of the Emergency Home Finance Act of 1970, and any successors to such corporations.

Section 1.24 "FHA" shall mean the Federal Housing Administration.

Section 1.25 "Fiscal Year" shall mean the fiscal accounting and reporting period of the Association selected by the Board from time to time.

Section 1.26 "FNMA" shall mean the Federal National Mortgage Association, a government sponsored private corporation established pursuant to Title VIII of the Housing and Urban Development Act of 1968, and any successor to such corporation.

Section 1.27 "GNMA" shall mean the Government National Mortgage Association, administered by the United States Department of Housing and Urban Development, and any successors to such association.

Section 1.28 "Improvement" shall mean any structure or appurtenance thereto of every type and kind including, but not limited to, Dwelling Units and other buildings, walkways, sprinkler pipes, recreational facilities, roads, driveways, parking areas, fences, screening walls, block walls, retaining walls, stairs, sun decks, balconies, landscaping, antennae, hedges, windbreaks, porch, patio, patio covers, railings, plantings, planted trees and shrubs, poles, signs, storage areas, exterior air conditioning, and water softening fixtures or equipment.

Section 1.29 "Lot" shall mean any residential Lot or parcel of land shown upon any Recorded plat or map of the Properties, with the exception of the Common Area.

Section 1.30 "Manager" shall mean the person appointed by the Association hereunder as its agent, and delegated certain duties, powers or functions of the Association as further provided in this Declaration and in the Bylaws. The Association shall retain a Manager at all times during the term of this Declaration.

Section 1.31 "Member" and "Membership" Member shall mean any person holding a membership in the Association, as provided in this Declaration. Membership shall mean the property, voting and other rights and privileges of Members as provided herein, together with the correlative duties and obligations contained in this Declaration and the Articles and Bylaws of the Association.

Section 1.32 "Mortgage" "Mortgagee" "Mortgagor" Mortgage shall mean any recorded mortgage or deed of trust or other conveyance of a Lot or other portion of the Properties to secure the performance of an obligation, which will be reconveyed upon the completion of such performance. The term "Deed of Trust" or "Trust Deed," when used herein shall be synonymous with the term Mortgage. The term Mortgagee shall mean a person or entity to which a Mortgage is made, and shall include the Beneficiary of a Deed of Trust. Mortgagor shall mean a person or entity who mortgages his or her Lot to another (i.e., the maker of a Mortgage), and shall include the Trustor of a Deed of Trust. The term "Trustor" shall be synonymous with the term Mortgagor, and the term "Beneficiary" shall be synonymous with the term Mortgagee.

Section 1.33 "Notice and Hearing" shall mean written notice and a hearing before the Board, at which the Owner concerned shall have an opportunity to be heard in person, or by counsel at Owner's expense, in the manner further provided in the Bylaws.

Section 1.34 "Owner" shall mean the person or persons, including Declarant, holding fee simple interest of record to any Lot. The term Owner shall include sellers under executory contracts of sale, but shall exclude Mortgagees.

Section 1.35 "Person" shall mean a natural individual or any other entity with the legal right to hold title to real property.

Section 1.36 "Properties" shall mean all of the Property described in Exhibit A, attached hereto and made a part hereof as if fully set forth herein, together with any real property as may hereafter be annexed thereto pursuant to Section XV of the Declaration.

Section 1.37 "Record", "Recorded", "Filed" or "Recordation" shall mean, with respect to any document, the recordation of such document in the Office of the County Recorder of Clark County, Nevada.

Section 1.38 "Rules and Regulations" shall mean the Rules and Regulations adopted by the Board pursuant to the Bylaws; as such Rules and Regulations may be amended from time to time.

Section 1.39 "VA" shall mean the Department of Veterans Administration.

II. OWNERS' PROPERTY RIGHTS

Section 2.01 Owners' Easements of Enjoyment Every Owner shall have a right and nonexclusive easement of ingress and egress, and of enjoyment in, to and over the Common Area, and such easement shall be appurtenant to and shall pass with title to every Lot, subject to the following:

(a) The right of the Association to limit the number of guests and tenants an Owner or his tenant may authorize to use the Common Area and its facilities;

(b) The right of the Association to establish uniform Rules and Regulations pertaining to the use of the Common Area;

(c) The right of the Association in accordance with the Articles, Bylaws and this Declaration, with the vote or written assent of two-thirds (2/3) of the voting power of the Association, to borrow money for the purpose of improving or adding to the Common Area facilities, and in aid thereof, subject to the provisions of Section XII of this Declaration, to mortgage, pledge, deed in trust, or hypothecate any

or all of its real or personal property and security for money borrowed or debts incurred, provided that the rights of such Mortgagee shall be subordinated to the rights of the Owners under this Declaration;

(d) The right of the Association to suspend the voting rights and right to use of the Common Area by a Member for any period during which any assessment against his Lot remains delinquent, and for a period not to exceed thirty (30) days after notice and hearing as provided for in the Bylaws for any infraction of the Association Rules;

(e) Subject to the provisions of Section XIII of this Declaration, the right of the Association to dedicate, release, alienate, or transfer the Common Area to any public agency, authority, utility, or other Person for such purposes and subject to such conditions as may be agreed to by the Members;

(f) The right of Declarant and its sales agents, representatives and prospective purchasers, to the nonexclusive use of the Common Area and any facilities thereon, without cost, for access, ingress, egress, use, and enjoyment, in order to show and dispose of the Properties and any other residential developments in the vicinity of the Properties until the last Close of Escrow for the sale of a Lot in the Properties or such other residential developments; provided, however, that such use shall not unreasonably interfere with the rights of enjoyment of the other Owners as provided herein;

(g) The rights and reservations of Declarant as set forth in Section XIV of this Declaration;

(h) The right of the Association (by action of the Board) to reconstruct, replace or refinish any Improvement or portion thereof upon the Common Area in accordance with the original design, finish or standard of construction of such Improvement, or for the general Improvements within the Properties, as the case may be; and if not in accordance with such original design, finish or standard of construction, only with the vote or written consent of the Owners holding seventy-five percent (75%) of the voting power of the Association and the approval of the Beneficiaries of fifty-one percent (51%) of the first Mortgages on Lots in the Properties;

(i) The right of the Association to replace destroyed trees or other vegetation and to plant trees, shrubs and ground cover upon any portion of the Common Area;

(j) The right of the Association, acting through the Board, to restrict access to portions of the Common Area; and

(k) The easements reserved in Sections 2.03; 2.04; 2.06; 16.08; and 16.09.

Section 2.02 Parking Restrictions. The Association, through its officers, Board of Directors, committees, and agents, is hereby empowered to establish "parking," "guest parking," and "no parking" areas within the Common Area, as well as to enforce these parking limitations by all means lawful for such enforcement on city or county streets, including the removal of any violating vehicles by those so empowered, and assessing the cost thereof to the owner of such vehicle, and if the owner of such vehicle is an Owner, said cost shall be assessable against the Owner's Lot in the same manner as Association dues including, without limitation, a lien therefor, after notice and opportunity of the owner to be heard.

Section 2.03 Easements for Vehicular and Pedestrian Traffic. In addition to the general easements for use of the Common Area reserved herein, there shall be, and Declarant hereby reserves and covenants for itself and all future Owners within the Properties, nonexclusive easements appurtenant for vehicular and pedestrian traffic over the private streets and walkways within the Common Area, subject to the parking provisions set forth in Sections 2.02 and 10.05 hereof.

Section 2.04 Easements for Public Service Use. In addition to the foregoing easements over the Common Area, there shall be, and Declarant hereby reserves and covenants for itself and all future Owners within the Properties, easements for public services of the City and County in which the Properties are located including, but not limited to, the right of the police and fire departments to enter upon any part of the Common Area for the purpose of carrying out their official duties.

Section 2.05 Waiver of Use. No owner may exempt himself from personal liability for assessments duly levied by the Association, nor release the Lot or other property owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Common Area or any facilities thereon or by abandonment of his Lot or any other property in the Properties.

Section 2.06 Easements for Water and Utility Purposes. In addition to the foregoing easements over the Common Area, there shall be, and Declarant hereby reserves and covenants for itself and all future Owners with the Properties, easements for public and private utility purposes including, but not limited to, the right of any public utility or mutual water district ingress or egress over the Common Area for purposes of reading and maintaining meters, and using and maintaining fire hydrants located on the Common Area.

Section 2.07 Taxes. Each Owner shall execute such instruments and take such action as may reasonably be specified by the Association to obtain separate real estate tax assessment of each Lot. If any taxes or assessments, in the opinion of the Association, become a lien on the Common Area or any part thereof, they may be paid by the Association as a Common Expense.

III. HOMEOWNERS' ASSOCIATION

Section 3.01 Organization of Association. The Association is or shall be incorporated under the name of Bella Sera Homeowners' Association as a nonprofit corporation under the Nevada Nonprofit Corporation Act of Chapter 82 of the Nevada Revised Statutes ("NRS").

Section 3.02 Duties and Powers. Duties and powers of the Association are those set forth in the Declaration, the Articles and Bylaws, together with its general and implied powers of a nonprofit corporation and those specific powers enumerated in Nevada Revised Statute 116.3102, generally to do any and all things that a corporation organized under the laws of the State of Nevada may lawfully do which are necessary, or proper, in operating for peace, health, comfort, safety, and general welfare of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws and in this Declaration. The Association shall make available for inspection by any prospective purchaser of a Lot, any Owner of a Lot, and the Beneficiaries, insurers and guarantors of the first Mortgage on any Lot, current copies of the Declaration, the Articles of Incorporation, the Bylaws, the Rules and Regulations, and all other books, records and financial statements of the Association.

Section 3.03 Membership. Every Owner of a Lot, upon purchasing a Lot, shall automatically become a Member of the Association, and shall remain a Member thereof until such time as his Ownership ceases, at which time his Membership in the Association shall automatically cease. Memberships in the Association shall not be assignable, except to the Person to which title to the Lot has been transferred, and every Membership in the Association shall be appurtenant to and may not be separated from the fee ownership of such Lot. Ownership of such Lot shall be the sole qualification for Membership in the Association.

Section 3.04 Transfer. The Association Membership by any Owner of a Lot shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of such Owner's Lot, and then only to the purchaser or Mortgagee of such Lot. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association. A Class A Member who has sold his Lot to a contract purchaser under an agreement to purchase shall be entitled to delegate to such contract purchaser his Membership rights in the Association. Such delegation shall be in writing and shall be delivered to the Board before such contract purchaser may vote. However, the contract seller shall remain liable for all charges and assessments attributable to his Lot until fee title to the Lot sold is transferred. If the Owner of any Lot should fail or refuse to transfer the Membership registered in his name to the purchaser of such Lot upon transfer of fee title thereto, the Board of Directors shall have the right to record the transfer upon the books of the Association. Until satisfactory evidence of such transfer has been presented to the Board, the purchaser shall not be entitled to vote at meetings of the Association. The Association may levy a reasonable transfer fee against a new Owner and his Lot (which fee shall be added to the Annual Assessment chargeable to such new Owner) to reimburse the Association for the administrative cost of transferring the Membership to the new Owner on the records of the Association.

IV. VOTING RIGHTS

Section 4.01 Classes of Voting Membership. The Association shall have at least two (2) classes of voting Membership, as follows:

Class A. Class A Members shall originally be all Owners with the exception of Declarant for so long as there exists a Class B Membership. Class A Members shall be entitled to one (1) vote for each Lot owned and subject to assessment. Declarant shall become a Class A Member with regard to Lots owned by Declarant upon conversion of Declarant's Class B Membership as provided below. When more than one Person holds an interest in any Lot, all such Persons shall be Members. The vote for such Lot shall be exercised in accordance with Section IV, Section 4.02 of this Declaration, and in no event shall more than one (1) Class A vote be cast with respect to any Lot.

Class B. The Class B Member shall be Declarant and Declarant shall be entitled to one (1) vote for each Lot owned by Declarant and subject to assessment. The Class B Membership shall cease and be converted to Class A Membership on the seventh (7th) anniversary of the Recordation of this Declaration.

The Class B Member shall be entitled to appoint and/or remove all of the officers of the Association and Members of the Board of Directors until the earlier of:

- (a) sixty (60) days after the conveyance of seventy-five percent (75%) of the Lots to Owners other than Declarant;
- (b) five (5) years after Declarant has ceased to offer Lots for sale in the ordinary course of business; or
- (c) five (5) years after any right to add new Dwelling Units was last exercised.

Declarant may voluntarily surrender the right to appoint and remove officers and directors before termination of the period, but in that event Declarant may require, for the duration of the period of Declarant's control, that specified action of the Association or the Board of Directors, as described in a recorded instrument executed by Declarant, be approved by Declarant before they become effective.

No later than sixty (60) days after conveyance of twenty-five percent (25%) of the Lots to Owners other than Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Board of Directors must be elected by Owners other than Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots to Owners other than Declarant, not less than thirty-three and one-third percent (33-1/3%) of the members of the Board of Directors must be elected by Owners other than Declarant.

