DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

AND RESERVATION OF EASEMENTS

FOR

FOUR TURNBERRY PLACE

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR FOUR TURNBERRY PLACE

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR FOUR TURNBERRY PLACE

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR FOUR TURNBERRY PLACE (this "*Declaration*") is dated for reference purposes only as of October 8, 2003 and is made by Turnberry Pavilion Partners, L.P., a Delaware limited partnership (the *"Declarant"*).

Preliminary Statements

A. The Declarant is the owner of certain real property more particularly described on Exhibit "A" attached hereto (the "*Condominium Project*") and located within a proposed planned development known as "Turnberry Place" on the corner of Paradise Road and Riviera Boulevard in Clark County, Nevada.

B. It is the desire and intention of the Declarant through this Declaration to create a "common interest community" as defined in NRS Section 116.110323 which will be a "condominium" as defined in NRS Section 116.110325, and to impose mutually beneficial restrictions under a general plan of improvement for the benefit of all property made subject to this Declaration.

C. The Declarant has Recorded or shall cause to be Recorded that certain Master Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Turnberry Place dated as of January 7, 1999, as may be amended from time to time (the "*Master Declaration*") pertaining to certain property located within Clark County, Nevada as described therein, in order to develop and convey all or a portion of the property subject to the Master Declaration and to establish the jurisdiction of the Master Association pursuant to a general plan for the maintenance, care, use and management of the Project (as defined in the Master Declaration). This Declaration is a "*Condominium Declaration*" as such term is used in the Master Declaration.

D. The Condominium Project is part of Turnberry Place and is subject to the jurisdiction of the Master Association. In addition, the Declarant hereby declares that all of the Condominium Project is to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the limitations, restrictions, reservations rights, easements, conditions and covenants contained in this Declaration, all of which are declared and agreed to be in furtherance of a plan for the protection, maintenance, improvement and sale of Units for the purpose of enhancing the value, desirability and attractiveness of the Condominium Project. All provisions of the Master Declaration and this Declaration including, without limitation, the easements, uses, obligations, covenants, conditions and restrictions hereof, are hereby imposed as equitable servitudes upon the Condominium Project. All of the limitations, restrictions, reservations, rights, easements, conditions and covenants in this Declaration and the Master Declaration shall run with and burden the Condominium Project and all Persons having or acquiring any right, title or interest in the Condominium Project, or any part thereof, and their successive owners and assigns.

E. The Declarant, its successors, assigns and grantees, covenant and agree that the undivided interest in the Common Elements, the Membership, any easements conveyed therewith and the fee title to each respective Unit conveyed therewith shall not be separated or separately conveyed, and each such undivided interest, Membership and easement shall be deemed to be conveyed or encumbered with its respective Unit even though the description in the instrument of conveyance or encumbrance may refer only to the Unit. Any conveyance by an Owner of a Unit, or any portion thereof, shall be presumed to convey the entire Unit, together with the Allocated Interest and Membership.

1. *Definitions.* Unless otherwise expressly provided, the following words and phrases when used herein shall have the following specified meanings.

1.1 "*Allocated Interest*" shall mean and refer to the interest allocated to each Unit for (i) the Limited Common Elements, if applicable; (ii) an undivided interest in Common Elements, easements and licenses within the Condominium Project; (iii) liability for Common Expenses; and (iv) a Membership right including, without limitation, one (1) vote in the Membership. Except for the voting rights set forth in the preceding sentence and the Allocated Interest in the Limited Common Elements as set forth in this Declaration, the remaining Allocated Interest of each Unit in the Common Elements, easements and licenses within the Condominium Project, liability for Common Expenses (except for Common Expenses associated with assessments levied by the Master Association which shall be allocated to each Unit equally) will be a fraction, the numerator of which will be the total number of square feet of the Unit and the denominator of which will be the total number of square feet of all Units in the Condominium Project. Accordingly, an Owner owning one (1) Unit will have one (1) vote in the Association, but will have liability for Common Expenses based upon the total number of square feet of such Owner's Unit as it relates to the total number of square feet of all Units in the Condominium Project. As Units are added or withdrawn from the Condominium Project, the number which is the denominator of the fraction set forth in this Section 1.1 shall be adjusted to reflect such additions and/or withdrawals.

1.2 "*Allowable Cost*" shall have the meaning ascribed to such term in Section 10.5 of this Declaration.

1.3 "*Annexable Area*" shall mean the area set forth in Exhibit "B" attached hereto and any other property which is hereinafter owned by the Declarant and adjacent to the property set forth in Exhibit "B", all or any portion of which property may from time to time be made subject to this Declaration pursuant to the provisions of Article 14 of this Declaration.

1.4 "*Annual Assessment*" shall mean a charge against a particular Owner and Unit representing a portion of the Common Expenses which are to be levied as and when determined by Declarant in its sole discretion among all Owners and their Units in the manner and proportions provided in this Declaration. The Annual Assessment for each particular Owner and Unit may also include a proportional share of any expenses which the Association is required to pay to the Master Association pursuant to the Master Association Governing Documents.

1.5 "*Articles*" shall mean the Articles of Incorporation of the Association as filed or to be filed in the office of the Secretary of State of the State of Nevada, as such Articles may be amended from time to time.

1.6 "*Assessments*" shall mean Annual Assessments, Capital Improvement Assessments, Special Assessments, and any other assessments which may be properly levied by the Association pursuant to the Association Governing Documents.

1.7 "*Association*" shall mean Four Turnberry Place Condominium Association, a Nevada nonprofit corporation, its successors and assigns. The Association is an "association" as defined in NRS Section 116.110315.

1.8 "*Association Governing Documents*" shall mean this Declaration, the Bylaws, the Articles, the Rules and Regulations and other documents that govern the operation of the Association, as may be amended from time to time.

1.9 "*Association Maintenance Funds*" shall mean the accounts created for receipts and disbursements of the Association pursuant to Section 6.1 of this Declaration.

1.10 "*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.

1.11 "*Board*" shall mean the board of directors of the Association. The Board is an "executive board" as defined in NRS Section 116.110345.

1.12 "*Budget*" shall mean a written, itemized budget for the daily operation of the Association and a budget to maintain an adequate reserve, funded on a reasonable basis for the repair, replacement and restoration of the major components of the Common Elements.

1.13 "*Bylaws*" shall mean the Bylaws of the Association, as such Bylaws may be amended from time to time.

1.14 "*Building*" shall mean the structure situated on the Condominium Property in which the Units are located.

1.15 "*Capital Improvement Assessment*" shall mean a charge which the Board may from time to time levy against Owners for capital Improvements on any of the Common Elements.

1.16 "*Close of Escrow*" shall mean the date on which a deed is recorded conveying a Unit from the Declarant to a person other than the Declarant.

1.17 "*Club*" shall mean that certain real property with improvements thereon which is part of the Annexable Area and which may or may not be annexed into the Project in the sole discretion of Declarant, as more particularly described on Exhibit "C" attached hereto.

1.18 "*Common Elements*" shall mean the entire Condominium Project, except the Units therein, including, but not limited to, those portions of the Condominium Project which

are designated as "private streets," "common parking spaces," "recreational areas," "landscape areas" and "common landscape areas", and any portion of the Condominium Project which is owned by the Owners as tenants in common. Common Elements further include, but are not limited to, (i) easements through Units for conduits, pipes, ducts, vents, plumbing, wiring and other facilities, equipment and/or fixtures for the furnishing of utility services and/or heating, cooling, ventilation, or other services to more than one (1) Unit or to the Common Elements, together with related property and installations; (ii) an easement of support in every portion of a Unit which contributes to the support of the Building, other Units and/or any part of the Common Elements; (iii) the property and installation required for the furnishing of utilities and other services to more than one (1) Unit or to the Common Elements; (iv) any guest suites located within the Building; and (v) any other part of the Condominium Project designated as Common Elements in this Declaration or NRS Chapter 116.

1.19 "*Common Expenses*" shall mean those expenses for which the Association is responsible under this Declaration, including, but not limited to, the actual and estimated costs of (i) maintenance, management, operation, repair and replacement of the Common Elements and personal property located thereon which is maintained by the Association for the benefit of the Owners; (ii) unpaid Assessments; (iii) the costs of any commonly metered charges for the Condominium Project; (iv) the cost of maintenance of clustered mailboxes, if any; (v) the 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; (vi) the costs of all gardening, access control and other services benefiting the Common Elements; (vii) the costs of fire, casualty and liability insurance, workers' compensation insurance, errors and omissions and director, officer and agent liability insurance, and other insurance covering the Condominium Project and the Board and the officers and agents of the Association; (viii) the costs of bonding of the members of the Board; (ix) taxes paid by the Association; (x) any and all costs and expenses imposed upon the Association pursuant to the Master Association Governing Documents and/or costs, liabilities and/or expenses incurred by the Association in performing under and/or complying with the terms and conditions of the Master Association Governing Documents; (xi) amounts paid by the Association for discharge of any lien or encumbrance levied against the Condominium Project, or portions thereof; (xii) the cost of a master antenna television system or duly franchised cable television service, obtained pursuant to a bulk contract, if any; (xiii) any unpaid share of Common Expenses extinguished by foreclosure of a superior lien or by a deed in lieu of foreclosure; (xiv) the cost of providing utility services to each Unit (which charges shall be separately billed to each Owner based on actual consumption, or in proportion to each Owner's Allocated Interest, depending on whether the metering system installed measures actual consumption utilized by each Unit); (xv) judgments against the Association; (xvi) the costs associated with any litigation to which the Association is a party; (xvii) costs associated with the maintenance, upkeep and management of one (1) or more guest suites located within the Building; and (xviii) the costs of any other item or items incurred by the Association, for any reason whatsoever in connection with the Condominium Project.

1.20 "*Condominium*" shall have the same meaning as set forth in NRS Section 116.110325.

1.21 "*Co-owners*" shall have the meaning ascribed to such term in Section 2.6 of this Declaration.

1.22 "*Condominium Project*" shall mean the condominium common-interest community which is created by this Declaration. The Condominium Project is a "common-interest community" as defined in NRS Section 116.110323.