Section 4.02 Vote Distribution. All voting rights shall be subject to the restrictions and limitations provided in this Declaration and in the Articles and Bylaws. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. When more than one

Person holds such interest or interests in any Lot ("Co-owner"), all such Co-owners shall be Members and may attend any meetings of the Association, but only one such Co-owner shall be entitled to exercise the one (1) vote to which the Lot is entitled. Such Co-owners may, from time to time, all designate in writing one of their number to vote. Fractional votes shall not be allowed, and the Class A vote for each Lot shall be exercised, if at all, as a unit. Where no voting Co-owner is designated or if such designation has been revoked, the vote for such Lot shall be exercised as the majority of the Co-owners of the Lot mutually agreed. Unless the Board receives a written objection from a Co-Owner, it shall be presumed that the corresponding voting Co-owner is acting with the consent of his or her Co-owners. No vote shall be cast for any Lot where the Co-owners present in person or by proxy owning the majority interests in such Lot cannot agree to said vote or other action. The nonvoting Co-owner or Co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned Lot, and shall be entitled to all other benefits of ownership. All agreements and determinations lawfully made by the Association in accordance with the voting percentage established herein, or in the Bylaws, shall be deemed to be binding on all Owners, their successors and assigns.

V. JURISDICTION OF ASSOCIATION

Section 5.01. Jurisdiction of Association. The Association's obligations to maintain the Common Area shall commence on the date Annual Assessments commence on Lots in the Properties. Until commencement of Annual Assessments, the Common Area shall be maintained by Declarant. The Association, acting through the Board, shall have:

(a) the power and duty to maintain, repair and otherwise manage the Common Area and all facilities, improvements and landscaping thereon in accordance with the provisions of Section VI and Section IX of this Declaration.

(b) the power and duty to obtain, for the benefit of the Properties, all commonly metered water, gas and electric services, and the power but not the duty to provide for refuse collection and cable or master television service.

(c) the power and duty to grant easements, rights of way or strips of land, where necessary, for utilities and sewer facilities over the Common Area to serve the Common Area and the Lots.

(d) the power and duty to maintain such policy or policies of liability and fire insurance with respect to the Common Area and personal property, if any, owned by the Association as provided herein in furthering the purposes of and protecting the interests of the Association and Members, and as directed by this Declaration and the Bylaws of the Association.

(e) the power but not the duty to employ or contract with a professional Manager to perform all or any part of the duties and responsibilities of the Association, and the power to delegate its powers to committees, officers and employees. Any such management agreement, or any agreement providing for services by Declarant to the Association, shall be for a term not in excess of one (1) year, subject to cancellation by the Association for cause at any time upon not less than thirty (30) days written notice, and without cause (and without penalty or the payment of a termination fee) at any time upon not less than ninety (90) days written notice.

(f) the power but not the duty, after Notice and Hearing, to enter upon any area of a Lot, without being liable to any Owner except for damage caused by such entry, for the purpose of enforcing by peaceful means the provisions of this Declaration, or for the purpose of maintaining or repairing any such area if for any reason whatsoever the Owner thereof fails to maintain or repair any such area as required by this Declaration. The cost of such enforcement, maintenance and repair shall be a Special Assessment enforceable as set forth in this Declaration. The Owner shall pay promptly all amounts due for such work and the costs and expenses of collection may be added, at the option of the Board of Directors, to the amounts specially assessed against such Owner. Notwithstanding the foregoing, in the event of an emergency, entrance upon a Lot by or on behalf of the Board of Directors shall be permitted without Notice of Hearing for the purpose of enforcing the provisions of the Declaration or for the purpose of maintaining or repairing any area of the Lot improperly maintained by the Owner of the Lot.

(g) the power but not the duty to reasonably limit the number of guests and tenants of the Owners using the Common Area.

(h) the power but not the duty to establish uniform Rules and Regulations for the use of the Common Area, as provided in this Declaration.

(i) the power but not the duty to appoint and remove members of the Architectural Committee, all subject to the provisions of the Declaration.

(j) the power but not the duty to enter upon a Lot adjacent to the Common Area, without being liable to any Owner except for damage caused by such entry, for the purpose of repairing and maintaining the Common Area.

(k) the power but not the duty to perform such other acts, whether or not expressly authorized by this Declaration, as may be reasonably necessary or appropriate to enforce or effectuate any of the provisions of this Declaration and the Association Rules.

(l) the power but not the duty to levy assessments on the Owner of Lots and to enforce payment of such assessments, all in accordance with the provisions of this Declaration.

(m) the power and authority on its own behalf or on behalf of any Owner or Owners, who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of the Declaration and to enforce by mandatory injunction or otherwise, all of the provisions hereof.

Section 5.02 The Association Rules. By a majority vote of the Board, the Association may, from time to time, adopt, amend and repeal such Rules and Regulations as it deems reasonable, including the levying of standard fines for infractions thereof (which fines will be assessed after notice and the opportunity of the Owner to be heard), which fines shall be equal to assessments and if unpaid shall become liens against the Owner's Lot in the same fashion as are unpaid assessments. Such Rules and Regulations in this Declaration are herein referred to as the "Association Rules." The Association Rules shall govern the use of any Common Area, by the Owners, by the families of the Owners, or by any invitee, licensee, lessee, or contract purchaser of an Owner; provided, however, that the Association Rules may not discriminate among Owners and shall not be inconsistent with the Declaration, the Articles or Bylaws. A copy of the Association Rules as they may, from time to time, be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner. In the event of any conflict between any such Association Rules and any of the other provisions of this Declaration, or the Articles or Bylaws, the provisions of such Association Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles or the Bylaws to the extent of such inconsistencies. In the event of any conflict between the provisions of this Declaration and the provisions of the Bylaws or Articles of the Association, the provisions of the Declaration shall prevail.

Section 5.03 No Personal Liability. No member of the Board or any Committee of the Association, or any officer of the Association, or the Declarant, or the Manager, if any, shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error, or negligence of such Board or Committee member, or any officer of the Association, the Board, the manager, if any, any other representative or employee of the Association, the Architectural Committee, any other Committee, or the Declarant, provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith, without willful or intentional misconduct.

Section 5.04 Exercise of Association Powers by Board. The Board itself or through the Association's employees, officers, agents, or other persons designated by the Board for such purpose, shall exercise for and on behalf of the Association all powers, duties and authority vested in or delegated to the Association and not otherwise requiring the consent or approval of the Members of the Association, or a portion or percentage thereof by other provisions of this Declaration, the Articles or the Bylaws.

VI. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 6.01 Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of such deed, therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association (1) Annual Assessments for Common Expenses; (2) Capital Improvement Assessments; (3) Special Assessments; (4) unpaid costs and fines under Sections 2.02 and 5.02 hereof; and (5) Reconstruction Assessments; such assessments to be established and collected as provided in this Declaration. Except as provided in this Section, all such assessments together with interest, costs and reasonable attorneys' fees for the collection thereof, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of such Property at the time when the assessment became due. This personal obligation cannot be avoided by abandonment of a Lot or by an offer to waive use of the Common Area. The personal obligation for delinquent assessments shall not pass to any new Owner ("Purchaser") unless expressly assumed by the Purchaser.

Section 6.02 Maintenance Funds of Association. The Board of Directors shall establish no fewer than two (2) separate accounts (the "Association Maintenance Funds") into which shall be deposited all monies paid to the Association, and from which disbursements shall be made, as provided herein, in the performance of functions by the Association under the provisions of this Declaration. The Association Maintenance Funds may be established as trust accounts at a banking or savings institution and shall include (1) an Operating Fund for current expenses of the Association; (2) a Reserve Fund for replacements, painting and repairs (which would not reasonably be expected to recur on an annual or more frequent basis) of the Common Area; and (3) any other funds which the Board of Directors may establish to the extent necessary under the provisions of this Declaration. To qualify for higher returns on accounts held at banking or savings institutions, the Board of Directors may commingle any amounts deposited into any of the Association Maintenance Funds with one another, provided that the integrity of each individual Association Maintenance Fund shall be preserved on the books of the Association by accounting for disbursements from, and deposits to, each Association Maintenance Fund separately. Nothing contained herein shall limit, preclude or impair the establishment of additional Maintenance Funds by the Association, so long as the amounts assessed to, deposited into and disbursed from any such Fund are earmarked for specified purposes authorized by this Declaration.

Section 6.03 Purpose of Annual Assessments. The Assessments levied by the Association shall be used exclusively to promote the common health, safety, benefit, recreation, and welfare of the Owners and for the improvement, operation and maintenance of the Common Area, and the performance of the duties of the Association as set forth in this Declaration. Disbursements from the Reserve Fund shall be made by the Board of Directors only for the specific purposes specified in this Section VI. Disbursements from the Operating Fund shall be made by the Board of Directors only for such purposes as are necessary for the discharge of its responsibilities herein for the common benefit of all of the Owners, other than those purposes for which disbursements from the Reserve Funds are to be used. Nothing in this Declaration shall be construed in such a way as to permit the use of Association assessments or funds to abate any nuisance or annoyance emanating from outside the boundaries of the

Properties. Annual Assessments shall be used to satisfy Common expenses of the Association, as provided herein and in the Bylaws.

Section 6.04 Limitations on Annual Assessment Increases. The Board shall not levy for any Fiscal Year an Annual Assessment which exceeds the "Maximum Authorized Annual Assessment" as determined pursuant to Sections 6.04(a) and 6.04(b) below, unless first approved by the vote of Members representing at least a majority of the voting power of the Association. Additionally, in no event may the Declarant amend the Declaration to increase the Maximum Authorized Annual Assessment per Lot or the total of the Maximum Authorized Annual Assessment, Supplemental Annual Assessment, or Capital Improvement or Reconstruction Assessments, per Lot, to an amount in excess of five hundred dollars (\$500.00), unless approved by all Lot Owners.

(a) Maximum Authorized Annual Assessment for Initial Year of Operations. Until the first day of the Fiscal year immediately following the Fiscal Year in which Annual Assessments commence, the Maximum Authorized Annual Assessment per Lot shall equal one hundred thirty percent (130%) of the amount of Annual Assessments disclosed in the initial Budget for the Association adopted by the Board of Directors. However, in no event may the Maximum Authorized Annual Assessment per Lot exceed five hundred dollars (\$500.00), unless by amendment of the Declaration to this effect, which is approved by all of the Lot Owners. Example: If the amount of the Annual Assessment disclosed in the initial Budget is \$100 per Lot, then the Maximum Authorized Annual Assessment for the following fiscal year cannot exceed \$130.

(b) Maximum Authorized Annual Assessment for Subsequent Fiscal Years. Starting with the first Fiscal Year immediately following the Fiscal Year in which Annual Assessment in any Fiscal Year shall be one hundred thirty percent (130%) of twelve (12) times the monthly installment of the Annual Assessments levied during the last month of the preceding Fiscal year. However, in no event may the Maximum Authorized Annual Assessment per Lot exceed five hundred dollars (\$500.00), unless by amendment of the Declaration to this effect, which is approved by all of the Lot Owners.

(c) Supplemental Annual Assessments. If the Board, by majority vote, determines that the important and essential functions of the Association may be properly funded by an Annual Assessment in an amount less than the Maximum Authorized Annual Assessment, it may levy such lesser Annual Assessment. If the Board determined that the estimate of total charges for the current year is or will become inadequate to meet all expenses for the Properties for any reason, it shall immediately determine the approximate amount of the inadequacy. Subject to the then Maximum Authorized Annual Assessment, the Board shall have the authority to levy, at any time by a majority vote, a supplemental

Annual Assessment reflecting a revision of the total charges to be assessed against each Lot. However, in no event may the Supplemental Annual Assessments per Lot, when added to the Maximum Authorized Annual Assessment and/or the Capital Improvement and Reconstruction Assessment, exceed five hundred dollars (\$500.00), unless by amendment of this Declaration to this effect, which is approved by all of the Lot Owners.

Section 6.05 Capital Improvement and Reconstruction Assessments. The Board of Directors of the Association may levy, in any Fiscal Year, a Capital Improvement Assessment or Reconstruction Assessment applicable to that Fiscal year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a Capital Improvement or other such addition upon the Common Area, including fixtures and personal property related thereto; provided that any proposed Capital Improvement Assessments in any Fiscal Year which, if added to the Capital Improvement Assessments already levied during such Fiscal Year exceeds ten percent (10%) of the budgeted gross expenses of the Association for such Fiscal Year, shall require the vote or written assent of a majority of the voting power of the Association. However, in no event may the Supplemental Annual Assessments per Lot, when added to the Maximum Authorized Annual Assessment and/or the Capital Improvement and Reconstruction Assessment, exceed five hundred dollars (\$500.00), unless by amendment of this Declaration to this effect, which is approved by all of the Lot Owners.

Section 6.06 Special Dwelling Unit Assessment. The Association may also levy a special assessment, including fines, against any Member, the Dwelling Unit and/or Lot, to reimburse the Association for costs incurred in bringing the Member, Dwelling Unit and/or Lot into compliance with the provisions of this Declaration, the Articles, Bylaws, and Association Rules and Regulations. Such special assessment may be levied upon vote of the Board after Notice and Hearing.

Section 6.07 Uniform Rate of Assessment. Except as otherwise indicated in the Budget, Annual Assessments, Capital Improvement Assessments and Reconstruction Assessments, provided for in this Section VI shall be assessed equally and uniformly against all Owners and their Lots. The Association may, subject to the provisions of Section 8.07, Section 9.03, and Section XI(d) hereof, levy Special Assessments against selected Owners who have caused the Association to incur special expenses due to willful or negligent acts of said Owners, their tenants, families, guests, invitees, or agents. All installments of Annual Assessments shall be collected in advance on a regular basis by the Board of Directors at such frequency as the Board shall determine from time to time.

Section 6.08 Date of Commencement of Annual Assessments. The Board of Directors shall authorize and levy the amount of the Annual Assessment upon each Lot, as provided herein, by a majority vote of the Board. Annual Assessments shall commence on all Lots on the first day of the first calendar month following the first Close of Escrow for the sale of a Lot. The first Annual Assessment shall be adjusted according to the number of months remaining in the Fiscal Year as set forth in the Bylaws. The Board of Directors shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of any change in the amount of any Annual Assessment shall be delivered to every Owner subject thereto, not less than thirty (30) days

prior to the effective date of such change. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or agent of the Association, setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association of the status of Assessments against a Lot is binding upon the Association as of the date of its issuance.

Each installment of Annual Assessments may be paid by the Owner to the Association in one check or payment, or in separate checks, as payments attributable to deposits into specified Association Maintenance Funds. If any installment of an Annual Assessment payment is less than the amount assessed, and the payment does not specify the Association Maintenance Fund or Funds into which it should be deposited, the receipt by the Association from that Owner shall be credited in order of priority first to the Operating Fund, until that portion of the Annual Assessment has been satisfied, and second to the reserve fund.

From time to time, the Board may determine that all excess funds remaining in the Operating Fund, over and above the amounts used for the operation of the Properties, may be retained by the Association and used to reduce the following year's Annual Assessments. Upon dissolution of the Association incident to the abandonment or termination of the Properties, any amounts remaining in any of the funds shall be distributed to or for the benefit of the Members in the same proportions as such monies were collected from the Members.

Section 6.09 Exempt Property. The following property subject to this Declaration shall be exempt from the assessments herein:

- (a) All portions of the Properties dedicated to and accepted by a local public authority.

Section 6.10 Assessment Against Declarant's Property. Declarant shall be relieved of all payment of the Annual Assessment based upon the following: Declarant shall pay the difference between the assessments collected from the existing Owners and the total actual cost of common expenses and maintenance until such time as seventy-five percent (75%) of the Lots are transferred to third party Owners, at which time Declarant shall then pay an Annual Assessment for each Lot based upon the then current assessment per individual Lot.

The difference to be paid by Declarant as provided in the preceding paragraph of this Section shall be paid by Declarant either in cash or by providing such service at its own expense.

VII. EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION

Section 7.01 Effect of Nonpayment of Assessments: Remedies of the Association. Any installment of an Annual Assessment, Capital Improvement Assessment, Special Assessment, or Reconstruction Assessment shall be delinquent if not paid within thirty (30) days of the due date as established by the Board of Directors of the Association. The Board shall be authorized to adopt a system pursuant to which any installment of Annual Assessments, Capital Improvement Assessments, Special

Assessments, or Reconstruction Assessments not paid within thirty (30) days after the due date shall bear interest at the rate of up to ten percent (10%) per annum, commencing thirty (30) days from the due date until paid. In addition, the Board may require the delinquent Owner to pay a late charge to compensate the Association for increased bookkeeping, billing and other administrative costs. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Area or abandonment of his Lot. If any installment of an Assessment is not paid within thirty (30) days after its due date, the Board shall mail within ten (10) days of the request an Acceleration Notice to the Owner and to each first Mortgagee of a Lot which has requested a copy of the Notice. The Notice shall specify (1) the fact that the installment is delinquent; (2) the action required to cure the default; (3) a date not less than thirty (30) days from the date the Notice is mailed to the Owner, by which such default must be cured; and (4) that failure to cure the default on or before the date specified in the Notice may result in acceleration of the balance of the installments of such Assessment for the then current Fiscal Year and sale of the Lot. If the delinquent installment or installments of any Assessment and any charges thereon are not paid in full on or before the date specified in the Notice, the Board at its option may declare all of the unpaid balance of such Assessment levied against such Owner and such Owner's Lot to be immediately due and payable without further demand, and may enforce the collection of the full Assessment and all charges thereon in any manner authorized by law and this Declaration.

Section 7.02 Notice of Assessment. No action shall be brought to enforce any Assessment lien created herein unless a Notice of Assessment is deposited in the United States mail within ten (10) days of the request, certified or registered, postage prepaid, to the Owner of the Lot, and a copy thereof has been Recorded by the Association. Said Notice of Assessment must state (a) the amount of the Assessment and interest, costs (including attorneys' fees) and penalties; (b) a description of the Lot against which the Assessment was made; and (c) the name of the record Owner of the Lot. The Notice of Assessment shall be signed and acknowledged by an officer of the Association. The lien shall continue until fully paid or otherwise satisfied.

Section 7.03 Foreclosure Sale. As set forth in NRS 278A.170, a sale to foreclose an Association lien may be conducted by the Association, its agent or attorney, in accordance with the provisions of NRS 116.3116 to NRS 116.31168, which provide for such foreclosures, or in any other manner so consistent and permitted by law. The Association shall have the power to bid on the Lot at the foreclosure sale, and to acquire and hold, lease, mortgage, and convey the same. Upon completion of the foreclosure sale, an action may be brought by the Association or the Purchaser at the sale in order to secure occupancy of the defaulting Owner's Lot, and the defaulting Owner shall be required to pay the reasonable rental value of such Lot during any period of continued occupancy by the defaulting Owner or any Persons claiming under the defaulting Owner. No sale to foreclose an Assessment lien may be conducted until (1) the Association has mailed by certified or registered mail, return receipt requested, to the Owner or his 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 (i.e., fees, charges, late charges, fines and interest charged, if any), a description of the Lot against which the lien is imposed, and the name of the record Owner of the Lot; (2) the President of the Association or other person conducting the sale has executed and caused to be recorded, with the Clark County Recorder's Office, 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, and such Notice of

Default and Election to Sell shall also describe the deficiency in payment, and the name and address of the person authorized by the Association to enforce the lien by sale; and (3) the 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 sixty (60) days following the recording of the Notice of Default and Election to Sell. Such sixty (60) day period shall commence on the first day following the latter of: (i) the day on which the Notice of Default is recorded, or (ii) the day on which the Notice of Default is mailed by certified or registered mail, return receipt requested, to the Owner or his successor in interest at his address, if known, otherwise to the address of the Lot. The Association, its agent or attorney shall, after the expiration of such sixty (60) day period and before the foreclosure sale, give notice of the time and place of the sale in the manner and for a time not less than that required by law for the sale of real property upon execution, except that a copy of the Notice of Sale must be mailed on or before the first publication or posting, by certified mail, return receipt requested, with postage prepaid to the Owner or such Owner's successor in interest at his address, if known, and otherwise to the address of the Lot.

Section 7.04 Curing of Default. Upon the timely curing of any default for which a Notice of Assessment was filed by the Association, the officers thereof shall record an appropriate Release of lien, upon payment by the defaulting Owner of a reasonable fee to cover the cost of preparing and recording such release. A certificate executed and acknowledged by any two (2) members of the Board stating the indebtedness secured by the liens upon any Lot created hereunder shall be conclusive upon the Association and the Owners as to the amount of such indebtedness as of the date of the certificate, in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Owner upon request at a reasonable fee, to be determined by the Board.

Section 7.05 Cumulative Remedies. The Assessment liens and the rights to foreclosure and sale thereunder shall be in addition to, and not in substitution for, all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as provided above.

Section 7.06 Mortgage Protection. Notwithstanding all other provisions hereof, no lien created under this Section VII, nor any breach of this Declaration, for the enforcement of any provision hereof shall defeat or render invalid the rights of the Beneficiary under any Recorded First Deed of Trust (meaning any deed of trust with first priority over other deeds of trust) upon a Lot made in good faith and for value; provided that after such Beneficiary or some other Person obtains title to such Lot by judicial foreclosure or by means of the powers set forth in such Deed of Trust, such Lot shall remain subject to this Declaration and the payment of all installments of Assessments accruing subsequent to the date such Beneficiary or other Person obtains title.

Section 7.07 Priority of Assessment Lien. The lien of the Assessments, including interest and costs (including attorneys' fees), provided for herein, shall be subordinate to the lien of any first Mortgage upon any Lot. Sale or transfer of any Lot shall not affect the Assessment Lien. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. When the Beneficiary of a first Mortgage of Record or other Purchaser of a Lot obtains title pursuant to a judicial or nonjudicial foreclosure of the first Mortgage, such Person, his successors and assigns, shall not be liable for the share of the Common Expenses or Assessments by the Association chargeable to such

Lot by such Person. Such unpaid share of Common Expenses or Assessments shall be deemed to be Common Expenses collectible from all of the Lots, including the Lot belonging to such Person, his successors or assigns.

VIII. ARCHITECTURAL CONTROL

Section 8.01 Members of Committee. The Architectural Review Committee, sometimes refer to in this Declaration as the "ARC," shall be representative of Declarant. Subject to the following provisions, Declarant shall have the right and power at all times to appoint and remove a majority of the members of the ARC or to fill any vacancy of such majority until the "turnover date," which shall be the date on which either (i) Close of Escrow, (ii) seven (7) years following the date of Recordation of this Declaration, whichever occurs earlier. Commencing one (1) year from the date of the Recordation of this Declaration, the Board shall have the power to appoint one (1) member of the ARC, until the turnover date. After the turnover date, the Board shall have the power to appoint and remove all of the members of the ARC. Persons appointed to the ARC by the Board shall be from the Membership of the Association, but Persons appointed to the ARC by Declarant need not be Members of the Association. The ARC shall have the right and duty to promulgate reasonable standards against which to examine any request made pursuant to this Section, in order to ensure that the proposed plans conform harmoniously to the exterior design and existing materials of the buildings in the Properties. Board members may also serve as ARC members.

Section 8.02 Review of Plans and Specifications. The ARC shall consider and act upon any and all plans and specifications submitted for its approval under this Declaration and perform such other duties as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with plans approved by the ARC. Notwithstanding anything contained in this Declaration, expressly or impliedly to the contrary, no demolition, addition, installation, modifications, decoration, redecoration or reconstruction of an Improvement, including Dwelling Units and landscaping, shall be commenced or maintained until the plans and width, color, materials, and location of the same shall have been submitted to the ARC and approved in writing by the ARC; provided, however, that any Improvement may be repainted without ARC approval so long as the Improvement is repainted the identical color which it was last painted. The Owner submitting such plans and specifications ("Applicant") shall obtain a written receipt therefor from an authorized agent of the ARC. Until changed by the Board, the address for submission of such plans and specifications shall be the principal office of the Association. The ARC shall approve plans and specifications submitted for its approval only if it deems that (a) the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area or the Properties as a whole; (b) the appearance of any structure affected thereby will be in harmony with the surrounding area or the Properties as a whole; (c) the wholesomeness and attractiveness of the Properties or the enjoyment thereof by the members; and (d) the upkeep and maintenance thereof will not become a burden on the Association.

The ARC may condition its approval of proposals or plans and specifications for any Improvements (1) upon the agreement by the Applicant submitting the same to furnish to the ARC a bond or other security acceptable to the ARC in an amount sufficient to (i) assure the completion of such Improvement or the availability of funds adequate to remedy any nuisance or unsightly conditions occurring as a result of the partial completion of such Improvements; and (ii) to protect the Association

and the other Owners against mechanics' liens or other encumbrances which may be recorded against their respective interest in the Properties or damage to the Association Property as a result of such work; (2) on such changes therein as it deems appropriate; (3) upon the agreement by the Applicant to grant appropriate easements to the Association for the maintenance of the Improvement; (4) upon the agreement of the Applicant to reimburse the Association for the cost of maintenance of all four, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The ARC may also issue rules or guidelines setting forth procedures for the submission of plans for approval, requiring a fee to accompany each application for approval, outstanding additional factors which it will take into consideration in reviewing submissions. The ARC may provide that the amount of such fee shall be uniform, or that it may be determined in any other reasonable manner, such as based upon the reasonable cost of the construction, alterations or additions contemplated or the cost of architectural or other professional fees incurred by the ARC in reviewing plans.

The ARC may require such detail in plans and specifications submitted for its review as it deems proper including, without limitation, floor plans, site plans, drainage plans, landscaping plans, elevation drawings, and descriptions or samples of exterior materials and colors. Until receipt of the ARC and the reasons therefor shall be transmitted by the ARC to the Applicant at the address furnished by the Applicant, within thirty (30) days after the date of receipt issued by the ARC for the final materials required by the ARC. Any application submitted pursuant to this Section shall be deemed approved, unless written disapproval or a request for additional information or materials by the ARC shall have been transmitted to the Applicant within thirty (30) days after the date of receipt by the ARC of all required materials.

Section 8.03 Meetings of the ARC. The ARC shall meet from time to time, as necessary, to perform its duties hereunder. The ARC may from time to time, by resolution unanimously adopted in writing, designate an ARC Representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the ARC, except the granting of variances pursuant to Section 8.08 of this Section. In the absence of such designation, the vote of a majority of the members of the ARC, or the written consent of a majority of the members of the ARC taken without a meeting, shall constitute an act of the ARC.

Section 8.04 No Waiver of Future Approvals. The approval of the ARC of any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the ARC, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters subsequently or additionally submitted for approval or consent.

Section 8.05 Compensation of Members. The members of the ARC shall receive no compensation for services rendered, other than reimbursement by the Association for expenses incurred by them in the performance of their duties hereunder.