1.23 "*Declarant*" shall mean Turnberry Pavilion Partners, L.P., a Delaware limited partnership, its successors, and any Person to which it shall have assigned any of its rights hereunder by an express written assignment.

1.24 "*Declarant's Period of Control*" shall mean that period of time set forth in Section 2.7 of this Declaration during which the Declarant has the right to appoint and remove officers of the Association or members of the Board, whether or not the Declarant exercises such right.

1.25 "*Declaration*" shall mean this Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Four Turnberry Place, as may be amended from time to time.

1.26 "*Deed of Trust*" shall mean a Mortgage.

1.27 "*Developmental Rights*" shall have the meaning ascribed to such term in Section 14.1 of this Declaration.

1.28 "*Eligible Mortgagee*" shall mean the Beneficiary of a Deed of Trust or Mortgagee of a Mortgage, on a Unit in first lien position, which has requested notification pursuant to the provisions of Section 11.1 of this Declaration.

1.29 "*Family*" shall mean one or more natural Persons related to each other by blood, marriage or adoption, or one or more natural Persons not all so related, but who maintain a common household in a Unit.

1.30 "*Fiscal Year*" shall mean the fiscal accounting and reporting period of the Association as determined by the Board from time to time.

1.31 "*Improvements*" shall mean all structures and appurtenances thereto of every type and kind associated within the Project, including, but not limited to, buildings, walkways, sprinkler pipes, recreational facilities, roads, driveways, parking areas, fences, screening walls, block walls, retaining walls, awnings, stairs, decks, landscaping, antennae, hedges, windbreaks, the exterior surfaces of any visible structure and the paint on such surfaces, planted trees and shrubs, poles, signs, and water softener fixtures or equipment.

1.32 "*Limited Common Elements*" shall mean those portions of the Common Elements over which exclusive easements are reserved for the benefit of one (1) or more but fewer than all of the Owners, and designated by NRS Section 116.2102(2) and (4) or on Exhibit "D" attached hereto as a limited common element which may include, but are not limited to, the balconies, terraces, parking spaces, roof top terraces, elevator lobbies and storage lockers, if any, servicing a Unit.

1.33 "*Manager*" shall mean the Person, who may be an affiliate of the Declarant, employed by the Association for the management of the Condominium Project in accordance with this Declaration.

1.34 "*Map*" shall mean a map or plat covering all or any portion of the Condominium Project which may be Recorded and any subsequent amendment or modification thereof.

1.35 "*Master Association*" shall mean Turnberry Place Community Association, a Nevada nonprofit corporation. The Master Association is a "master association" as such term in defined in NRS 116.110358.

1.36 "*Master Declaration*" shall mean the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Turnberry Place dated as of January 7, 1999, as may be amended from time to time.

1.37 "*Master Association Governing Documents*" shall mean the Master Declaration, the Bylaws of the Master Association, the articles of incorporation of the Master Association, rules and regulations of the Master Association and other documents that govern the operation of the Master Association, as may be amended from time to time.

1.38 "*Membership*" shall mean the property, voting and other rights and privileges of Owners as members of the Association as provided in this Declaration, together with the correlative duties and obligations contained in the Association Governing Documents.

1.39 "*Mortgage*" shall mean any Recorded mortgage or deed of trust relating to one or more Units to secure the performance of an obligation, which conveyance will be reconveyed upon the completion of such performance. The term "Mortgage" shall not include any judgment lien, mechanic's lien, tax lien or other similarly involuntarily lien or encumbrance on a Unit.

1.40 "*Mortgagee*" shall mean a Person to whom a Mortgage is made and shall include the Beneficiary of a Deed of Trust.

1.41 "*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 the Owner's expense, in the manner further provided in the Bylaws.

1.42 "*Notice of Addition*" shall mean a document Recorded pursuant to Article 14 of this Declaration by which real estate is added to the Condominium Project.

1.43 "*Notice of Default*" shall have the meaning ascribed to such term in Section 6.6(b)(ii) of this Declaration.

1.44 "*Notice of Delinquency*" shall have the meaning ascribed to such term in Section 6.6(b)(i) of this Declaration.

1.45 "*Notice of Release*" shall have the meaning ascribed to such term in Section 6.6(c) of this Declaration.

1.46 "*NRS*" shall mean the Nevada Revised Statutes, as may be amended from time to time.

1.47 "*Operating Fund*" shall have the meaning ascribed to such term in Section 6.1 of this Declaration.

1.48 "*Owner*" shall mean the Person or Persons, including the Declarant, holding fee simple interest to a Unit. The term "Owner" shall include a seller under an executory contract of sale but shall exclude Mortgagees.

1.49 "*Person*" shall mean a natural individual or any form of entity.

1.50 "*Phase*" shall mean that portion of the Annexable Area or other real estate owned by Declarant including any Unit and any Common Elements and/or Limited Common Elements covered by a Notice of Addition Recorded pursuant to Article 14 of this Declaration.

1.51 "*Project*" shall have the same meaning as ascribed to such term in the Master Declaration.

1.52 "*Purchaser*" shall mean a Person who purchases fee interest of a Unit from an Owner.

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

1.54 "*Remaining Units*" shall have the meaning ascribed to such term in Section 10.1 of this Declaration.

1.55 "*Reserve Fund*" shall have the meaning ascribed to such term in Section 6.1 of this Declaration.

1.56 "*Rules and Regulations*" shall mean the rules and regulations adopted by the Board pursuant to this Declaration or the Bylaws, as such Rules and Regulations may be amended from time to time.

1.57 "*Special Assessment*" shall mean a charge against a particular Owner, levied by the Board after Notice and Hearing, which is 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 the Master Declaration, or a reasonable fine or penalty assessed by the Board, in accordance with NRS Section 116.31031, plus interest and other related charges on such Special Assessments as provided for in this Declaration or the Master Declaration.

1.58 "*Unit*" shall mean a "unit" as defined in NRS Section 116.11039 which is a part of the Condominium Project and all appurtenances thereto. The boundaries of a Unit shall be as set forth on Exhibit "E" attached hereto. Each Unit shall be a separate freehold estate, as separately shown, numbered and designated, for illustrative purposes only, on Exhibit "F" attached hereto. In interpreting deeds, declarations and Maps, the existing physical boundaries of the Unit or a Unit constructed or reconstructed in substantial accordance with the applicable Map and the original plans thereof, if such plans are available, shall be the walls, floors, ceilings, windows, doors and the interior surfaces of the firebox in the fireplace, if any, as they actually exist rather than the description expressed in the deed, Map or Declaration, regardless of settling or lateral movement of the building and regardless of minor variances between boundaries, as shown on the applicable Map or defined in the deed and Declaration, and the boundaries of a building as constructed or reconstructed; *provided, however*, that for the purpose of determining the Allocated Interest of a Unit, Exhibit "G" attached hereto shall control.

2. *The Association*

2.1 *Organization of the Association.* The Association is or shall be, no later than the Close of Escrow on the first Unit, incorporated under the name of "Four Turnberry Place Condominium Association," as a nonprofit corporation organized under the provisions of NRS Chapter 82.

2.2 *Duties and Powers of the Association.* The duties and powers of the Association are those set forth in this Declaration, the Articles and Bylaws, together with the general and implied powers of an "association" (as defined in NRS Section 116.110315) and a nonprofit corporation generally, to do any and all things that such a corporation may lawfully do which are necessary or proper, in operating for the general welfare of the Owners, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws, this Declaration and the Master Declaration. The Association shall further have the right to install or construct capital Improvements on the Common Elements. The Association may at any time, and from time to time reconstruct, replace or refinish any Improvement or portion thereof upon the Common Elements and replace destroyed trees or other vegetation and plant trees, shrubs and ground cover upon any portion of the Common Elements. The Association may employ personnel necessary for the effective operation and maintenance of the Common Elements, including the employment of legal, management and accounting services and/or other professionals. The Association shall additionally have the power but not the duty to enter into contracts with Owners or other persons to provide services or to maintain and repair Improvements within the Condominium Project and elsewhere which the Association is not otherwise required to provide or maintain pursuant to this Declaration; *provided, however*, that any such contract shall provide for the payment to the Association for the costs of providing such services or maintenance.

2.3 *Membership in the Association.* Every Owner, upon becoming the Owner of a Unit, shall automatically become a member of the Association and shall remain a member in the Association until such Person is no longer an Owner, at which time such Membership shall automatically cease. Ownership of a Unit shall be the sole qualification for Membership in the Association. Membership shall not be assignable except to the Person to which title to the Unit has been transferred, and every Membership shall be appurtenant to and may not be separated

from the fee ownership of such Unit. The rights, duties, privileges and obligations of all Owners shall be as provided in the Association Governing Documents.

2.4 *Transfer of Membership.* The Membership shall not be transferred, pledged or alienated in any way, except upon the sale of a Unit, and then only to the Purchaser. A prohibited transfer is void and will not be reflected upon the books and records of the Association. An Owner who has entered into an executory contract to sell a Unit shall be entitled to delegate to the prospective Purchaser the Membership rights in the Association appurtenant to such Unit. The delegation shall be in writing and shall be delivered to the Board before the prospective Purchaser may vote. However, the Owner shall remain liable for all charges and Assessments attributable to the Unit until fee title to the Unit is transferred. If the Owner fails or refuses to transfer Membership to the Purchaser of the Unit upon transfer of fee title thereto, the Board 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 Purchaser and his or her Unit (which fee shall be added to the Annual Assessment chargeable to such Purchaser) to reimburse the Association for the administrative cost of transferring the Membership to the Purchaser on the records of the Association provided such fee does not exceed the Association's actual cost involved in changing its records of ownership.

2.5 *Classes of Membership.* The Association shall have one (1) class of voting Membership. Each Owner shall be a member of the Association. Subject to the Declarant's right to appoint and remove officers of the Association and members of the Board during Declarant's Period of Control, each Unit, through its Owner(s), shall be entitled to one (1) vote on each item brought before the Membership. The vote for a Unit shall be exercised in accordance with Section 2.6 of this Declaration, but in no event shall more than one (1) vote for any Unit be cast on any item brought before the Membership.