Section 8.06 Correction of Defects. Inspection of work and correction of defects therein shall proceed as follows:

(a) The ARC, or its duly appointed representative may, at any time, inspect any Improvement for which approval of plans is required under this Section. However, the ARC's right of inspection of Improvements for which plans have been submitted and approved shall terminate sixty (60) days after the work of Improvement has been completed and the respective Owner has given written notice to the ARC of such completion. The ARC's rights of inspection shall not terminate pursuant to this paragraph if plans for the work of Improvement have not previously been submitted to and approved by the ARC. If, as a result of such inspection, the ARC finds that such Improvement was done without obtaining approval of the plans therefor, or was not done in substantial compliance with the plans approved by the ARC, it shall notify the Owner in writing of failure to comply with this Section VIII within sixty (60) days from the inspection, specifying the particulars of noncompliance. The ARC shall have the authority to require the Owner to take such action as may be necessary to remedy the noncompliance.

b) If, upon the expiration of sixty (60) days from the date of such notification, the Owner has failed to remedy such noncompliance, the ARC shall notify the Board in writing of such failure. Upon Notice and Hearing as provided in the Bylaws, the Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the Owner shall remedy or remove the same within a period of not more than forty-five (45) days from the date that notice of the Board ruling is given to the Owner. If the Owner does not comply with the Board ruling within that period, the Board, at its option, may Record a Notice of Noncompliance and commence a lawsuit for damages or injunctive relief, as appropriate, to remedy the noncompliance. In addition, the Board may peacefully remedy the noncompliance, and the Owner shall reimburse the Association, upon demand, for all expenses (including reasonable attorneys' fees) incurred in connection therewith. If such expenses are not promptly repaid by the Owner to the Association, the Board shall levy a Special Assessment against the Owner for reimbursement as provided in this Declaration. The right of the Association to remove a noncomplying Improvement or otherwise remedy the noncompliance shall be in addition to all other rights and remedies which the Association may have at law, in equity or in this Declaration.

(c) If for any reason the ARC fails to notify the Owner of any noncompliance with previously submitted and approved plans within sixty (60) days after receipt of written notice of completion for the Owner, that Improvement shall be deemed to be in accordance with the approved plans.

Section 8.07 Scope of Review. The ARC shall review and approve, conditionally approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity and the Properties generally. The ARC shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials, and similar features. The ARC's approval or disapproval shall be based solely on the considerations set forth in this Section VIII, and the ARC shall not be responsible for reviewing,

nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes. Each Owner shall be responsible for obtaining all necessary permits and for complying with all City and County requirements with respect to the implementation of such plans.

Section 8.08 Variance. The ARC may authorize variances from compliance with any of the architectural provisions of this Declaration, including without limitation, restrictions upon height, size, floor area, or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations may require. Such variances must be evidenced in writing, must be signed by a majority of the ARC, and shall become effective upon Recordation. After Declarant has lost the right to appoint a majority of the members of the ARC, the Board must approve any variance recommended by the ARC before any such variance shall become effective. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall it effect in any way the Owner's obligation affecting the use of his Dwelling Unit.

Section 8.09 Liability. Neither the ARC nor any member thereof shall be liable to the Association, any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings or specifications, whether or not defective; (b) the construction or performance of any work upon the Properties; (c) the execution and filing of any estoppel certificate, whether or not the facts therein are correct; or (d) any other act, action or conduct of the ARC or any of the members thereof, so long as that with respect to the liability of a member of the ARC, such member has acted in good faith on the basis of such information as may be possessed by him.

IX. MAINTENANCE AND REPAIR OBLIGATIONS

Section 9.01 Maintenance Obligations of Owners. It shall be the duty of each Owner, at his sole cost and expense, subject to the provisions of this Declaration requiring Board approval, to maintain, repair, replace, and restore all Improvements located on his Lot, and the Lot itself in a neat, sanitary and attractive condition, except for areas to be maintained by the Association under this Declaration. If any Owner shall permit any Improvement, the maintenance of which is the responsibility of such Owner, to fall into disrepair or to become unsafe, unsightly or unattractive, or to otherwise violate this Declaration, the Board shall have the right to seek any remedies at law or in equity which it may have. In addition, the Board shall have the right, but not the duty, after Notice and Hearing as provided in the Bylaws, to enter upon such Owner's Lot to make such repairs or to perform such maintenance and to charge the cost thereof to the Owner. Said cost shall be a Special Assessment enforceable as set forth in this Declaration.

Section 9.02 Maintenance Obligations of Association. No Improvement, excavation or work which in any way alters the Common Area shall be made or done by any person other than the Association or its authorized agents after the completion of the construction or installation of the Improvements thereto by Declarant. Subject to the provisions of Sections 6.03 and 9.03 hereof, upon commencement of

Annual Assessments in the Properties the Association shall provide for the maintenance, repair and replacement of the Common Area and all Improvements thereon, in a safe, sanitary and attractive condition, and in good order and repair, and shall likewise provide for the utilities serving the Common Area. The Association shall ensure that the landscaping on the Common Area is maintained free of weeds and disease. The Association shall not be responsible for the maintenance of any portions of the Common Area which have been dedicated to and accepted for maintenance by a state, local or municipal governmental agency or entity. All of the foregoing obligations of the Association shall be discharged when and in such manner as the Board of Directors of the Association shall determine in its judgment to be appropriate.

Section 9.03 Damage to Common Area by Owners. The cost of any maintenance, repairs or replacements by the Association within the Common Area arising out of or caused by the willful or negligent act of an Owner, his tenants or their families, guests or invitees, shall, after Notice of Hearing, be levied by the Board as a Special Assessment against such Owner as provided in Section XI(d).

Section 9.04 Damage and Destruction Affecting Dwelling Units Duty to Rebuild. If all or any portion of any Lot or Dwelling Unit is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner of such Lot to rebuild, repair or reconstruct the same in a manner which will restore it substantially to its appearance and condition immediately prior to the casualty or as otherwise approved by the Board. The Owner of any damaged Lot and the Board shall be obligated to proceed with all due diligence hereunder, and such Owner shall cause reconstruction to commence within six (6) months after the damage occurs and to be completed within eighteen (18) months after damage occurs, unless prevented by causes beyond his reasonable control. A transferee of title to the Lot which is damaged shall commence and complete reconstruction in the respective periods which would have remained for the performance of such obligations if the Owner of the Lot at the time of the damage still held title to the Lot. However, in no event shall such transferee of title be required to commence or complete such reconstruction in less than ninety (90) days from the date such transferee acquired title to the Lot.

X. USE RESTRICTIONS

All real property within the Properties shall be held, used and enjoyed subject to the following limitations and restrictions and the exemptions of Declarant in Section XIII hereof:

Section 10.01 Single Family Residence. Each Lot shall be used as a residence for a single Family and for no other purpose, and there shall not be constructed or maintained upon any Lot more than one single Family residence with a private garage. Except as otherwise provided in this Declaration, the Common Area shall be used for recreational, social and other purposes directly related to the single Family use of the Lots authorized hereunder.

Section 10.02 Business or Commercial Activity. No part of the Properties shall ever be used or cause to be used or allowed or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storage, vending, or other such commercial manufacturing, mercantile, storage, vending, or other such nonresidential purposes; except Declarant, its successors and assigns, may use any portion of the Properties for a model homesite, and display and sales office in connection with the sale of Lots in the Properties or other projects in the vicinity of the Properties. The provisions of this Section 10.02 shall not preclude professional and administrative occupations without

external evidence thereof, for so long as such occupants without external evidence thereof, for so long as such occupation is conducted in conformance with all applicable governmental ordinances and are merely incidental to the use of the Dwelling Unit as a residential home.

Section 10.03 Nuisances. No noxious or offensive activities (including, but not limited to, the repair of motor vehicles) shall be carried on upon the Properties. No horns, whistles, bells, or other sound devices, except security devices used exclusively to protect the security of a Dwelling Unit and its contents, shall be placed or used on the Properties or on any public street abutting the Properties. Vehicles which are noisy or emit noxious fumes, large power equipment and large power tools (excluding lawn mowers and other equipment utilized in connection with ordinary landscape maintenance), off-road motor vehicles, or items which may unreasonably interfere with television or radio reception of any Owner in the Properties, and objects which create or emit loud noises or noxious odors shall not be located, used or placed on any portion of the Properties, or on any public street abutting the Properties, or exposed to the view of other Owners without the prior written approval of the Board. The Board of Directors of the Association shall have the right to determine if any noise, odor or activity producing such noise or odor constitutes a nuisance. No Owner shall permit or cause anything to be done or kept on the Properties, or on any public street abutting the Properties, which may increase the rate of insurance, or which will obstruct or interfere with the rights of other Owners, not commit or permit any nuisance thereon or violate any law. Each Owner shall comply with all of the requirements of the local or state health authorities and with all other governmental authorities with respect to the occupancy and use of a Dwelling Unit. Each Owner shall be accountable to the Association and other Owners for the conduct and behavior of children and other family members or persons residing in or visiting his Lot; and any damage to the Common Area, personal property of the Association or property of another Owner, caused by such children or other family members, shall be repaired at the sole expense of the Owner of the Lot where such children or other family members or person are residing or visiting.

Section 10.04 Signs. No sign, poster, display, billboard, or other advertising device of any kind shall be displayed to the public view on any portion of the Properties, or on any public street abutting the Properties, without the prior express written consent of the Board, except (a) one (1) sign for each Lot, not larger than eighteen (18) inches by thirty (30) inches, advertising the Lot for sale or rent; (b) traffic and other signs installed by Declarant as part of the original construction of the Properties; or (c) signs, regardless of size, used by Declarant, its successors or assigns to advertise the Properties or other projects in the vicinity of the Properties during the construction and sales period. All signs and billboards and the conditions promulgated for the regulation thereof shall conform to the regulations of all applicable governmental ordinances.

Section 10.05 Parking and Vehicular Restrictions. No trailer, mobile home, recreational vehicle, camper, boat, commercial vehicle, aircraft, truck larger than one (1) ton, or any operable or junk vehicle of any kind (other than a pick up truck or van used for daily transportation of residents or of visitors to the properties) may be parked, stored, kept at any time on any lot within the property between the residence and the front, side and back property line of the lot. Parking, storing, or keeping a trailer, mobile home, recreational vehicle, camper, boat, commercial vehicle, aircraft, truck larger than one (1) ton, or any operable or junk vehicle shall be permitted only within a fully enclosed garage and only with the garage door closed.

No owner of a lot within the property shall conduct repairs or restoration of a trailer, mobile home, recreational vehicle, camper, boat, commercial vehicle, aircraft, truck larger than one (1) ton, or any operable or junk vehicle upon any portion of any lot within the property, except wholly within the said owner's garage. Additionally, such repairs and restoration shall be permitted, provided that such activity may be prohibited entirely if the Board determines, in its sole discretion, that such activity constitutes a nuisance or is in violation of any of the terms of this Declaration. As they apply. The terms "unsightly", "disorderly", "detraction to appearance", "nuisance", "violation of the terms of this Declaration" shall be solely defined and determined by the Board. Notwithstanding the foregoing these restrictions shall not be interpreted in such a manner so as to permit any activity, which would be contrary to any ordinance of the City or County in which the Properties are located.

Section 10.06 Animal Restrictions. No animals, included, but not limited to, reptiles, rodents, livestock, birds, lions, tigers, wolves, boa constrictors, orangutans, coyotes, poultry, fish, fowl, or insects of any kind ("animals") shall be raised, bred or kept on any Lot, except that a reasonable number of dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose, nor in unreasonable quantities in violation of any applicable local ordinance or any other provision of these Restrictions, and such limitations as may be set forth in the Rules and Regulations. For the purpose of this provision, the term "household pet" means any animal which is fully domesticated and is recognized by society as a fully domesticated animal, thereby excluding any of the animals listed above. As used in this Declaration, "unreasonable quantities" shall mean more than two (2) pets per household; provided, however, that the Board of Directors may determine that a reasonable number in any instance may be more or less. The Association, acting through the Board of Directors, shall have the right to prohibit maintenance of any animal maintained in any Lot which constitutes, in the opinion of the Board, a nuisance to other Owners of Lots in the Properties. Animals belonging to Owners, occupants or their licensees, tenants, or invitees within the Properties must be either kept within an enclosure, an enclosed yard or on a leash or other restraint being held by a person capable of controlling the animal. Furthermore, to the extent permitted by law, any Owner shall be liable to each and all remaining Owners, their families, guests, tenants, and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Properties by an Owner or by members of his family, his tenants or his guests; and it shall be the absolute duty and responsibility of each such Owner to clean up after such animals which have used any portion of the Common Area or streets abutting the Properties.

Section 10.07 Trash. No rubbish, trash or garbage, or other waste material shall be kept or permitted upon any Lot, the Common Area or any public street abutting or visible from the Properties, except in sanitary containers located in appropriate areas screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the Properties, or any portion thereof, unsanitary, unsightly, offensive, or detrimental to any other property in the vicinity thereof or to its occupants. Such container shall be exposed to the view of neighboring Lots only when set out for a reasonable period of time (not to exceed twelve [12] hours before and after scheduled trash collection hours). There shall be no exterior fires whatsoever except barbecue fires contained within receptacles therefor and fire pits in enclosed areas and designed in such a manner that they do not create a fire hazard. No clothing or household fabrics shall be hung, dried or aired on or over any Lot in such a way as to be visible from any other Lot, and no lumber, grass, shrub, or tree clippings or plant waste, metals, bulk

material, scrap, refuse, or trash shall be kept, stored or allowed to accumulate on any portion of the Properties except within an enclosed structure or if appropriately screened from view. No plants or seeds infected with noxious insects or plant diseases shall be brought upon, grown or maintained upon the Properties.