2.6 *Voting Rights.* All voting rights shall be subject to the Association Governing Documents. Owners shall be entitled to one (1) vote for each Unit in which they hold the interest required for Membership. When more than one (1) Person holds such interest or interests in any Unit ("*Co-owners*"), all such Co-owners shall be members of the Association and may attend any meeting of the Association, but only one (1) such Co-owner shall be entitled to exercise the single vote on each item brought before the Membership to which the Unit is entitled. If only one (1) of several Co-owners of a Unit is present at a meeting of the Association, that Co-owner is entitled to cast the one (1) vote allocated to that Unit. Co-owners owning the majority interests in a Unit may from time to time designate in writing to the Association one (1) Co-owner to vote. Fractional voting shall not be allowed, and the vote for each Unit shall be exercised, if at all, as a unit. Where no voting Co-owner is designated or if the designation has been revoked, the vote for the Unit shall be exercised as the Co-owners owning the majority interests in the Unit mutually agree. Unless the Board receives a written objection in advance from an absent Co-owner, it shall be conclusively presumed that the corresponding voting Co-owner is acting with the consent of all Co-owners. No vote shall be cast for any Unit if the Co-owners present in person or by proxy owning the majority interests in such Unit cannot agree to said vote or other action. The nonvoting Co-owner or Co-owners shall be jointly and severally liable for all of the obligations imposed upon the jointly owned Unit and shall be

entitled to all other benefits of ownership. All agreements and determination lawfully made by the Association in accordance with the voting percentages established herein, or in the Bylaws, shall be deemed to be binding on all Owners (including all Co-owners), their successors and assigns.

2.7 *Declarant's Period of Control.* Notwithstanding anything contained in this Declaration to the contrary, the Declarant shall have the right to appoint and remove officers of the Association and members of the Board until the first to occur of the following events:

(a) sixty (60) days after the Close of Escrow of seventy-five percent (75%) of the Units that may be created by the Declarant, as set forth in Section 14.7 of this Declaration;

(b) five (5) years after the Declarant has ceased to offer Units for sale in the ordinary course of business; or

(c) five (5) years after any right to add new Units was last exercised by the Declarant.

The Declarant, in its sole and absolute discretion, may voluntarily surrender the right to appoint and remove officers of the Association and members of the Board before any of the events enumerated above occur and upon doing so the Declarant may require, for the duration of Declarant's Period of Control, that specified actions of the Association or the Board as described in a Recorded instrument executed by the Declarant be approved by the Declarant before they become effective. Notwithstanding the foregoing, no later than sixty (60) days after the conveyance of twenty-five percent (25%) of the Units that may be created by the Declarant as set forth in Section 14.7 of this Declaration to Owners other than the Declarant, at least one member of the Board and not less than twenty-five percent (25%) of the Board must be elected by Owners other than the Declarant and that no later than sixty (60) days after the conveyance of fifty percent (50%) of the Units that may be created by the Declarant as set forth in Section 14.7 of this Declaration to Owners other than the Declarant, not less than thirty-three and one-third percent (33-1/3%) of the members of the Board must be elected by Owners other than the Declarant.

2.8 *Repair and Maintenance by the Association.*

(a) *Maintenance Standards.* Subject to Articles 9 and 10 of this Declaration, the Association shall have the right, but not the obligation, to paint, maintain, repair and replace the Common Elements and Improvements and personal property located thereon or shall contract for such maintenance, repair and replacement to assure maintenance of the Common Elements and Improvements thereon in a clean, sanitary and attractive condition reasonably consistent with prudent property management practices and the Budget. However, the Association shall not be responsible for or obligated to perform those items of maintenance, repair or improvement of the Units, the maintenance, repair, resurfacing and sealing of which is the responsibility of the Owners as provided in Section 2.10 of this Declaration. The Board shall determine, in its sole discretion, the level and frequency of maintenance of the Common Elements. During the Declarant's Period of Control, the Declarant reserves the right, without the

obligation, to make any alteration of the Common Elements, including, without limitation, Common Element landscaping which may have been originally installed, with the replacement by other shrubs, plants or other landscape material of its own choice including, but not limited to, desert landscaping.

(b) *Maintenance Items.* Association maintenance and repairs shall include, without limitation, the right, without the obligation, to perform (i) all corrective janitorial, and repair work on or within any Unit if the Owner fails to repair it and if such non-repair affects the Common Elements; (ii) the repair and payment for all utilities, water charges, and mechanical and electrical equipment serving the Common Elements; and (iii) payment of all charges for all utilities which serve individual Units but which are subject to a common meter. The Association shall be responsible to maintain, repair and/or replace the Limited Common Elements as required by the Board and the Association may enter upon the Limited Common Element and make any necessary repairs and charge the Owner(s) of the appurtenant Unit(s) for all costs involved in making such repairs as a Special Assessment.

(c) *Pest Eradication.* If the Board adopts an inspection and preventive program for the prevention and eradication of infestation by pests and organisms, the Association, upon reasonable notice (which shall be given no less than fifteen (15) days nor more than thirty (30) days before the date of temporary relocation) to each Owner and the occupants of a Unit, may require such Owner and occupants to temporarily relocate from a Unit in order to accommodate efforts by the Association to eradicate such infestation. The notice shall state the reason for the temporary relocation, the date and time of the beginning of treatment, the anticipated date and time of termination of treatment, and that the occupants will be responsible for their own accommodations during the temporary relocation. Any damage caused to a Unit by such entry by the Board or by any person authorized by the Board shall be repaired by the Board as a Common Expense of the Association. All costs involved in maintaining the inspection and preventive program as well as repairing and replacing the Common Elements and Improvements thereon when the need for such maintenance, repair or replacement is the result of such pests or organisms shall be a Common Expense.

(d) *Charges to Owners.* All such costs of maintenance, repairs and replacements for the Condominium Project shall be paid for as Common Expenses out of the Association Maintenance Funds as provided in this Declaration. The Board may cause the Condominium Project to be inspected by a designee who may be a hired professional, for any violation thereof. The cost of any maintenance, repairs or replacements by the Association which is not the responsibility of the Association or which arises out of, or is caused by, the act of an Owner or such Owner's Family, tenants, guests, invitees, or agents shall, after Notice and Hearing, be levied by the Board as a Special Assessment against such Owner.

2.9 *Unsegregated Real Property Taxes.* To the extent not assessed to the Owners, the Association shall pay all real and personal property taxes and assessments levied upon any portion of the Condominium Project. In addition, if more than one (1) Unit is taxed under a blanket tax bill, each Owner shall pay the proportionate share of any installment due under the blanket tax bill to the Association at least ten (10) days prior to the delinquency date. The Association shall transmit the taxes to the appropriate tax collection agency on or before the delinquency date. Blanket taxes shall be allocated among the Owners and their Units

proportionately, based upon the total number of square feet that each such Unit bears to the total number of square footage in all of the Units covered by any particular blanket tax bill. The Association shall, at least forty-five (45) days prior to the delinquency date of any blanket tax installment, deliver to each Owner subject thereto a copy of the tax bill, along with a written notice setting forth the Owner's obligation to pay the proportionate share of the tax installment and the potential additional charges to the Owner for failure to comply. The Association shall pay the taxes on behalf of any Owner who does not pay the proportionate share of such tax bill. The Association shall add to the Annual Assessment of a delinquent Owner the amount of any sum advanced, plus interest at the rate of eighteen percent (18%) per annum (but in no event more than the maximum rate permitted by law) and any amount necessary to reimburse the Association for any penalty or late charge actually assessed in connection with the blanket tax bill, which late charge results from the failure of the delinquent Owner to make timely payment of the proportionate share of the taxes. Until the Close of Escrow for the sale of ninety percent (90%) of the Units which may be created by the Declarant as set forth in Section 14.7 of this Declaration, the foregoing provisions relating to the collection of taxes in connection with a blanket tax bill on all or any portion of the Condominium Project may not be amended without the express written consent of the Declarant.

2.10 *Repair and Maintenance by Owners.* Each Owner shall maintain, repair, replace, paint, paper, plaster, tile, finish and restore or cause to be so maintained, repaired, replaced and restored, at such Owner's sole expense, all portions of such Owner's Unit, as well as the windows, doors, light fixtures actuated from switches controlled from, or separately metered to, such Owner's Unit, and the interior surfaces of the walls, ceilings, floors, permanent fixtures and firebox in the fireplace, if any, in a clean, sanitary and attractive condition. The fireplace, if any, in each Unit is a non-wood-burning, natural gas fireplace, and any damage resulting to the chimney or other part of the Unit which results from burning items other than natural gas shall be sole responsibility of such Unit Owner. No bearing walls, ceilings, floors or other structural or utility bearing portions of the Building (each of which are Common Elements) shall be pierced or otherwise altered or repaired, without the prior written approval of the plans for the alteration or repair by the Board. It shall further be the duty of each Owner, at such Owner's sole expense, to keep any Limited Common Element appurtenant to such Owner's Unit free from debris and reasonably protected against damage. Owners shall not make any structural changes to the Limited Common Elements, and further no Owner shall make any aesthetic changes to the Limited Common Elements without first obtaining the approval of the Board. It shall further be the duty of each Owner to pay when due all charges for any utility service which is separately metered to such Owner's Unit. If any Owner fails to maintain or repair such Owner's Unit or any Limited Common Element as required by this Section 2.10, the Association shall have the right to perform such maintenance and repair and to levy a Special Assessment against such Owner.

2.11 *Utilities.* To the extent reasonably available to the Association, utility services including, but not limited to, electricity, water, sewer, trash removal, cable television, telephone and monitoring systems, may be provided to the Owners through the Association. In the event such utilities are not available to the Association and only to the Owners, the Association shall have no obligation to provide these utilities and Owners shall arrange such utility installation and billing separately. The Declarant hereby reserves the right to own and

install a master antenna television system or duly franchised cable television system for the entire Project or any portion thereof at the Master Association's, the Association's or the Owners' expense.