Section 10.08 View Obstructions. Each Owner by accepting a deed to the Lot thereby acknowledges that any construction or installation by Declarant or another Owner may impair the view of such Owner and hereby consents to such impairment. However, no Improvement or obstruction shall be constructed, planted or maintained by an Owner upon any Lot in such location or of such height as to unreasonably obstruct the view from any other Lot in the vicinity thereof. If there is a dispute between Owners concerning the obstruction of a view from a Lot, the dispute shall be submitted to the ARC, whose decision in such matter shall be binding. Any item or vegetation in the view of any Owner shall be removed or otherwise altered to the satisfaction of the Board, if it determines that the maintenance of such item or vegetation in its then existing state is contrary to the purposes or provision of this Declaration. The Board shall ensure that the vegetation on the Common Area is not unreasonably obstructing.

Section 10.09 Temporary Buildings. No outbuilding, basement, tent, shack, shed (whether metal or wood), garage, barn, lean-to, canopy, quonset, or other temporary building, or Improvement of any kind shall be placed upon any portion to the Properties either temporarily or permanently, except as may be approved by the ARC during the initial construction of a Dwelling Unit. No garage, carport, trailer, camper, motor home, recreational vehicle, boat, or other vehicle shall be used as a residence in the Properties, either temporarily or permanently.

Section 10.10 Common Area Facilities. Nothing shall be altered or constructed in or removed from the Common Area without the prior express written consent of the Board of Directors.

Section 10.11 Outside Installations. No radio station or shortwave operators of any kind shall operate from any Lot or Dwelling Unit unless approved by the ARC. No exterior radio antenna, "CB" antenna, television antenna, or other antenna of any type shall be erected or maintained in the Properties. However, a master antenna or antennae or cable television antenna or antennae may, but need not, be provided by Declarant for the use of all Owners, and Declarant may grant easements for such purposes. No basketball backboard or other fixed sports apparatus shall be constructed or maintained in the Properties without the prior approval of the ARC. No fence or wall shall be erected, altered or maintained on any Lot in the Properties, except with the prior approval of the ARC. No patio cover, wiring, air conditioning fixture, water softeners, or other devices shall be installed on the exterior of a Dwelling Unit or be allowed to protrude through the walls or roof of the Dwelling Unit, unless the prior express written approval of the ARC is obtained.

Section 10.12 Natural Resource Development. No oil drilling, oil, gas or mineral development operations, oil refining, geothermal exploration or development, quarrying or mining operations of any kind shall be permitted upon or in any Lot or the Common Area, nor shall oil wells, tanks, tunnels, or mineral excavations or shafts be permitted upon the surface of any Lot or within five hundred feet (500') below the surface of the Properties. No derrick or other structure designed for use in boring for water, oil, geothermal heat, or natural gas shall be erected, maintained or permitted upon any Lot.

Section 10.13 Further Subdivision. No Owner shall further partition or subdivided his Lot, including without limitation any division of his Lot into time share estates or time share uses; provided, however, that this provision shall not be construed to limit the right of an owner (1) to rent or lease his entire lot by means of a written lease or rental agreement subject to the restrictions of this Declaration, so long as the Lot is not leased for transient or hotel purposes; (2) to sell his Lot; or (3) to transfer or sell any Lot to more than one person to be held by them as tenants-in-common, joint tenants, tenants by entirety, or as community property. The terms of any such lease or rental agreement shall be made expressly subject to this Declaration and the Bylaws of the Association. Any failure by the lessee of such Lot to comply with the terms of this Declaration, the Bylaws of the Association or the Rules and Regulations shall constitute a default under the lease or rental agreement.

Section 10.14 Drainage. There shall be no interference with or alteration of the established drainage pattern over any Lot within the Properties, unless an adequate alternative provision is made for proper drainage. For the purposes hereof, "established drainage pattern" is defined as the drainage which exists at the time that such Lot is conveyed to a purchaser from Declarant, and shall include drainage from the Lots in the Properties onto the Common Area.

Section 10.15 Water Supply Systems. No individual water supply, sewage disposal system or water softener system shall be permitted on any Lot in the Properties unless such system is designed, located, constructed, and equipped in accordance with the requirements, standards and recommendations of any water district serving the Properties, the Health Department for the county in which the Properties are located, the Board, and all other applicable governmental authorities.

Section 10.16 Landscaping Within six (6) months after the Close of Escrow for the sale of a Lot, the Owner of such Lot shall install landscaping on the front and rear yards of such Lot in accordance with plans and specifications approved by the ARC in accordance with Section VIII hereof. The Board may adopt Rules and Regulations proposed by the ARC to regulate landscaping permitted or required on the Properties. If an Owner fails to install and maintain landscaping in conformance with such Rules and Regulations within the time limit set forth above, or shall allow his landscaping to deteriorate to a dangerous, unsafe, unsightly, or unattractive condition, the Board, upon thirty (30) days written notice to such Owner, shall have the right to either seek an immediate remedy at law or in equity which it may have to correct such condition and, after Notice and Hearing, to enter upon such Owner's lot for the purpose of doing so, and such Owner shall promptly reimburse the Association for the cost thereof. Such cost shall be a Special Assessment enforceable in the manner as set forth in this Declaration.

XI. DAMAGE TO OR CONDEMNATION OF COMMON AREA

Damage to or destruction of all or any portion of the Common Area, and condemnation of all or any portion of the Common Area shall be handled in the following manner:

- (a) If the Common Area is damaged or destroyed, the Association shall cause the Common Area to be repaired and reconstructed substantially as it previously existed.
- (b) If the cost of effecting total restoration of the Common Areas

exceeds the amount of insurance proceeds, the Association shall cause the Common Area to be repaired and reconstructed substantially as it previously existed, and the difference between the insurance proceeds and the actual cost shall be levied as a reconstruction Assessment against each Lot and its respective Owner.

(c) To the extent of funds available for restoration, any restoration or repair of the Common Area shall be performed substantially in accordance with the original plans and specifications unless other action is approved by Beneficiaries of fifty-one percent (51%) of the first Mortgages on Lots in the Properties.

(d) Each Member shall be liable to the Association for any damage to the Common Area, not fully reimbursed to the Association by insurance proceeds, which may be sustained by reason of negligence or willful misconduct of said Member or the Persons deriving their right and easement of use and enjoyment of the Common Area from said Member, or of his respective family and guests, both minor and adult. The Association reserves the right, acting through the Board, after Notice and Hearing, to: (a) determine whether any claim shall be made upon the insurance maintained by the Association; and (2) levy against such Member a Special Assessment equal to any deductible paid and the increase, if any, in the insurance premium directly attributable to the damage caused by such Member or the Persons for whom such Member may be liable as described herein. In the case of joint Ownership of a Lot, the liability of the Owners thereof shall be joint and several, except to the extent that the Association has previously contracted in writing with such joint Owners to the contrary. After Notice and Hearing, the cost of correcting such damage, to the extent not reimbursed to the Association by insurance, shall be a Special Assessment against such Member.

(e) If at any time all or any portion of the Common Area, or any interest therein, is 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 award in condemnation shall be paid to the Association. Any such award payable to the Association shall be deposited in the Operating Fund. No Member shall be entitled to participate as a party, or otherwise, in any proceedings relating to such condemnation. The Association shall have the exclusive right to participate in such proceedings and shall, in its name alone, represent the interests of all Members.

....
....
....

XII. INSURANCE

Section 12.01 Casualty Insurance. The Board shall cause to be obtained and maintained fire and casualty insurance with extended coverage for loss or damage to all insurance Improvements and fixtures originally installed by Declarant or installed by the Association on the Common Area for the full insurance replacement cost thereof without deduction for depreciation or coinsurance, and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property, whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Area shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Subject to Section XI, insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses included in the Annual Assessment levied by the Association.

Section 12.02 Insurance Obligations of Owners. Each Owner shall insure the Improvements on his Lot, including his entire Dwelling Unit, against loss or damage by fire or by any other casualty. All such insurance shall be in an amount as near as practicable to the full replacement value of the Dwelling Unit and appurtenant Improvements, without deduction for depreciation or coinsurance. All such policies shall contain a provision that the same shall not be canceled or terminated except upon at least thirty (30) days written notice to the Association. Each Owner shall notify the Association of the existence or nonexistence of an assignment of such insurance maintained by said Owner upon the sale of his Lot. The Association may, but is not obligated to, cure an Owner's failure to comply with this Section by purchasing the insurance on behalf of the Owner, who shall then be required to reimburse the Association for its cost of obtaining the insurance. Such cost shall constitute a Special Assessment against the Owner.

It is the responsibility of each Owner to provide insurance on his personal property and upon all other property and improvements within his Dwelling Unit for which the Association has not purchased insurance in accordance with Section 12.01 hereof. It shall also be the responsibility of each Owner to carry public liability insurance in the amount such Owner deems desirable to cover his individual liability for damage to persons or property occurring inside his Dwelling Unit or elsewhere upon his Lot. Such policies shall not adversely affect or diminish any liability under any insurance obtained by or on behalf of the Association, and duplicate copies of such other policies shall be deposited with the Board upon the Board's request. If any loss intended to be covered by insurance carried by or on behalf of the Association shall occur, the proceeds payable thereunder shall be reduced by reason of insurance carried by any Owner, such Owner shall assign the proceeds of such insurance carried by him to the Association, to the extent of such reduction, for application by the Board for the same purposes as the reduced proceeds are to be applied.

Section 12.03 Waiver of Subrogation. All policies of physical damage insurance maintained by the Association shall provide, if reasonably possible, for waiver of: (1) any defense based on coinsurance; (2) any right of set-off, counterclaim, apportionment, proration, or contribution by reason of other insurance not carried by the Association; (3) any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association, any Owner or any tenant of any

Owner, or arising from, any act, neglect or omission of any named insured or the respective agents, contractors and employees of any insured; (4) any rights of the insurer to repair, rebuild or replace and, in the event any Improvement is not repaired, rebuild or replaced following loss, any right to pay under the insurance an amount less than the replacement value of the Improvements insured; or (5) notice of the assignment of any Owner of its interest in the insurance by virtue of a conveyance of any Lot. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, the Manager, the Declarant, and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence or breach of any agreement by such persons, but only to the extent that insurance proceeds are received in compensation for such loss.

Section 12.04 Liability and Other Insurance. The Association shall have the power and duty to and shall obtain comprehensive public liability insurance, including medical payments and malicious mischief, in such limits as it shall deem desirable (but in no event less than \$1 million covering all claims for personal injury and property damage arising out of a single occurrence), insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property maintained or required to be maintained by the Association including if obtainable, a cross liability endorsement insuring each insured against liability to each other insured. The Association may also obtain, through the Board, Worker's Compensation insurance and other liability insurance as it may deem desirable, insuring each Lot Owner and the Association, Board of Directors, and Manager, from liability in connection with the Common Area, the premiums for which are a Common Expense included in the Annual Assessment levied against the Owners. All insurance policies shall be reviewed at least annually by the Board of Directors and the limits increased in its discretion. The Board may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds, and other insurance as it deems advisable, insuring the Board, the officers or the Association and the Manager against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their membership on the Board or on any committee thereof. However, fidelity bond coverage which names the Association as an obligee must be obtained by or on behalf of the Association for any person or entity handling funds of the Association including, but not limited to, officers, directors, trustees, employees, and agents of the Association, and employees of the manager of the Association, whether or not such Persons are compensated for their services, in an amount not less than that estimated maximum of funds, including reserve funds, in the custody of the Association or the Manager, as the case may be, at a given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than the sum equal to one-fourth (1/4) of the Annual Assessments on all Lots in the Properties, plus reserve funds. In addition, the Association shall continuously maintain in effect such casualty, flood and liability insurance and fidelity bond coverage, meeting the requirements for planned unit developments established by FHA, VA, FNMA, GNMA, and FHLMC, so long as any of which is a Mortgagee or an Owner of a Lot in the Properties, except to the extent such coverage is not available or has been waived in writing by FHA, VA, FNMA, GNMA, and FHLMC, as applicable.

Section 12.05 Notice of Expiration Requirements. If available, each of the policies of insurance maintained by the Association shall contain a provision that said policy shall not be canceled, terminated, materially modified, or allowed to expire by its terms, without ten (10) days prior written notice to the Board and Declarant, and to each Owner and beneficiary, insurer and guarantor of a first Mortgage who has filed a written request with the carrier for such notice, and every other Person in interest who requests such notice of the insurer.

XIII. MORTGAGEE PROTECTION CLAUSE

In order to induce FHA, VA, FNMA, GNMA, and FHLMC, and any other governmental agency or entity, to participate in the financing of the sale of Lots within the Properties, the following provisions are added hereto (and to the extent these added provisions conflict with any other provisions of the Declaration, these added provisions shall control):

(a) each Beneficiary, insurer and guarantor of a first Mortgage encumbering any Lot, at its written request, is entitled to written notification from the Association of any default by the Mortgagor of such Lot in the performance of such Mortgagor's obligations under this Declaration, the Articles of Incorporation or the Bylaws, which default is not cured within thirty (30) days after the Association learns of such default. For purposes of this Declaration, "first Mortgage" shall mean a Mortgage with first priority over other Mortgages or Deeds of Trust on a lot, and "first Mortgagee" shall mean the beneficiary of a first Mortgage.

(b) each Owner, including every first Mortgagee of a Mortgage encumbering any Lot which obtains title to such Lot, pursuant to the remedies provided in such Mortgage, or by foreclosure of such Mortgage, or by deed or assignment in lieu of foreclosure, shall be exempt from any "right of first refusal" created or purported to be created by this Declaration, the Articles, the Bylaws, or the Rules and Regulations.