2.12 *Manager.* The Board, on behalf of the Association, may contract with a Manager for the performance of maintenance and repair and for conducting other activities on behalf of the Association, as may be determined by the Board.

2.13 *Limitation on Liability of Association.* Notwithstanding the duty of the Association to maintain and repair portions of the Condominium Project, the Association shall not be liable to Owners, their Families, guests, agents or invitees for injury or damage caused by any latent condition of the Condominium Project. Furthermore, the Association shall not be liable for any injury or damage caused by defects in design or workmanship or any reason connected with any additions, alterations or improvements or other activities done by or on behalf of any Owner regardless of whether or not any such additions, alterations or improvements shall have been approved by the Association pursuant to the terms of this Declaration. The Association also shall not be liable to any Owner, Family member, guest, invitee or agent of an Owner for any property damage, personal injury, death or other liability on the grounds that the Association did not obtain or maintain insurance (or carry insurance with a particular deductible amount) to any particular matter where such insurance is not required hereby or the Association could not obtain such insurance at reasonable costs or upon reasonable terms.

3. *Owners' Property Rights.*

3.1 *Legal Description of Real Estate.* The components of the real estate owned by each Owner shall be substantially as follows:

PARCEL NO. 1: Fee title to the applicable Unit described in accordance with NRS Section 116.2104.

PARCEL NO. 2: An Allocated Interest in the Common Elements.

PARCEL NO. 3: An exclusive easement appurtenant to the Unit over any Limited Common Element allocated to such Unit as shown on Exhibit "D."

PARCEL NO. 4: Non-exclusive easements for access, ingress, egress, use, enjoyment, and other purposes, all as described in this Declaration and in any applicable Notice of Addition.

3.2 *Partition.* As provided in NRS Section 116.2107(6), there shall be no judicial partition of the Common Elements, or any part thereof, nor shall the Declarant, any Owner or any other Person acquiring any interest in any Unit seek any such judicial partition. Any purported conveyance, encumbrance, judicial sale or other voluntary or involuntary transfer of an undivided interest in the Common Elements made without the Unit to which that interest is allocated is void.

4. *Easements.* The following easements are hereby created in addition to any easement created under NRS Chapter 116, the Master Declaration and any easements which are or may be Recorded against the Condominium Project.

4.1 *Easements of the Association and the Master Association.* The Association and Master Association shall have an easement over the Condominium Project for performing its duties and exercising its powers described in this Declaration and the Master Declaration.

4.2 *Declarant's Easements.* The Declarant expressly reserves for the benefit of the Declarant and its affiliates, agents, officers and employees, non-exclusive easements over the Condominium Project:

(a) *Construction; Maintenance.* A right to enter the Condominium Project and take all other action necessary or convenient for the purpose of exercising the Developmental Rights and special rights set forth in Article 15 of this Declaration and undertaking and completing the construction thereof, or any part thereof, or any Improvements or Units located or to be located thereon, and/or any improvements to be located adjacent thereto and/or for repair, replacement and maintenance or warranty purposes or where the Declarant, in its sole discretion, determines that it is required or desires to do so.

(b) *Sales Activity.* For as long as the Declarant owns any Unit the right to use any such Units and parts of the Common Elements or the Condominium Project for guest accommodations, model suites and sales and construction offices, to show model suites and the Condominium Project to prospective Purchasers, and to erect on the Condominium Project signs and other promotional material to advertise, among other things, Units for sale or lease.

(c) *Support of Adjacent Structures.* In the event that any structure(s) is constructed so as to be connected in any manner to a building, then there shall be (and there is hereby declared) an easement of support for such structure(s) as well as for the installation, maintenance, repair and replacement of all utility lines and equipment serving the adjacent structure which are necessarily or conveniently located within the Condominium Project.

(d) *Warranty.* For as long as Declarant remains liable under any warranty, whether statutory, express or implied, for act or omission of Declarant in the design, development, construction, sale and marketing of the Condominium Project or any part thereof, then Declarant and its contractors, agents and designees shall have the right, in Declarant's sole discretion and from time to time, to enter the Condominium Project for the purpose of inspecting, testing and surveying same to determine the need for repairs, improvements and/or replacements, and effecting same, so that Declarant can fulfill any of its warranty obligations. Nothing contained in this Section 4.2(d) shall be deemed or construed as the Declarant making or offering any warranty.

4.3 *Support.* Each Unit, Building and Improvement shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of

all other Units, the Common Elements, and any other structure or Improvement which abuts any Unit, Building or any Improvement.

4.4 *Utility and Other Services.* Easements are reserved under, through and over the Condominium Project as may be required from time to time for utility, cable television, communications and monitoring systems and other services and drainage in order to serve the Owners of the Condominium Project, Owners and Members of the Project and the Club. No Member or Owner shall do anything that interferes with or impairs, or may interfere with or impair, the provision of such utility, cable television, communications and security systems, or other service or drainage facilities or the use of these easements.

4.5 *Additional Easements.* The Declarant expressly reserves for the benefit of the Master Association the right of the Declarant and the Master Association to grant additional easements and rights-of-way over the Condominium Project to utility companies and public agencies, as necessary or desirable, for the proper development and disposal of the Project.

4.6 *Encroachments.* The Declarant, the Association and Owners of contiguous Units shall have a reciprocal easement appurtenant to each of the Units, over the Units and the Common Elements for the purpose of (i) accommodating any encroachment of any wall of any Improvement, and (ii) maintaining the same and accommodating authorized construction, reconstruction, repair, shifting, movement or natural settling of the Improvements or any other portion of the Condominium Project or the Project. Easements and reciprocal negative easements for utility services and repairs, replacement and maintenance of the same over all of the Common Elements are specifically reserved for the benefit of the Owners. The Declarant expressly reserves for the benefit of the Project, the Common Elements, and for the benefit of the Owners and the Association, reciprocal non-exclusive easements for drainage of water over, across and upon the Common Elements.

4.7 *No Lease of Common Elements.* No portion of the Common Elements including, without limitation, parking spaces and other amenities contemplated as a part of the Condominium Project, are proposed to be leased by the Declarant to the Owners or to the Association.

4.8 *Rights of Entry.* The Association shall have a limited right of entry in and upon the Common Elements and the Units for the purpose of inspecting the Condominium Project, and taking whatever maintenance and/or corrective action may be deemed necessary or proper by the Board, consistent with the provisions of this Declaration. However, such entry upon the Units shall be made, except to effect emergency repairs or other emergency measures (which may be performed without notice), only after three (3) days prior written notice to the Owner of such Unit and after authorization of a majority of the Board. In case of an emergency, such right of entry by or on behalf of the Association shall be immediate. Nothing herein shall be construed to impose any obligation upon the Association to maintain or repair any property or Improvements required to be maintained or repaired by the Owners. Nothing in this Article 4 shall in any manner limit the right of an Owner to exclusive occupancy and control over the interior of such Owner's Unit. However each Owner shall permit a right of entry to the Association or any other Person authorized by the Association as required by this Section 4.8.

Any damage caused to a Unit by such entry by the Association or by any Person authorized by the Association shall be repaired by the Association as a Common Expense of the Association.

4.9 *Owners' Easement.*

(a) *Access.* The Declarant expressly reserves for the benefit of the Owners, reciprocal, non-exclusive easements for access, ingress and egress over all of the Common Elements, including any private streets or driveways currently existing in the Condominium Project or subsequently added to it, which easements may be conveyed by the Declarant to the Owners and to the Association for so long as the Declarant owns any interest in the Condominium Project. Subject to the provisions of this Declaration governing use and enjoyment thereof, the easements may be used by all Owners and their guests, tenants and invitees residing on or temporarily visiting the Condominium Project, for walkways, vehicular access and such other purposes reasonably necessary for use and enjoyment of a Unit in the Condominium Project.

(b) *Limited Common Elements.* Subject to the rights of the Declarant, the Association and the Master Association, the Declarant expressly reserves for the benefit of certain Owners and their Units, exclusive easements over the Limited Common Elements.

(c) *Common Elements.* Subject to the provisions of this Declaration, each Owner and such Owner's Family, guests and invitees, shall have a non-exclusive easement of access, ingress, egress, use and enjoyment of, in and to the Common Elements, and such easements shall be appurtenant to and shall pass with title to each Unit.

(d) *Extent of Owners' Easements.* The rights and easements of use and enjoyment of the Common Elements by the Owners created by this Declaration shall be subject to the Association Governing Documents and Master Association Governing Documents which restrictions include, without limitation, the following:

(i) the right of the Association to consent to or otherwise cause the construction of additional Improvements on the Common Elements and to consent to or otherwise cause the alteration or removal of any existing Improvements on the Common Elements;

(ii) the right of the Association acting through the Board and pursuant to an agreement executed by Owners to whom a majority of the Association's voting power is allocated, including a majority of the voting power not allocated to the Declarant, which agreement must be Recorded and which must specify a date after which the agreement will be void unless Recorded, to convey the Common Elements or to subject the Common Elements to a Mortgage;

(iii) the right of the Association, acting through the Board, to grant easements, leases, licenses and concessions through or over the Common Elements;

(iv) subject to the provisions of this Declaration, the right of each Owner to the exclusive use and occupancy for the purposes designated in this Declaration

or in any Recorded Notice of Addition of the Limited Common Elements allocated to each Owner's Unit;

(v) the rights and reservation of the Declarant as set forth in this Declaration and the Master Declaration;

(vi) the rights of the Master Association as set forth in this Declaration and the Master Declaration;

(vii) the right of the Association, acting through the Board, to reasonably restrict access to maintenance and landscaped areas and similar areas of the Condominium Project:

(viii) the conveyance of the Common Elements;

(ix) the right of the Association to reasonably limit the number of guests and tenants of the Owners using the Common Elements; and

(x) the right of the Association, acting through the Board, to establish uniform Rules and Regulations for the use of the Units and the Common Elements and to regulate the use, maintenance, repair, replacement and modification of the Common Elements.

(e) *Delegation of Use by Owner.* Any Owner entitled to the right and easement of use and enjoyment of the Common Elements may delegate such right and easement to such tenants or prospective Purchasers (pursuant to an executory contract of purchase and sale of a Unit) who reside in such Owner's Unit, subject to reasonable regulation by the Board. Said delegation must be in writing and delivered to a member of the Board. If an Owner delegates such rights as set forth herein, such Owner shall not be allowed the use and enjoyment of the Common Elements during the term of such delegation, but shall be liable for all charges and Assessments attributable to such Owner's Unit.

4.10 *Damage by Owner.* To the fullest extent permitted by Nevada law, each Owner shall be liable to the Association for any damage to the Common Elements not fully reimbursed to the Association by insurance if the damage is sustained because of the negligence, willful misconduct or unauthorized or improper installation or maintenance of any Improvement by such Owner, such Owner's Family members, guests, tenants or invitees, or any other Persons deriving their right and easement of use and enjoyment of the Common Elements from such Owner. However, the Association, acting through the Board, reserves the right to determine whether any claim shall be made upon the insurance maintained by the Association, and the Association further reserves the right, after Notice and Hearing as provided in the Bylaws, to levy a Special Assessment equal to the increase, if any, in insurance premiums directly attributable to the damage caused by the Owner or the Person for whom the Owner may be liable as described above. In the case of joint ownership of a Unit, the liability of the Co-owners shall be joint and several, except to the extent that the Association shall have previously contracted in writing with the co-owners to the contrary. After Notice and Hearing as provided in the Bylaws, the cost of correcting the damage to the extent not reimbursed to the Association by insurance

shall be a Special Assessment against such Owner's Unit and may be enforced as provided herein.

4.11 *Club Easements.* The Club shall have a nonexclusive perpetual easement over the Project as reasonably necessary for pedestrian and vehicular access, ingress, and egress.

5. *Budget.*

5.1 *Initial Year of Operations.* The Annual Assessment for each Unit for the first Fiscal Year of the Association shall be as set forth in the initial Budget adopted by the Board. If, during the first Fiscal Year of the Association, the Board determines that the Annual Assessment should be increased, the Board shall provide a summary of the increased Budget to all Owners and shall call a meeting of the Owners to consider ratification of the increased Budget. The date of such meeting shall be not less than fourteen (14) nor more than thirty (30) days after the date of mailing of the increased Budget summary. Unless Owners controlling a majority of the voting power of the Association reject the increase, the increase shall be deemed ratified, whether or not a quorum is present at said meeting. The Budget, as ratified, shall be binding on all Owners.

5.2 *Subsequent Fiscal Years.* The Board shall annually prepare and distribute to the Owners not less than thirty (30) nor more than sixty (60) days prior to the expiration of the current Fiscal Year, a proposed Budget or summary thereof for the upcoming Fiscal Year. Within thirty (30) days after the adoption of the Budget, the Board shall provide a copy of the Budget or a summary of the Budget, accompanied by a written notice of where the Budget is available for review and that copies of the Budget may be obtained upon request, to all Owners and shall call a meeting of the Owners to consider ratification of the Budget. The date of such meeting shall be not less than fourteen (14) nor more than thirty (30) days after the date of mailing of the Budget summary. Unless Owners controlling a majority of the voting power of the Association reject the Budget, the Budget shall be deemed ratified, whether or not a quorum is present at said meeting. If the Budget is rejected, then the Budget last ratified shall be continued until such time as a new proposed Budget is ratified. If during such upcoming Fiscal Year the Board determines that the Annual Assessment should be increased above the amount reflected in the Budget then in effect for such Fiscal Year, the Board shall provide a copy or a summary, accompanied by a written notice of where the Budget is available for review and that copies of the Budget may be obtained upon request, of the increased Budget to all Owners and the provisions set forth above concerning a meeting of the Owners to ratify a new Budget shall be applicable to such proposed increase. The Budget, as ratified, shall be binding on all Owners.

6. *Assessments; Liens.*

6.1 *Association Maintenance Funds.* The Board shall establish no fewer than two (2) separate Association Maintenance Fund accounts, 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 this Declaration. The Association Maintenance Funds may be established as trust accounts at a banking or savings institution and shall include: (i) an operating fund (the "*Operating Fund*") for current Common Expenses of the Association, (ii) an adequate reserve fund (the "*Reserve Fund*") for capital

improvements, replacements, restoration, painting and repairs of the Common Elements (which cannot normally be expected to occur on an annual or more frequent basis), and (iii) any other funds which the Board may establish to the extent necessary under the provisions of this Declaration. Nothing contained herein shall limit, preclude or impair the establishment of additional Maintenance Funds by the Board, so long as the amounts assessed to, deposited into, and disbursed from any such fund are earmarked for specified purposes authorized by this Declaration. Any surplus funds of the Association remaining after payment of or provision for Common Expenses and any prepayment of reserves or any other fund established by the Board must be paid to the Owners in proportion to their liability for Common Expenses or credited to them in proportion to their liability for Common Expenses to reduce their future Assessments for Common Expenses.

6.2 *Purpose of Assessments.* The Assessments levied by the Association shall be used to promote the recreation and welfare of the Owners and for the operation, replacement, improvement and maintenance of the Common Elements, and to discharge any other obligations of the Association under this Declaration. Disbursements from the Operating Fund shall be made by the Board or its designated agent, for such purposes as are necessary for the discharge of its responsibilities herein, other than those purposes for which disbursements from the Reserve Fund are to be used. Disbursements from the Reserve Fund shall be made by the Board only for the purposes specified in Section 6.1 of this Declaration. Annual Assessments shall be used to satisfy Common Expenses of the Association and to build reserve accounts, as provided in this Declaration and in the Bylaws.

6.3 *Personal Obligation of Assessments.* Each Owner, by acceptance of a deed to a Unit, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association all Assessments to be established and collected as provided in this Declaration. All Assessments, together with interest, costs, and reasonable attorneys' fees for the collection thereof, shall be a charge on the Unit 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 the Unit at the time when the Assessment fell due. This personal obligation cannot be avoided by abandonment of the Unit or by an offer to waive use of the Common Elements. The personal obligation for delinquent Assessments shall not pass to any Purchaser unless expressly assumed by the Purchaser; *provided, however*, that the delinquent Assessment shall still remain a charge against the Purchaser's Unit.

6.4 *Annual Assessments; Commencement; Collection.* Annual Assessments shall commence on all Units in a Phase as determined by the Declarant at its sole discretion. Until the Association makes an Annual Assessment, the Declarant shall pay all Common Expenses. All Annual Assessments shall be assessed against the Owners and their Units based upon their Allocated Interest. Annual Assessments for fractions of any month involved shall be prorated. From time to time and consistent with NRS Section 116.3114 and this Article 6, the Board may determine that all excess funds in the Operating Fund 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 Condominium Project, any amounts remaining in any of the Association Maintenance Funds shall be distributed to or for the benefit of the Owners in the same proportions as such monies were collected from the Owners,

subject to the rights of any creditors of the Association as set forth in NRS Sections 116.21183 to 116.2119, inclusive. Each Owner shall pay to the Association the Annual Assessment in installments at such frequency and in such amounts as established by the Board. Each installment of Annual Assessments may be paid by the Owner to the Association in one check 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.

6.5 *Delinquency.* Any installment of an Assessment provided for in this Declaration shall be delinquent if not paid within fifteen (15) days of the due date as established by the Board. Upon such delinquency, the full amount of the Assessment remaining in any given year (i.e., not simply the delinquent installment) shall become due and payable. The Board shall be authorized to adopt a system pursuant to which the full amount of any Assessments not paid within thirty (30) days after the due date, plus all reasonable costs of collection (including attorneys' fees) and late charges as provided herein, shall bear interest commencing thirty (30) days from the due date until paid at the rate of up to eighteen percent (18%) per annum, but in no event more than the maximum rate permitted by law. The Board may also require the delinquent Owner to pay a late charge. The Association need not accept any tender of a partial payment of an installment of an Assessment and all costs and attorneys' fees attributable thereto, and any acceptance of any such tender shall not be deemed to be a waiver of the Association's right to demand and receive full payments thereafter.

6.6 *Liens.*

(a) *Creation of Lien.* All sums assessed and fines imposed in accordance with the provisions of this Declaration shall constitute a lien upon each Unit (except for those Units owned by the Declarant) from the time such sums become due, prior and superior to all other liens and encumbrances thereon except (i) liens and encumbrances Recorded before Recordation of this Declaration; (ii) a Mortgage in first lien position on a Unit Recorded before the date on which the Assessment sought to be enforced becomes delinquent, except a lien imposed by the Association in accordance with this Declaration shall have priority for six (6) months' of Association Assessments pursuant to NRS Section 116.3116(2); and (iii) liens for real estate taxes and other governmental assessments or charges against all Units except those Units owned by the Declarant.

(b) *Enforcement of Liens.* The Association may enforce a lien upon a Unit after:

(i) the Association has mailed or caused to be mailed by certified or registered mail, return receipt requested, to the Owner or the Owner's successor-in-interest, at the Unit Owner's last known address and the address of the Unit, a Notice of Delinquent Assessment (a "*Notice of Delinquency*") which states (A) the amount of the Assessment and other authorized charges and interest; (B) a sufficient description of the Unit(s) against which such charges have been assessed; and (C) the name of the Owner(s) thereof;

(ii) the Association or other Persons conducting the sale has caused to be Recorded a Notice of Default and Election to Sell (a "*Notice of Default*") the Unit(s) to satisfy the lien, signed by any officer or authorized agent of the Association, which contains the same information as the Notice of Delinquency plus a description of the deficiency in payment and the name and address of the Person authorized to enforce the lien by sale and has mailed the Notice of Default in accordance with NRS Section 116.31163; and

(iii) the Owner or the Owner's successor-in-interest has failed to pay the amount of the lien (including costs, fees and expenses incidental to the enforcement of the lien) for ninety (90) days following the later of (A) the date of which the Notice of Default is Recorded, or (B) the day on which a copy of the Notice of Default is mailed by certified or registered mail, return receipt requested, to the Owner or the Owner's successor-in-interest at the address of such Person, if known; and to the address of the Unit.