(c) each Beneficiary of a first Mortgage encumbering any Lot which obtains title to such Lot or by foreclosure of such Mortgage, shall take title to such Lot free and clear of any claims of unpaid assessments or charged against such Lot which accrued prior to the acquisition of title to such Lot by the Mortgagee.

(d) unless at least sixty-seven percent (67%) of first Mortgagees (based upon one [1] vote for each first Mortgage owned) or sixty-seven percent (67%) of the Owners (other than Declarant) have given their prior written approval, neither the Association nor the Owners shall:

(1) subject to Nevada nonprofit corporation law to the contrary, by act or omission seek to abandon, partition, alienate, subdivide, release, hypothecate, encumber, sell, or transfer the Common Area and the Improvements thereon which are owned by the Association;

(The granting of easements for public utilities or for other public purposes consistent with the intended use of such property by the Association as provided in this Declaration shall not be deemed a transfer within the meaning of this clause.)

(2) change the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot Owner, or the method of allocating distributions of hazard insurance proceeds or condemnation awards;

(3) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design of the exterior appearance of the Dwelling Units and other Improvements on the Lots, the maintenance of the exterior walls or common fences and driveways, or the upkeep of lawns and plantings in the Properties;

(4) fail to maintain Fire and Extended Coverage on insurable Common Area on a current replacement cost basis in an amount as near as possible to one hundred percent (100%) of the insurance value (based on current replacement cost);

(5) use hazard insurance proceeds for losses to any Common Area property for other than the repair, replacement or reconstruction of such property; or

(6) amend those provisions of this Declaration or the Articles of Incorporation or Bylaws of the Association which provide for rights or remedies of first Mortgages.

(e) All Beneficiaries, insurers and guarantors of first Mortgages, upon written request, shall have the right to (1) examine the books and records of the Association during normal business hours; (2) require from the Association the submission of an annual audited financial statement (without expense to the Beneficiary, insurer or guarantor requesting such statement) and other financial data; (3) receive written notice of all meetings of the Members; and (4) designate in writing a representative to attend all such meetings.

(f) All Beneficiaries, insurers and guarantors of first Mortgages, who have filed a written request for such notice with the Board shall be given thirty (30) days written notice prior to (1) any abandonment or termination of the Association; (2) the effective date of any proposed material amendment to this Declaration or the Articles of Incorporation or Bylaws of the Association; and (3) the effective date of any termination of any agreement for professional management of the Properties following a decision of the Owners to assume self-management of the Properties. Such first Mortgagees shall be given immediate notice (1) following any damage to the Common Area whenever the cost of reconstruction exceeds Ten Thousand Dollars (\$ 10,000); and (2) when the Board learns of any threatened condemnation proceeding or proposed acquisition of any portion of the Properties.

(g) First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area property and may pay any overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for Common Area property, and first Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

(h) The reserve fund described in Section VI of this Declaration must be funded by regular scheduled monthly, quarterly, semiannual, or annual payments rather than by large extraordinary Assessments.

(i) The Board shall secure and cause to be maintained in force at all times a fidelity bond for any person handling funds of the Association including, but not limited to, employees of any professional Manager.

(j) When professional management has been previously required by a Beneficiary, insurer or guarantor of a first Mortgage, any decision to establish self-management by the Association shall require the approval of sixty-seven percent (67%) of the voting power of the Association and the beneficiaries of fifty-one percent (51 %) of the first Mortgages of Lots in the Properties.

(k) Any changes to this Declaration or the Bylaws shall not be made without giving prior written notification to the Department of Veterans Administration.

In addition to the foregoing, the Board of Directors may enter into such contracts to agreements on behalf of the Association as are required in order to satisfy the guidelines of FHA, VA, FHLMC, FNMA, OR GNMA, or any similar entity, so as to allow for the purchase, insurance or guaranty, as the case may be, by such entities of first Mortgages encumbering Lots. Each Owner hereby agrees that it will benefit the Association and the Member of the Association, as a class of potential Mortgage borrowers and potential sellers of their Lots, if such agencies approve the Properties as a qualifying subdivision under their respective policies, Rules and Regulations, as adopted from time to time. Mortgagees are hereby authorized to furnish information to the Board concerning the status of any Mortgage encumbering a Lot.

XIV. DECLARANT EXEMPTION

Declarant or its successors or assigns intend, but shall not be obligated, to undertake the work of developing all of the Lots included within the Properties. The completion of that work and sale, resale, rental, and other disposal of Lots is essential to the establishment and welfare of the Properties as a quality residential community. As used in this Section and its subparagraphs, the words "its successors or assigns" specifically do not include members of the home buying public. In order that such work may be completed and the Properties be established as a fully occupied residential community as rapidly as possible, no Owner nor the Association shall do anything to interfere with, and nothing in this Declaration shall be understood or construed to:

(a) prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from doing on any Lot owned by them whatever they determine to be necessary or advisable in connection with the completion of such work including, without limitation, the alteration of construction plans and designs as Declarant deems advisable in the course of development; or

(b) prevent Declarant, its successors or assigns, or its or their representatives, from erecting, constructing and maintaining on any portion of the Properties owned or controlled by Declarant, or its successors or assigns or its or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completing such work and establishing the Properties as a residential community and disposing of the same by sale, resale, lease, or otherwise; or

(c) prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from conducting on any Lot, or any portion thereof, owned or controlled by Declarant, or its successors or assigns, its or their business of developing, subdividing, grading, and constructing Improvements in the Properties as a residential community and of disposing of Lots by sale, lease or otherwise; or

(d) prevent Declarant, its successors or assigns or its or their contractors or subcontractors, from maintaining such sign or signs on any portion of the Properties owned or controlled by any of them as may be necessary in connection with the sale, lease or other marketing of Lots in the Properties; or

(e) prevent Declarant, at any time prior to acquisition of title to a Lot by a purchaser from Declarant, to establish on that Lot additional licenses, reservations and rights-of-way to itself, to utility companies, or to others as may, from time to time, be reasonably necessary to the proper development and disposal of the Properties; or

(f) prevent Declarant, its successors or assigns, to be relieved from the payment of Annual Assessments as provided for in Section 6.09.

XV. ANNEXATION

Section 15.01 Annexation of Additional Real Property. Additional real property may be annexed to and become subject to this Declaration by the following method:

(a) Upon the written approval of all of the following: (1) Class A Members of the Association entitled to cast at least fifty one percent (51%) of the votes allocated to all Class A Members; (2) the Class B Members of the Association, if any, entitled to cast at least fifty-one percent (51%) of the votes allocated to all Class B Members; and (3) the Owner of any real property who desires to annex such real property to the scheme of this Declaration may accomplish such annexation by the recordation of a supplementary declaration as provided for in Sections 15.02 and 15.03.

Section 15.02 Declaration of Annexation. The Declaration of Annexation referred to in Section 15.01 above shall contain at least the following provisions:

- (a) A reference to this Declaration, which reference shall state the date of recordation hereof and the instrument number and other relevant recording data of the Clark County Recorder's Office;
- (b) A statement that the provisions of this Declaration shall apply to the Annexed Property as set forth therein;
- (c) A statement that the additional real property to be annexed does not exceed ten percent (10%) of the original real property governed by this Declaration;
- (d) A statement that the number of Lots have not increased from the original number indicated in this Declaration; and
- (e) An exact description of the Annexed Property.

Each Notice of Annexation relative to real property owned by Declarant shall be signed only by Declarant.

Section 15.03 Method of Annexation. The additions authorized pursuant to Paragraph (a) of Section 15.01 shall be effectuated by the recordation of a Supplementary Declaration of Covenants, Conditions and Restrictions (hereinafter referred to as a "Supplementary Declaration"). The Supplementary Declaration shall be executed by the Owner or Owners of the real property sought to be annexed to the scheme of the Declaration by the recordation thereof, and in the event annexation is accomplished pursuant to Paragraph (a) of Section 15.01, shall have attached thereto the written consents of the members of the Association as required by said Paragraph (a). The holders of any Mortgages or other liens to which the Properties or any portion thereof (other than the real property sought to be annexed) shall be subject and those Mortgages which were created after the filing of this Declaration shall not be required to consent to such annexation.

Section 15.04 Contents of Supplementary Declaration. The Supplementary Declaration shall describe the real property to be annexed to the scheme of this Declaration and shall state that it is being made pursuant to the terms of the Declaration for the purpose of annexing the property described in the Supplementary Declaration to the scheme of the Declaration and extending the jurisdiction of the Association to cover the property so described in such Supplementary Declaration. The Supplementary Declaration may contain such complementary additions and modifications to this Declaration as may be necessary to reflect the different character, if any, of the real property being annexed and as are not inconsistent with the general scheme of this Declaration. In no event, however, shall Supplementary Declaration revoke, modify or add to the covenants, conditions, restrictions, and agreements established by the Declaration with regard to any real property subject to the Declaration prior to the recordation of such Supplementary Declaration. Owners of Lots and other lands within the Properties shall, upon recordation of any Supplementary Declaration, also have a right and nonexclusive easement of enjoyment in and to the Common Area within the real property so annexed in accordance with the provisions of such Supplementary Declaration and an obligation to contribute to the cost of

Improvement, operation and maintenance of such Common Area within the annexed lands in like manner as if such Common Area had been originally located within the Properties. Any Supplemental Declaration recorded in accordance with the terms hereof shall be conclusive in favor of all persons who rely thereon in good faith. From and after recordation of any Supplementary Declaration in accordance with the provisions hereof, the real property described therein shall be subject to the provisions of this Declaration, the jurisdiction of the Association pursuant to the terms of this Declaration, the Bylaws and the Articles.

Upon the recording of a Declaration of Annexation covering any portion of the Annexable Property and containing the provisions set forth herein, the covenants, conditions and restrictions contained in this Declaration shall apply to the Annexed Property in the same manner as if it were originally covered in this Declaration and originally constituted a portion of the Properties; and thereafter, the rights, privileges, duties, and liabilities of the parties to this Declaration with respect to the Annexed Property shall be the same as with respect to the original property and the rights, obligations, privileges, duties and liabilities of the Owners and occupants of Lots within the Annexed Property shall be the same as those of the Owners and occupants of Lots originally affected by this Declaration.

XVI. GENERAL PROVISIONS

Section 16.01 Enforcement. This Declaration, the Articles, the Bylaws, or the Association Rules and Regulations may be enforced by the Association as follows:

(a) Breach of any of the provisions contained in the Declaration, the Bylaws, or the Association Rules and Regulations, and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings instituted by any Owner, including Declarant, so long as Declarant owns a Lot, by the Association or the successors-in-interest of the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in an amount as the court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection, and court costs. Each Owner shall have a right of action against the Association for any failure by the Association to comply with the provisions of this Declaration, or of the Bylaws or Articles.

(b) The result of every act or omission whereby any of the provisions contained in this Declaration or the Bylaws are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such result and may be exercised by any Owner, by the Association or its successors-in-interest.

(c) The remedies herein provided for breach of the provisions contained in this Declaration or in the Bylaws shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

(d) The failure of the Association to enforce any of the provisions contained in this Declaration or in the Bylaws shall constitute a waiver of the right to enforce the same thereafter.

(e) Any breach or amendments of the provisions contained in this Declaration, the Articles or the Bylaws shall not affect or impair the lien or charge of any first Mortgage or Deed of Trust made in good faith and for value on any Lot or the Improvements thereon, provided that any subsequent Owner of such property shall be bound by such provisions of the Declaration, Articles and Bylaws, whether such Owner's title was acquired by foreclosure in a trustee's sale or otherwise.

(f) If any Owner, his family, guest, licensee, lessee, or invitee violates any such provisions, the Board may impose a reasonable Special Assessment upon such Owner for each violation and may suspend the voting privileges of such Owner as further provided in the Bylaws. Such Special Assessment shall be collectible in the manner provided hereunder and the Board shall give such Owner Notice and Hearing before involving any such Special Assessment or suspension.

Section 16.02 Severability. Invalidation of any provision of this Declaration by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 16.03 Term. Unless earlier terminated pursuant to Section 16.03, below, the covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and be enforceable by the Association or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successive Owners, and assigns, for a term of fifty (50) years from the date this Declaration is Recorded, after which the term shall be automatically extended for successive periods of ten (10) years unless within six (6) months prior to the commencement of an extension period, a Declaration of Termination meeting the requirements of an Amendment or the Declaration as set forth in Section 16.05 is recorded.

Section 16.04 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a planned common interest residential community and for the maintenance of the Common Area. The Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

Section 16.05 Termination and Amendment. Notice of the subject matter of a proposed amendment to, or termination of, this Declaration, in reasonably detailed form, shall be included in the notice of any meeting of the Association at which a proposed amendment or termination is to be considered. A resolution adopting a proposed amendment or termination may be proposed by an Owner at a meeting of members of the Association. With regard to an amendment of this Declaration, the resolution shall be adopted by the vote, in person or by proxy, or written consent of Members representing not less than sixty-seven percent (67%) of the voting power of the Association; provided that the specified percentage of the voting power of the Association necessary to amend a specified section or provision

of this Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that section or provision. In addition, Section XVI hereof may not be amended without the prior written consent of Declarant, so long as Declarant is an Owner. With regard to termination of the common interest community covered by this Declaration, the resolution shall be adopted by the vote, in person or by proxy, or written consent of Members representing not less than eighty percent (80%) of the voting power of the Association. Notwithstanding the foregoing, termination of this Declaration to be effective must be approved in writing by the Beneficiaries of seventy-five percent (75) of the first Mortgages on all of the Lots in the Properties at the times of such termination.