The Association or other Person conducting the sale shall also, after the expiration of said ninety (90) day period and before selling the Unit, 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 date of first publication or posting, by certified or registered mail, return receipt requested, to the Owner or the Owner's successor-in-interest at the address of such Person, if known, and to the address of the Unit and to the other Persons as required by NRS Section 116.311635(2). The lien shall relate only to the Unit against which the Assessment was levied and not to the Condominium Project as a whole.

(c) *Release of Lien.* Upon payment to the Association of the full amount claimed in the Notice of Delinquency, or other satisfaction thereof, the Board shall cause to be Recorded a Notice of Satisfaction and Release of Lien (a "*Notice of Release*") stating the satisfaction and release of the amount claimed. The Board may demand and receive from the applicable Owner a reasonable charge, to be determined by the Board, for the preparation and Recordation of the Notice of Release as a condition to Recording the Notice of Release. Any Purchaser or encumbrancer who has acted in good faith and extended value may rely upon the Notice of Release as conclusive evidence of the full satisfaction of the sums stated in the Notice of Delinquency. A lien for unpaid Assessments is extinguished unless proceedings to enforce the lien are instituted within three (3) years after the full amount of the Assessment becomes due.

(d) *Sale of Property.* It shall be the duty of the Board to enforce the collection of any amounts due under this Declaration by one (1) or more of the alternative means of relief afforded by this Declaration or in any other matter permitted by law. The lien on the Unit may be enforced by sale, in the county in which the Unit is situated, by the Association, the Association's attorneys, any title insurance company authorized to do business in Nevada, or other persons authorized to conduct the sale as a trustee, or in any other manner permitted by law, after failure of the Owner to pay any Assessments, or installments thereof, as provided herein. The sale shall be conducted in accordance with the provisions of NRS Chapter 116, or in any other manner permitted by law. The Association, through its agents, shall have the power to enter a credit bid on the Unit at a foreclosure sale and to acquire, hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid Assessments shall be maintainable without foreclosing or waiving any lien securing the same, but this provision or any

institution of suit to recover a money judgment shall not constitute an affirmation of the adequacy of money damages. Any recovery resulting from a suit at law or in equity initiated pursuant to this Section 6.6 may include reasonable attorneys' fees as fixed by the court.

6.7 *Capital Contributions to the Association.* Upon acquisition of record title to a Unit from the Declarant, each Owner shall contribute to the capital of the Association an amount equal to three (3) monthly installments of Assessments attributable to such Owner's Unit. This amount shall be deposited by the Purchaser into the purchase and sale escrow and disbursed therefrom to the Association or to the Declarant to be used for any Association related expenses or expenses the Declarant incurs or incurred in maintaining the Common Elements or providing services or subsidies in connection with the Project.

6.8 *Waiver of Use.* No Owner may be exempt from personal liability for Assessments duly levied by the Association, or effect the release of such Owner's Unit from the liens and charges thereof, by waiving or delegating use and enjoyment of the Common Elements as set forth in this Declaration or by abandoning such Owner's Unit.

7. *Use Restrictions.* All of the Condominium Project shall be held, used and enjoyed subject to the following limitations and restrictions and the exemptions of the Declarant set forth in this Declaration.

7.1 *Rules and Regulations.* In addition to the restrictions set forth in this Article 7, the Board may, from time to time, adopt, amend and enforce rules and regulations relating to the governance of the Condominium Project and the use of the Common Elements and Units. Such Rules and Regulations shall become effective ten (10) days after they are distributed to an Owner. The Association shall also distribute to each Owner any rules and regulations adopted by the Master Association.

7.2 *Occupancy.* Each Unit shall be used as a single family residence only, except as otherwise herein provided. A Unit owned by an individual, corporation, partnership, trust or other fiduciary may only be occupied by the following Persons, and such Persons' Families: (i) the individual Owner, (ii) an officer, director, stockholder, employee or designee of such corporation, (iii) a partner, employee or designee of such partnership, (iv) the fiduciary or beneficiary of such trust, or (v) permitted occupants under an approved lease of a Unit, as the case may be. Occupants of an approved leased Unit must consist of the following Persons, and such Persons' Families who reside with them (A) an individual lessee, (B) an officer, director, stockholder, employee or designee of a corporate lessee, (C) a partner, employee or designee of such partnership lessee, or (D) the fiduciary or beneficiary of a fiduciary lessee. Under no circumstances may more than one Family reside in a Unit at one time. In no event shall occupancy (except for temporary occupancy by visiting guests) exceed two (2) persons per bedroom. The Board shall have the power to authorize the occupancy of a Unit by Persons in addition to those set forth above. The provisions of this Section 7.2 shall not be applicable to Units used by the Declarant for model apartments, sales office, manager's apartment or for the use of prospective Purchasers. As used in this Section 7.2, "*guests*" or words of similar import shall include only those Persons who have a principal residence other than the Unit. Unless otherwise determined by the Board, a Person(s) occupying a Unit for more than one (1) month without the Owner or the Owner's Family being present shall not be deemed a guest, but, rather,

shall be deemed a lessee for the purposes of this Declaration (regardless of whether a lease exists or rent is paid) and shall be subject to the provision of this Declaration which apply to lessees. The purpose of the preceding sentence is to prohibit the circumvention of the provisions and intent of this Section 7.2, and the Board shall enforce, and the Owners shall comply with, same with due regard for such purpose. Children shall be permitted to reside in Units, subject to the above provisions and provided that children under the age of fourteen (14) must be supervised at all times when upon the Common Elements.

7.3 *Parking and Vehicular Restrictions.* With the exception of the Declarant, no Owner shall park, store or keep within the Condominium Project any (i) large commercial type vehicle (including, but not limited to, vehicles with commercial writing, any dump truck, cement mixer truck, oil or gas truck or delivery truck); (ii) recreational vehicle (including, but not limited to, any camper unit, house/car or motor home); (iii) bus, trailer, trailer coach, camp trailer, boat or other type of watercraft of any kind, aircraft or mobile home; or (iv) inoperable or unlicensed vehicle or any other similar vehicle. The above excludes camper trucks and similar vehicles up to and including three-quarter (3/4) ton when used for daily transportation and subject to approval by the Board. In addition, no Owner shall park, store, or keep anywhere within the Condominium Project any vehicle or vehicular equipment, mobile or otherwise, deemed to be a nuisance by the Board. In addition, there shall be no operating of any unlicensed vehicles including, but not limited to, mopeds, scooters or similar motorized products within the Condominium Project. The Board may establish additional regulations as it deems appropriate in its sole discretion with regard to any of the parking areas in the Condominium Project not assigned to individual Units, including, without limitation, designating "parking," "valet parking," "guest parking" and "no parking" areas thereon; and shall have the power to enforce all parking and vehicle use restrictions applicable to the Condominium Project, including the power to remove violating vehicles from any of the Condominium Project to the extent permitted by applicable law. In those parking areas in the Condominium Project left unassigned, the Board may allow, on an individually approved basis, for temporary short term parking for an Owner's guest in such areas. The Board and the Declarant may, in their sole discretion, assign and re-assign handicap parking spaces within the Condominium Project. If the Board fails to enforce any of the parking or vehicle use regulations, the appropriate governmental authorities may, but need not, enforce such regulations in accordance with state and local laws and ordinances. Each of the Units within the Condominium Project shall be assigned one or more assigned parking space(s). Any vehicle or other item(s) which is parked or stored so as to block an Owner's access to such Owner's designated parking space(s) or which is parked or stored in any fire lane within the Condominium Project shall be subject to immediate towing without notification to the owner of such vehicle or item and such towing shall be at the sole cost of the owner of such vehicle or other item. THERE SHALL BE NO PARKING FOR RECREATIONAL VEHICLES AVAILABLE ANYWHERE WITHIN THE PROJECT.

7.4 *Nuisances.* No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere within the Condominium Project, and no odor shall be permitted to arise therefrom so as to render the Condominium Project or any portion thereof unsanitary, unsightly, or offensive. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Common Elements or a Unit so as to be offensive or detrimental to any portion of the Common Elements or other Unit or to its occupants. Without limiting the generality of any of

the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, large power equipment or large power tools, unlicensed off-road motor vehicles or other items which may unreasonably disturb other Owners or their tenants shall be located, used or placed on any portion of the Condominium Project without the prior written approval of the Board. Alarm devices used exclusively to protect the security of a Unit and its contents shall be permitted, provided that such devices do not produce annoying sounds or conditions as a result of frequently occurring false alarms. No actions undertaken by the Declarant or its contractors or agents shall be deemed a violation of this Section 7.4.

7.5 *Signs.* Except as provided to the Declarant under this Declaration, no sign, poster, billboard, advertising device or other display of any kind shall be displayed without the pre-approval of the Board.

7.6 *Antennae/Satellite Dish.* To the extent permitted by law, no exterior radio antenna, television antenna, "C.B." antenna, satellite dish or other antenna of any type shall be erected or maintained on any portion of the Condominium Project except as approved by the Board and the Declarant (so long as the Declarant owns any Unit). However, a master antenna system or duly franchised cable television service may, but need not, be provided by the Declarant or the Association for use, and at the expense, of the Owners. The Declarant may grant easements for maintenance of any such master antenna system or cable television service.

7.7 *Unsightly Articles.* No unsightly articles shall be permitted to remain upon or within any Unit, Limited Common Element or Common Elements so as to be visible from any other portion of the Project.

7.8 *Pets.* Except for fish, there shall be allowed no more than two (2) household pets in a Unit with an aggregate weight not to exceed eighty (80) pounds; *provided, however*, that said pets may consist only of dogs, cats, fish and/or birds and may not be kept, bred, or maintained for any commercial purpose and do not become a nuisance or annoyance to neighbors. All pets must be registered and approved in writing by the Board, which approval may be given or withheld in the sole discretion of the Board. Owners must immediately pick up all solid waste of their pets and dispose of such waste appropriately. All individual pets, including cats, must be leashed at all times when outside a Unit. Pets may not be kept in a Limited Common Element, nor be walked through or kept in the lobby of the Building. No reptiles or other forms of wildlife shall be kept in or on the Condominium Project (including Units). Without limiting the generality of this Section 7.8, violations of the provisions of this Section 7.8 shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Owners and/or to require, through order of the Board, any pet to be permanently removed from the Condominium Project. No one other than an Owner or an Owner's tenant is permitted to keep any pet. Notwithstanding the foregoing, prior to the installation of a fish tank exceeding fifty five (55) gallons, an Owner must deliver plans for such tank to the Board for its written approval. The Board may require a review by a structural engineer at the sole expense of the Owner prior to the approval or disapproval of such plans.

7.9 *Business or Commercial Activity.* No part of the Condominium Project shall ever be used for any business, commercial (including auctions or similar events),

manufacturing, mercantile, storage, vending or other nonresidential purposes, including, without limitation, any activity for which the provider is compensated in any way or receives any form of consideration, regardless of whether the activity is engaged in full or part-time, generates or does not generate a profit, or requires or does not require a license; *provided, however*, that the Declarant, its agents, successors and assigns may use any portion of the Condominium Project for model Unit site(s) and display and sales offices. The provisions of this Section 7.9 shall not preclude any of the above-described activities without external evidence thereof, provided that all of the following conditions are fulfilled: (i) such activities are conducted in conformance with all applicable governmental ordinances; (ii) the patrons or clientele of such activities do not visit the Unit or park automobiles or other vehicles within the Condominium Project; (iii) the existence or operation of such activities is not apparent or detectable by sight, sound or smell from outside of the boundaries of the Unit; (iv) no such activity increases the liability or casualty insurance obligation or premium of the Association; and (v) such activities are consistent with the residential character of the Condominium Project and conform with the provisions of this Declaration.

7.10 *No Further Subdivision/Timesharing.* No non-Declarant Owner may further subdivide a Unit without the prior written approval of the Board; *provided, however*, that nothing in this Section 7.10 shall be deemed to prevent an Owner from, or require the approval of the Board for (i) selling a Unit; or (ii) transferring or selling any Unit to more than one (1) Person to be held by them as tenants in common, joint tenants, tenants by the entirety or as community property; or (iii) the leasing or renting by any Owner of all of such Owner's Unit in accordance with the provisions of the Association Governing Documents. The Declarant hereby expressly reserves the right to replat or subdivide any Unit or Units owned by the Declarant. No Unit shall be made subject to any type of timesharing, fraction-sharing or similar program whereby the right to exclusive use of the Unit rotates among owners or members of the program on a fixed or floating time schedule over a period of time.

7.11 *Water and Sewer Systems.* No exterior individual water supply system, water softener system, water conditioner system or sewage disposal system shall be permitted unless previously approved in writing by the Board and such system is designed, located, constructed and equipped in accordance with the requirements, standards, and recommendations of the applicable water or sewer district and any applicable governmental health authority having jurisdiction.

7.12 *Additions, Alterations or Improvements by Owner.*

(a) *Consent of the Board of Directors.* No Owner shall make any addition, alteration or improvement, including but not limited to painting, decorating of any nature, installation of floor coverings, planters, electrical wiring, machinery, pools, whirlpools, saunas, air conditioning units, or changing in any manner the appearance of any portion of the building, in or to the Common Elements, the Owner's Unit or any Limited Common Element without the prior written consent of the Board. The Board shall answer, in writing, any written request by an Owner for approval of such an addition, alteration or improvement within thirty (30) days after such written request is received and any and all additional information requested is received, and the failure to do so within the stipulated time shall constitute the Board's rejection of the request. The Board may condition the approval in any manner, including,

without limitation, (i) retaining approval rights of the contractor to perform the work, (ii) restricting the time during which such work may be performed, (iii) the placement of a security deposit in an amount determined by the Board in an account controlled by the Board; (iv) the provision to the Board of plans and specifications prepared and sealed by a professional engineer duly licensed by the State of Nevada, and (v) requiring that the Owner requesting the change obtain, prior to commencing any work, and maintain, until completion of such work, comprehensive general liability insurance in such amounts as may be required by the Board. The Owner shall be obligated to designate the Declarant, the Association, the Board and any other person designated by the Board as additional insureds under the policies. The Owner shall be responsible for all costs incurred by the Board in connection with the Board's review of the Owner's proposed changes to such Owner's Unit, including, without limitation, all costs of architects, engineers and other professionals which may be retained by the Board to assist in their review. Any such costs not timely paid by the Owner shall be deemed a Special Assessment. The proposed additions, alterations and improvements by any Owner shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction, may only be made once all required permits have been obtained and must be in compliance with any conditions imposed by the Association with respect to design, structural integrity, sound attenuation, water-proofing, construction details, lien protection or otherwise. An Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner, and such Owner's heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, the Master Association, Declarant and all other Owners harmless from and to indemnify them for any and all liability or damage to the Project and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after that date of installation or construction thereof as may be required by the Association. The Association shall have the right to stop any work that is not in compliance with the terms contained in this Section 7.12(a) or any rules of the Association governing improvements by Owners. The Association's rights of review and approval of plans and other submissions under this Declaration are intended solely for the benefit of the Association. Neither the Declarant, the Association nor any of their officers, directors, employees, agents, contractors, consultants or attorneys shall be liable to any Owner or any other person by reason of mistake in judgment, failure to point out or correct deficiencies in any plans or other submissions, negligence, or any other misfeasance, malfeasance or nonfeasance arising out of or in connection with the approval or disapproval of any plans or submissions. Anyone submitting plans hereunder, by the submission of same, and any Owner, by acquiring title to same, agrees not to seek damages or equitable relief from the Declarant and/or the Association arising out of the Association's review of any plans hereunder. Without limiting the generality of the foregoing, the Association shall not be responsible for reviewing, nor shall its review of any plans be deemed approval of, any plans from the standpoint of structural safety, soundness, workmanship, materials, usefulness, conformity with building or other codes or industry standards, or compliance with governmental requirements. Further, each Owner (including the successors and assigns) agrees to indemnify and hold the Declarant and the Association harmless from and against any and all costs, claims (whether rightfully or wrongfully asserted), damages, expenses or liabilities whatsoever (including, without limitation, reasonable attorneys' fees and court costs at all trial and appellate levels), arising out of any review of plans by the Association hereunder. Notwithstanding the foregoing, in addition to any consent or approval required by the Board, no Unit Owner may make any

alterations or changes to the electronic locks installed in the doors of those Units facing private elevator lobbies without first obtaining the written consent of the Clark County Building Department (the "*Building Department*"). The Owner shall be responsible for all costs associated with the request for approval submitted to the Building Department. The Declarant shall in no way be responsible or subject to any liability for the Building Department's refusal to approve the proposed alterations or changes.

(b) *Weight and Sound Restriction.* In addition to the provision set forth in Section 7.12(a) of this Declaration, an Owner (i) shall not install any hard and/or heavy surface floor coverings including, without limitation, tile, marble, wood and the like, other than by the Declarant, and (ii) must insure a sound control underlayment system is used, which system must be approved in writing by the Board prior to installation. Installation of such sound control underlayment system shall include provisions for a perimeter insulation material which will ensure that impact noises are not transmitted into a space below, either directly through the floor or by flanking through the surrounding walls.

(c) *Improvements, Additions or Alterations by the Declarant.* Notwithstanding anything to the contrary, the foregoing restrictions of this Section 7.12 shall not apply to Declarant-owned Units. The Declarant shall have the unconditional right, without the consent or approval of the Board or other Owners and at the Declarant's own expense, to make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary, in, to and upon any Unit owned by it and the Common Elements appurtenant thereto (including, without limitation, the removal of walls, floors, ceilings and other structural portions of the Improvements). Any amendment to this Section 7.12 shall require the prior written consent of the Declarant. The rights herein reserved are part of the Developmental Rights.

7.13 *Leases.* No portion of a Unit (other than the entire Unit) may be rented. All leases shall be in writing, be approved in advance by the Board and shall provide, or be deemed to provide, that the Board shall have the right to terminate the lease upon default by the tenant in observing any provisions of the Master Association Governing Documents and the Association Governing Documents, or other applicable provisions of any agreement, documents or instrument governing the Unit. The Board may deny permission to lease any Unit on any reasonable grounds the Association may find. No single Unit may be leased more than once in any one (1) calendar year. The Board shall have the right to require of all tenants of a Unit that they deposit in escrow with the Association an amount not to exceed one (1) month's rental fee paid for the Unit. Said deposit may be used by the Association to repair any damage to the Common Elements or any other property located within the Project resulting from acts or omission by the tenants (as determined in the sole discretion of the Association). Regardless of whether or not expressed in the applicable lease, all Owners shall be jointly and severally liable with the tenants of such Unit to the Association for any amount which is required by the Association to effect such repairs or to pay any claim for any injury or damage to property caused by the negligence of the tenant of such Unit or for the acts or omissions of the tenant(s) of such Unit which constitute a violation of, or non-compliance with, the provisions of this Declaration, and the Rules and Regulations. All leases shall comply with and be subject to the provisions of the Master Association Governing Documents and the Association Governing Documents and the provisions of same shall be deemed expressly incorporated into any lease of

a Unit. This Section 7.13 shall also apply to assignments and renewals of leases. No lease approved by the Board shall be amended or modified without the Board's approval. The Board may charge a lease approval fee to be determined by the Board, however, no fee shall be charged for the approval of an amendment, modification or extension of a previously approved lease. In making its determination as to whether to approve a lessee of a Unit, the Board shall not discriminate on the grounds of race, gender, religion, national origin, familial status or physical or mental handicap; *provided, however*, nothing herein shall be construed to require the Association to furnish an alternate lessee to the Owner in the event the Board disapproves a lease or lessee. Upon entering into an agreement for the lease of a Unit, a non-Declarant Owner shall provide written notice to the Board, or its designee, of the lease agreement and furnish the names of the prospective lessee and both parties' real estate brokers and/or agents, including the brokers and/or agents' telephone numbers. Within five (5) business days of receipt of a prospective lessee's name and address, the Board, or its designee, shall either deliver in person or forward, by certified, registered mail to the prospective Lessee, a copy of the Association Governing Documents and the Master Association Governing Documents, a receipt for the Association Governing Documents and the Master Association Governing Documents (in a form to be determined by the Board), and a return envelope, postage pre-paid, for return of the receipt. Furthermore, a non-Declarant Owner shall inform, and shall cause the lessee to inform, the Board when the parties have executed the lease of the Unit. The Board shall have the right to charge a non-Declarant Owner a reasonable fee for the processing of leases of Units, including, but not limited to, the costs associated with the copying and delivery of the Association Governing Documents and the Master Association Governing Documents to a prospective lessee.