No amendment material to a Mortgagee may be made to this Declaration without the prior written consent of Mortgagees whose security interests encumber fifty-one percent (51%), or more, of the Lots within the Properties. For these purposes, any amendments to provisions of this Declaration governing any of the following subjects shall be deemed material to a Mortgagee:

- (a) any amendment which affects or purports to affect the validity or priority of Mortgages or the rights of protection granted to Beneficiaries, insurers and guarantors of first Mortgages as provided in Sections VII, XII, XIII, XIV, and XVI hereof;
- (b) any amendment which would necessitate a Mortgagee after it has acquired a Lot through foreclosure to pay more than its proportionate share of any unpaid assessment or assessments accruing after such foreclosure;
- (c) any amendment which would or could result in a Mortgage being canceled by forfeiture, or in a Lot not being separately assessed for tax purposes;
- (d) any amendment relating to the insurance provisions as set out in Section XIII hereof, or to the application of insurance proceeds as set out in Section XIII hereof, or to the disposition of any money received in any taking under condemnation proceedings;
- (e) any amendment which would or could result in termination or abandonment of the Properties or subdivision of a Lot, in any manner inconsistent with the provisions of this Declaration;
- (f) any amendment which would subject any Owner to a right of first refusal or other such restriction if such Lot is proposed to be sold, transferred or otherwise conveyed;
- (g) any amendment concerning:
 - (i) voting rights;
 - (ii) rights to use the Common Area;
 - (iii) reserves and responsibility for maintenance, repair and replacement of the Common Area;

- (iv) leasing of Lots;
- (v) establishment of self management by the Association where professional management has been required by any Beneficiary, insurer or guarantor of a first Mortgage;
- (vi) annexation of property to the Properties; and
- (vii) assessments, assessment liens, or the subordination of such liens.

Notwithstanding the foregoing, if a first Mortgagee who receives a written request from the Board to approve a proposed termination, amendment or amendments to the Declaration does not deliver a negative response to the Board within thirty (30) days of the mailing of such request by the Board, such first Mortgagee shall be deemed to have approved the proposed termination, amendment or amendments.

A copy of each amendment shall be certified by at least two (2) officers of the Association, and the amendment shall be effective when a Certificate of Amendment ("Certificate") is recorded. The Certificate, signed and sworn to by at least two (2) officers of the Association, that the requisite number of Owners have either voted for or consented in writing to any termination or amendment adopted as provided above, when recorded, shall be conclusive evidence of that fact. The Association shall maintain in its files the record of all such votes or written consents for a period of at least four (4) years. The Certificate reflecting any termination or amendment which requires the written consent of any of the beneficiaries of first Mortgages shall include a certification that the requisite approval of such first Mortgagees has been obtained. Until the first Close of Escrow for the sale of a Lot in the Properties, Declarant shall have the right to terminate or modify this Declaration by recordation of a supplement hereto setting forth such termination or modification.

Section 16.06 No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Properties to the public, or for any public use.

Section 16.07 Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate, or interest in or to any Lot or other portion of the Properties does hereby consent and agree, and shall be conclusively deemed to have consented and agreed, to every limitation, restriction, easement, reservation, condition, and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in the Properties, or any portion thereof.

Section 16.08 Reservation of Easements. Declarant hereby reserves for the benefit of each Owner and his Lot reciprocal, nonexclusive easements over the adjoining Lot or Lots for the control, maintenance and repair of the utilities serving such Owner's Lot. Declarant expressly reserves for the benefit of all of the real property in the Properties, and for the benefit of all of the Lots, the Association and the Owners, reciprocal, nonexclusive easements over all Lots and the Common Area, for the installation, maintenance and repair of utility services and drainage facilities, for drainage from the Lots of water resulting from the normal use of adjoining Lots, and for maintenance and repair of any Dwelling Unit.

In the event that any Dwelling Unit encroaches upon the Common Area and Improvements thereon, as a result of construction approved by the ARC or as a result of reconstruction, repair, shifting, settlement, or movement of any portion of the Properties, a valid easement for minor encroachment and for the maintenance of the same shall exist so long as the minor encroachment exists. Declarant and the Owners of each Lot on which there is constructed a Dwelling Unit along or adjacent to such Lot line shall have an easement appurtenant to such Lot over the Lot line to and over the adjacent Lot, for the purposes of accommodating any natural movement or settling of any Dwelling Unit located on such Lot, any encroachment of any Dwelling Unit due to minor engineering or construction variances, and any encroachment of eaves, roof overhangs and architectural features comprising parts of the original construction of any Dwelling Unit located on such Lot.

Section 16.09 Construction Easement. Declarant reserves for a period of seven (7) years after the date of Recording of this Declaration an easement over the Properties for the completion of construction of Improvements thereon.

Section 16.10 Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered three (3) business days after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

Section 16.11 No Representation or Warranties. No representations or warranties of any kind, express or implied, have been given or made by Declarant or its agents or employees in connection with the Properties or any portion of the Properties, or any Improvement thereon, its physical condition, zoning, compliance with applicable laws, or fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes, or regulation thereof as a planned development, except as specifically and expressly set forth in this Declaration, and except as may be filed by Declarant from time to time with any governmental authority.

Section 16.12 Priorities and Inconsistencies If there are conflicts or inconsistencies between this Declaration and either the Articles of Incorporation or the Bylaws of the Association, the terms and provisions of this Declaration shall prevail.

....

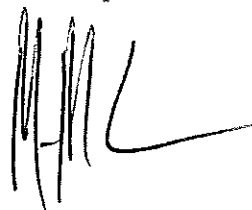
....

....

IN WITNESS WHEREOF, Declarant has executed this Declaration the day and year first written above.

BELLA SERA, INC.,
a Nevada Corporation.

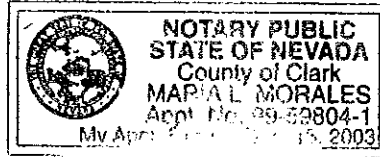
By:



Its: President

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

Subscribed and sworn to before me
this 2 day of July, 2002



Maria L. Morales

NOTARY PUBLIC in and for
said County and State Nevada

EXHIBIT "A"

LEGAL DESCRIPTION

LEGAL DESCRIPTION
BELLA SERA

A portion of the Northwest Quarter (NW ¼) of Section 1, Township 23 South, Range 60 East, M.D.B. & M., Clark County, Nevada, more particularly described as follows:

Commencing at the northeast corner of the Northwest Quarter (NW ¼) of said Section 1; thence along the east line of the Northwest Quarter (NW ¼) of said Section 1 South 00°01'20" West a distance of 25.00 feet to the TRUE POINT OF BEGINNING; thence continuing South 00°01'20" West a distance of 617.24 feet; thence South 89°44'59" West a distance of 986.99 feet; thence North 00°14'15" West a distance of 633.62 feet to a point on the north line of the aforementioned Northwest Quarter (NW ¼) of Section 1; thence along said north line North 89°15'05" East a distance of 402.92 feet to a point on a non-tangent curve concave to the northeast having a 1025.00 foot radius, radius point of said curve bears North 11°55'55" East; thence southeasterly along said curve an arc distance of 226.85 feet through a central angle of 12°40'50"; thence North 89°15'05" East a distance of 166.32 feet to the beginning of a tangent curve having a 25.00 foot radius concave to the west; thence turning right southeasterly along said curve an arc distance of 39.61 feet through a central angle of 90°46'15"; thence South 89°58'40" East a distance of 22.50 feet; thence North 00°01'20" East a distance of 1.35 feet; thence South 89°58'40" East a distance of 27.50 feet to a point on a non-tangent curve concave to the southeast having a 25.00 foot radius, radius point of said curve bears South 89°58'40" East; thence northeasterly along said curve an arc distance of 38.93 feet through a central angle of 89°13'45"; thence North 89°15'05" East a distance of 95.34 feet to the TRUE POINT OF BEGINNING.

Contains 14.146 acres or 616,230 square feet, more or less.

EXHIBIT "B"

COMMON AREA

(See Attached)

A description of any limited common elements

When Recorded Mail to
Desert Cove Homes
2298 Horizon Ridge #213
henderson, NV 89074

CLARK COUNTY, NEVADA
FRANCES DENRE, RECORDER
RECORDED AT REQUEST OF: FIRST AMERICAN TITLE COMPANY
04-30-2003 14:32 001 PAGE COUNT: 3
BOOK/INSTR: 20030430-04200 FEE: 16.00
RESTRICTIONS/AM RPTT: .00
RECEIPT/CONF COPY HAS NOT BEEN COMPARED TO THE ORIG

**AMENDED DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS AND RESERVATION OF EASEMENTS**

FOR

BELLA SERA HOMEOWNERS' ASSOCIATION

DATED April 30, 2003

Section 6.04 Limitations on Annual Assessment Increases. The Board shall not levy for any Fiscal Year an Annual Assessment which exceeds the "Maximum Authorized Annual Assessment" as determined pursuant to Sections 6.04(a) and 6.04(b) below, unless first approved by the vote of Members representing at least a majority of the voting power of the Association. Additionally, in no event may the Declarant amend the Declaration to increase the Maximum Authorized Annual Assessment per Lot or the total of the Maximum Authorized Annual Assessment, Supplemental Annual Assessment, or Capital Improvement or Reconstruction Assessments, per Lot, to an amount in excess of six hundred dollars (\$600.00), unless approved by sixty percent (60%) of all Lot Owners.

(a) Maximum Authorized Annual Assessment for Initial Year of Operations. Until the first day of the Fiscal year immediately following the Fiscal Year in which Annual Assessments commence, the Maximum Authorized Annual Assessment per Lot shall equal one hundred thirty percent (130%) of the amount of Annual Assessments disclosed in the initial Budget for the Association adopted by the Board of Directors. However, in no event may the Maximum Authorized Annual Assessment per Lot exceed six hundred dollars (\$600.00), unless by amendment of the Declaration to this effect, which is approved by all of the Lot Owners. Example: If the amount of the Annual Assessment disclosed in the initial Budget is \$100 per Lot, then the Maximum Authorized Annual Assessment for the following fiscal year cannot exceed \$130.

(b) Maximum Authorized Annual Assessment for Subsequent Fiscal Years. Starting with the first Fiscal Year immediately following the Fiscal Year in which Annual Assessment in any Fiscal Year shall be one hundred thirty percent (130%) of twelve (12) times the monthly installment of the Annual Assessments levied during the last month of the preceding Fiscal year. However, in no event may the Maximum Authorized Annual Assessment per Lot exceed six hundred dollars (\$600.00), unless by amendment of the Declaration to this effect, which is approved by sixty percent (60%) of all Lot Owners.

(c) Supplemental Annual Assessments. If the Board, by majority vote, determines that the important and essential functions of the Association may be properly funded by an Annual Assessment in an amount less than the Maximum Authorized Annual Assessment, it may levy such lesser Annual Assessment. If the Board determined that the estimate of total charges for the current year is or will become inadequate to meet all expenses for the Properties for any reason, it shall immediately determine the approximate amount of the inadequacy. Subject to the then Maximum Authorized Annual Assessment, the Board shall have the authority to levy, at any time by a majority vote, a supplemental Annual Assessment reflecting a

revision of the total charges to be assessed against each Lot. However, in no event may the Supplemental Annual Assessments per Lot, when added to the Maximum Authorized Annual Assessment and/or the Capital Improvement and Reconstruction Assessment, exceed six hundred dollars (\$600.00), unless by amendment of this Declaration to this effect, which is approved by sixty percent (60%) of all Lot Owners.

Section 6.05 Capital Improvement and Reconstruction Assessments. The Board of Directors of the Association may levy, in any Fiscal Year, a Capital Improvement Assessment or Reconstruction Assessment applicable to that Fiscal year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a Capital Improvement or other such addition upon the Common Area, including fixtures and personal property related thereto; provided that any proposed Capital Improvement Assessments in any Fiscal Year which, if added to the Capital Improvement Assessments already levied during such Fiscal Year exceeds ten percent (10%) of the budgeted gross expenses of the Association for such Fiscal Year, shall require the vote or written assent of a majority of the voting power of the Association. However, in no event may the Supplemental Annual Assessments per Lot, when added to the Maximum Authorized Annual Assessment and/or the Capital Improvement and Reconstruction Assessment, exceed six hundred dollars (\$600.00), unless by amendment of this Declaration to this effect, which is approved by sixty percent (60%) of all Lot Owners.

Section 10.05 Parking and Vehicular Restrictions. No trailer, mobile home, recreational vehicle, camper, boat, commercial vehicle, aircraft, truck larger than one (1) ton, or any operable or junk vehicle of any kind (other than a pick up truck or van used for daily transportation of residents or of visitors to the properties) may be parked, stored, kept at any time on any lot within the property between the residence and the front, side and back property line of the lot. Parking, storing, or keeping a trailer, mobile home, recreational vehicle, camper, boat, commercial vehicle, aircraft, truck larger than one (1) ton, or any operable or junk vehicle shall be permitted only within a fully enclosed garage and only with the garage door closed.

No owner of a lot within the property shall conduct repairs or restoration of a trailer, mobile home, recreational vehicle, camper, boat, commercial vehicle, aircraft, truck larger than one (1) ton, or any operable or junk vehicle upon any portion of any lot within the property, except wholly within the said owner's garage. Additionally, such repairs and restoration shall be permitted, provided that such activity may be prohibited entirely if the Board determines, in its sole discretion that such activity constitutes a nuisance or is in violation of any of the terms of this Declaration. As they apply. The terms "unsightly", "disorderly", "detraction to appearance", "nuisance", "violation of the terms of this Declaration" shall be solely defined and determined by the Board. Notwithstanding the foregoing these restrictions shall not be interpreted in such a manner so as to permit any activity, which would be contrary to any ordinance of the City or County in which the Properties are located.

The foregoing restriction does not apply to one (1) trailer, or a boat, which is not visible from the street abutting the front of any Lot enclosed by a fence of six feet in ground height

192-01-110-001, et. al.
APN: (See attached list, Exhibit B)

9

When Recorded Return To:

Jennifer Schuette
Olympia Management Services
11411 Southern Highlands Pkwy, Suite 100
Las Vegas, NV 89141

Inst #: 20140730-0001340
Fees: \$25.00
N/C Fee: \$0.00
07/30/2014 09:02:58 AM
Receipt #: 2104690
Requestor:
WOLF RIFKIN (LEGAL WINGS)
Recorded By: RNS Pgs: 9
DEBBIE CONWAY
CLARK COUNTY RECORDER

2692-

**AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS OF THE BELLA SERA HOMEOWNERS ASSOCIATION**

Order: 3C8M55G7W
Address: 11331 Notte Calma St
Order Date: 04-20-2023
Document not for resale
HomeWiseDocs

**AMENDMENT TO THE AMENDED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF THE BELLA SERA HOMEOWNERS
ASSOCIATION ("AMENDMENT")**

THIS AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Amendment") made on this 21 day of July 2014, by **BELLA SERA HOMEOWNERS ASSOCIATION**, a Nevada non-profit corporation ("Association").

RECITALS

WHEREAS, the Declaration of Covenants, Conditions and Restrictions, which are recorded against all Units within the Association, was signed on May 2, 2002 ("CC&RS");

WHEREAS, the Association proposed certain amendments to the CC&Rs that would authorize the Association to unilaterally increase the annual assessment by up to 5% each year. This authority to increase assessments from year to year is necessary in order for the Association to be able to meet its financial obligations and set aside reserve funds as required by Nevada law;

WHEREAS, the Association delivered voting ballots to the Membership to approve the proposed amendment to the CC&Rs. The ballots included the language of the proposed amendments and provided the owners the opportunity to vote for or against the amendment. The deadline to return those ballots was initially set at October 31, 2013. However, numerous extensions were granted to the Membership to allow it time to cast a ballot. The final deadline to return a ballot was in November of 2013;

WHEREAS, in order to approve the proposed amendment, the proposed amendment had to be approved by unanimous consent of the voting power of the Membership. After a final tally of all votes cast, 62% of the total Membership voted in favor of the proposed amendment;

WHEREAS, under NRS 116.21175, the Association is permitted to seek a court order waiving the unanimous approval requirement to approve the proposed amendment;

WHEREAS, the Association filed a petition pursuant to NRS 116.21175 to waive the unanimous approval requirement and approve the proposed amendment. At a hearing held on June 20, 2014, at the District Court in Clark County, State of Nevada (case number A-14-697452-P), the District Court Judge presiding ordered that the requirements under NRS 116.21175 were met and issued a final order waiving the unanimous approval requirement to amend the CC&Rs and approved the proposed amendment. Attached hereto as Exhibit "A" is a true and correct copy of such order and incorporated by reference herein. The below amendments shall be effective upon recordation and shall apply to all Units and the Members of the Association, as more fully described in the attached Assessor's Parcel Number list Exhibit "B", which is incorporated by reference herein;

Now THEREFORE, the Amendment below shall be added to the existing CC&R and shall hereafter read as follows:

Order: 3C8M55G7W
Address: 11331 Notte Calma St
Order Date: 04-20-2023
Document not for resale
HomeWiseDocs

1. The original Section 6.04 of the CC&Rs is hereby deleted in its entirety and hereby replaced with the following Section 6.04:

Annual Assessment and Annual Assessment Increases. As of the date of the recording of the amendment pursuant to which this Section 6.04 is amended to include the following, the Annual Assessment for the Association is \$1,080. In any fiscal year, the board of directors, without the vote of the members of the Association may increase the Annual Assessments by no more than an amount equal to 5% thereof plus an amount equal to any increase percentage in the consumer price index for the Las Vegas, Nevada area for the immediately preceding year. If there is no such CPI index, than the Association shall use any comparable index that the board decides upon for areas located within the United States close to Las Vegas. By way of clarification if in any year the CPI increases 2%, then the board shall have the right to increase the Annual Assessment, without the vote of the owners by 5% plus 2% or an aggregate of 7%. Additionally the Association may, by the affirmative vote of the majority of all the members of the Association, increase the Annual Assessment in any year by an amount which exceeds the amount the Board is allowed to increase the Annual Assessment.

BELLA SERA HOMEOWNERS
ASSOCIATION, a Nevada non-profit
corporation

By: [Signature]
(Print Name): Joel Silverman
Its: President

STATE OF NEVADA)
)ss
COUNTY OF CLARK)

On the 21 day of July, 2014, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Joel Silverman, known to me to be the person whose name is subscribed to the within AMENDMENT and who acknowledged to me that she/he executed the same.

[Signature]
NOTARY PUBLIC



Elizabeth Mazur
Appt. No. 12-7553-1
Appt. Expires Feb. 27, 2016

Order: 3C8M55G7W
Address: 11331 Notte Calma St
Order Date: 04-20-2023
Document not for resale
HomeWiseDocs

CERTIFICATION

I, the undersigned, do hereby certify as follows:

1. That I am the Secretary of the BELLA SERA HOMEOWNERS ASSOCIATION, A Nevada Non-Profit Corporation;

2. That the foregoing Amendment to the CC&Rs was approved by the Honorable District Court Judge presiding, District Court, Clark County, State of Nevada pursuant to NRS 116.21175;

3. That the foregoing Amendment to the CC&Rs was adopted by the Association Board of Directors on the 21 day of July, 2014, and was signed and notarized as dated below.

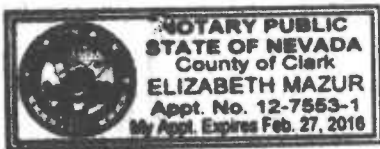
In witness whereof, I have hereunto subscribed my name this 21 day of July, 2014.

BELLA SERA HOMEOWNERS ASSOCIATION,

By Irma Eggert
(Print Name)
Its: Secretary

STATE OF NEVADA)
)ss
COUNTY OF CLARK)

On the 21 day of July, 2014, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Irma Eggert, known to me to be the person whose name is subscribed to the within AMENDMENT and who acknowledged to me that she/he executed the same.



Elizabeth Mazur
NOTARY PUBLIC
Elizabeth Mazur
Appt. No. 12-7553-1
Appt. Expires Feb. 27, 2016

EXHIBIT A

Order: 3C8M55G7W
Address: 11331 Notte Calma St
Order Date: 04-20-2023
Document not for resale
HomeWiseDocs

1 **ORDR**

2 **WOLF, RIFKIN, SHAPIRO, SCHULMAN & RABKIN, LLP**

3 **GREGORY P. KERR, ESQ.**

4 Nevada Bar No. 10383

5 3556 E. Russell Road, Second Floor

6 Las Vegas, Nevada 89120

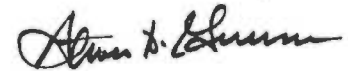
7 (702) 341-5200/Fax: (702) 341-5300

8 afarinha@wrslawyers.com

9 gkerr@wrslawyers.com

10 *Attorneys for Petitioner Bella Sera Homeowners*
11 *Association*

Electronically Filed
06/23/2014 04:22:49 PM



CLERK OF THE COURT

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 **IN RE:**

Case No. A-14-697452-P

15 **BELLA SERA HOMEOWNERS**
16 **ASSOCIATION, a Nevada non-profit**
17 **corporation,**

Dept. No. V

18 **Petitioner.**

ORDER GRANTING PETITION FOR
ORDER WAIVING
SUPERMAJORITY REQUIREMENT
AND DECLARATION CONFIRMING
CC&R AMENDMENT PURSUANT TO
NRS 116.21175

19 This matter having come before this Court on BELLA SERA HOMEOWNERS
20 ASSOCIATION'S ("Petitioner") Petition for Order Waiving Supermajority Requirement
21 and for Declaration Confirming CC&R Amendment pursuant to NRS 116.21175 by and
22 through its attorneys, WOLF, RIFKIN, SHAPIRO, SCHULMAN & RABKIN, LLP.

23 WHEREAS, after an in-chambers hearing before the Court on June 20, 2014, on the
24 Petition filed in this matter, the Court has determined that the Petitioner has shown good
25 cause for waiving the supermajority requirement to amend the Petitioner's CC&Rs;

26 WHEREAS, the Court has determined that the Petitioner's proposed amendment to
27 the CC&Rs is reasonable and has otherwise satisfied the five factors set forth in NRS
28 116.21175(4)(a-e);

ORDER GRANTING PETITION FOR ORDER WAIVING SUPERMAJORITY REQUIREMENT AND
DECLARATION CONFIRMING CC&R AMENDMENT PURSUANT TO NRS 116.21175

Address: 11331 Norte Calma St

Order Date: 04-20-2023

Document not for resale

HomeWiseDocs

4 THEREFORE, it is hereby ORDERED that the supermajority requirements under
2 the CC&Rs are waived for the purpose of approving the amendment to the CC&Rs as
3 proposed in the Petition; and

4 It is hereby FURTHER ORDERED that the amendment as set forth below is
5 deemed approved and shall be added to the CC&Rs and shall read as follows:

6
7 1. The original Section 6.04 of the CC&Rs is hereby deleted in its entirety and
8 hereby replaced with the following Section 6.04:

9 Annual Assessment and Annual Assessment Increases. As of
10 the date of the recording of the amendment pursuant to which
11 this Section 6.04 is amended to include the following, the
12 Annual Assessment for the Association is \$1,080. In any
13 fiscal year, the board of directors, without the vote of the
14 members of the Association may increase the Annual
15 Assessments by no more than an amount equal to 5% thereof
16 plus an amount equal to any increase percentage in the
17 consumer price index for the Las Vegas, Nevada area for the
18 immediately preceding year. If there is no such CPI index,
19 then the Association shall use any comparable index that the
20 board decides upon for areas located within the United States
21 close to Las Vegas. By way of clarification if in any year the
22 CPI increases 2%, then the board shall have the right to
23 increase the Annual Assessment, without the vote of the
24 owners by 5% plus 2% or an aggregate of 7%. Additionally
25 the Association may, by the affirmative vote of the majority
26 of all the members of the Association, increase the Annual
27 Assessment in any year by an amount which exceeds the
28 amount the Board is allowed to increase the Annual
Assessment.

20 This 20th day of June, 2014.

23
24 
25 HONORABLE CAROLYN ELLSWORTH
26 DISTRICT COURT JUDGE - DEPT. 5
27
28

1672963.1

-2-

ORDER GRANTING PETITION FOR ORDER WAIVING SUPERMAJORITY REQUIREMENT AND
DECLARATION CONFIRMING CC&R AMENDMENT PURSUANT TO NRS 116.31175

Address: 11331 N. Calle Calma St

Order Date: 04-20-2023

Document not for resale

HomeWiseDocs

1 Respectfully submitted by:

2 WOLF, RIFKIN, SHAPIRO, SCHULMAN & RABKIN, LLP

3
4 By:

5 GREGORY F. KERR, ESQ.

Nevada Bar No. 10383

6 3556 E. Russell Road, Second Floor

Las Vegas, Nevada 89120

7 (702) 341-5200/Fax: (702) 341-5300

8 *Attorney for Petitioner, Bella Sera Homeowners Association*

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

1672063.1

-3-

ORDER GRANTING PETITION FOR ORDER WAIVING SUPERMAJORITY REQUIREMENT AND
DECLARATION CONFIRMING CC&R AMENDMENT PURSUANT TO NRS 116.21175

Address: 11331 Notre Calma St

Order Date: 04-20-2023

Document not for resale

HomeWiseDocs

EXHIBIT B

APNs

192-01-110-041
192-01-110-049
192-01-110-016
192-01-110-012
192-01-110-047
192-01-110-002
192-01-110-018
192-01-110-028
192-01-110-024
192-01-110-015
192-01-110-004
192-01-110-033
192-01-110-010
192-01-110-053
192-01-110-030
192-01-110-051
192-01-110-006
192-01-110-003
192-01-110-027
192-01-110-050
192-01-110-005
192-01-110-020
192-01-110-011
192-01-110-008
192-01-110-046
192-01-110-044
192-01-110-043
192-01-110-009

192-01-110-007
192-01-110-042
192-01-110-040
192-01-110-045
192-01-110-032
192-01-110-037
192-01-110-001
192-01-110-022
192-01-110-014
192-01-110-034
192-01-110-023
192-01-110-029
192-01-110-036
192-01-110-026
192-01-110-031
192-01-110-039
192-01-110-013
192-01-110-048
192-01-110-019
192-01-110-025
192-01-110-021
192-01-110-052
192-01-110-017
192-01-110-035
192-01-110-038
192-01-199-003
192-01-197-001

Order: 3C8M55G7W
Address: 11331 Notte Calma St
Order Date: 04-20-2023
Document not for resale
HomeWiseDocs