7.14 *Air Conditioning Units*. No window air conditioning unit may be installed in a Unit.

7.15 *Smoking*. Smoking shall not be permitted in any of the interior Common Elements including, but not limited to, the lobby, elevators, corridors, storage units and underground parking areas, unless such area is designated as a "smoking area" by the Board. Smoking shall be permitted on the exterior Common Elements, but any Person smoking thereon shall pick up all waste generated thereby and dispose of the same in an appropriate manner.

7.16 *Terraces*. No articles other than patio-type furniture and suitable plants shall be placed on any terraces or outside balconies. No linens, cloths, clothing, bathing suits or swimwear, curtains, rugs, mops or laundry of any kind, or other articles, shall be shaken or hung from any of the windows, doors, terraces or balconies or other portions of the Building.

7.17 *Effect on the Declarant.* Notwithstanding anything contained in this Article 7 to the contrary, the restrictions and limitations set forth herein shall not apply to the Declarant nor to Units owned by or leased to the Declarant.

7.18 *Relief; Warranties*. The Association shall have the power, but not the obligation, to grant relief in particular circumstances from the provisions of specific restrictions contained in this Article 7 for good cause. APPLICABLE WARRANTIES OF THE DECLARANT, IF ANY, SHALL BE VOIDED BY VIOLATION OF THESE RESTRICTIONS AND REQUIREMENTS.

7.19 *Sale of Unit to Prospective Purchaser.* Upon entering into an agreement for the sale of a Unit, a non-Declarant Owner shall provide written notice to the Board, or its designee, of the sale agreement and furnish the names of the prospective purchaser and both parties' real estate brokers and/or agents, including the brokers and/or agents' telephone numbers. Within five (5) business days of receipt of a prospective Purchaser's name and address, the Board, or its designee, shall either deliver in person or forward, by certified, registered mail to the prospective Purchaser, a copy of the Association Governing Documents and the Master Association Governing Documents, a receipt for the Association Governing Documents and the Master Association Governing Documents (in a form to be determined by the Board), and a return envelope, postage pre-paid, for return of the receipt. Furthermore, a non-Declarant Owner shall inform, and shall cause the Purchaser to inform, the Board when the parties have closed the sale of the Unit. The Board shall have the right to charge a non-Declarant Owner a reasonable fee for the processing of sales of Units, including, but not limited to, the costs associated with the copying and delivery of the Association Governing Documents and the Master Association Governing Documents to a prospective Purchaser.

8. *Insurance.*

8.1 *Duty to Obtain Insurance; Types.*

(a) *Liability Insurance.* Not later than the time of the first conveyance of a Unit to a Person other than the Declarant, the Board shall cause to be obtained and maintained adequate blanket public liability insurance (including medical payments), in an amount not less than One Million Dollars ($1,000,000) covering all claims for personal injury and Condominium Project damage arising out of a single occurrence, insuring against liability for bodily injury, death and Condominium Project damage arising out of or in connection with the use, ownership or maintenance of the Common Elements.

(b) *Fire and Casualty Insurance.* The Board shall also cause to be obtained and maintained a blanket policy of property insurance covering all structural elements of the Condominium Project. Such coverage shall afford fire, extended coverage and special perils protection (if reasonably available) on a replacement cost basis to all building elements which are Common Elements. Restoration of the foregoing will be according to the original plans and specifications. Any improvement to a Unit done at the expense of any Owner, past or present, and all appliances, whether built-in or not, originally provided or not, will be the responsibility of the present Owner to properly insure under such Owner's own policy of insurance. The Association's insurance shall cover all Common Elements up to and including the bare walls, bare floors and bare ceiling in which a Unit is located. Any items beyond the bare walls, floors and ceilings within the Unit shall be the responsibility of the Owner and the Owner shall be obligated to obtain adequate coverage for such items and for any damage which may occur to the Common Elements, or Limited Common Elements resulting from an occurrence within such Owner's Unit. Thus each Owner must arrange individual insurance to supplement the Association's policy to provide for coverage for losses not covered by the Association's policy. It is also not the intent of the Association's blanket policy of insurance to provide coverage for losses of a minor nature, maintenance items, occurrences which fall below the deductible, nor those incidences and properties as outlined above. It is the responsibility of each Owner to properly review such Owner's individual insurance to augment the coverage provided

by the Association. Each Owner acknowledges that the Owner is ultimately responsible for damage to such Owner's Unit if such damage is not covered by the Owner's insurance policy.

(c) *Fidelity Bonds.* Fidelity bond coverage which names the Association as an obligee must be obtained by or on behalf of the Association for any Person handling funds of the Association, including, but not limited to, officers, directors, trustees, employees and agents of the Association and employees of the Manager, whether or not such Persons are compensated for their services, in an amount not less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the Manager, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than Two Hundred Fifty Thousand Dollars ($250,000).

(d) *Other Insurance.* The Board shall purchase such other insurance, as necessary, including but not limited to, errors and omissions, directors, officers and agents liability insurance, plate glass insurance, medical payments, malicious mischief, liquor liability and vandalism insurance, fidelity bonds and worker's compensation, and such other risks as shall customarily be covered with respect to condominium projects similar in construction, location and use.

(e) *Beneficiaries.* Such insurance shall be maintained for the benefit of the Association, the Owners, and the Mortgagees, as their interests may appear as named insured and consistent with NRS Section 116.31133, subject, however, to loss payment requirements as set forth herein.

8.2 *Waiver of Claim Against Association.* As to all policies of insurance maintained by or for the benefit of the Association and the Owners, the Association and the Owners hereby waive and release all claims against one another, the Board and the Declarant, to the extent of the insurance proceeds available, whether or not the insurable damage or injury is caused by the negligence of or breach of any agreement by any of said Persons.

8.3 *Owners to Insure.* It is the responsibility of each Owner to provide insurance on such Owner's Unit and the associated interest on the Common Elements and personal property, as provided in Section 8.1(b) of this Declaration. Nothing herein shall preclude any Owner from carrying any public liability insurance as such Owner deems desirable to cover individual liability for damage to persons or property occurring inside a Unit or elsewhere upon the Condominium Project. 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 request. If any loss intended to be covered by insurance carried by or on behalf of the Association shall occur and 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 to the Association, to the extent of such reduction, for application by the Board to the same purposes as the reduced proceeds are to be applied.

8.4 *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 thirty (30)

days prior written notice to the Board and the Declarant, and to each Owner and Beneficiary, insurer and guarantor of a Mortgage with a first lien position 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. In addition, fidelity bonds shall provide that they may not be canceled or substantially modified without thirty (30) days prior written notice to any insurance trustee named pursuant to Section 8.6 of this Declaration who has filed a written request with the carrier for such notice.

8.5 *Insurance Premiums.* Insurance premiums for any blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Board shall be a Common Expense to be included in the Annual Assessments levied by the Association and collected from the Owners. That portion of the Annual Assessments necessary for the required insurance premiums shall be separately accounted for by the Association in the Reserve Fund, to be used solely for the payment of premiums of required insurance as such premiums become due.

8.6 *Trustee for Policies.* The Association, through its Board, is hereby appointed and shall be deemed trustee of the interests of all named insureds under policies of insurance purchased and maintained by the Association. All insurance proceeds under any such policies as provided for in Section 8.1 of this Declaration shall be paid to the Board as trustees. The Board shall have full power to receive and to receipt for the proceeds and to deal therewith as provided herein. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried or otherwise held in trust for the Association, Owners and lien holders as their interest may appear. The Board is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers, with participation, to the extent they desire, of Mortgagees in first lien position who have filed written requests within ten (10) days of receipt of notice of any damage or destruction. Any two (2) officers of the Association may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signatures shall be binding on all the named insureds. A representative chosen by the Board may be named as an insured, including a trustee with whom the Association may enter into an insurance trust agreement or any successor to such trustee, who shall have exclusive authority to negotiate losses under any policy providing property or liability insurance and to perform such other functions necessary to accomplish this purpose.

8.7 *Actions as Trustee.* Except as otherwise specifically provided in this Declaration, the Board, acting on behalf of the Association and the owners, shall have the exclusive right to bind such parties in respect to all matters affecting insurance carried by the Association, the settlement of a loss claim, and the surrender, cancellation, and modification of all such insurance. Duplicate originals or certificates of all policies of fire and casualty insurance maintained by the Association and of all renewals thereof, together with proof of payment of premiums, shall be delivered by the Association to all Owners and Mortgagees who have requested the same in writing.

8.8 *Annual Insurance Review.* The Board shall review the insurance carried by or on behalf of the Association at least annually, for the purpose of determining the amount of the casualty and fire insurance referred to in Section 8.1 of this Declaration. If economically feasible, the Board shall obtain a current appraisal of the full replacement value of the Improvements on the Condominium Project except for foundations and footings, without

deduction for depreciation, from a qualified independent insurance appraiser, prior to each such annual review.

8.9 *Required Waiver.* All policies of physical damage and liability insurance shall provide, if reasonably possible, for waiver of the following rights, to the extent that the respective insurers would have the rights without such waivers:

(a) subrogation of claims against the Owners or members of an Owner's household;

(b) any defense based upon co-insurance;

(c) any right of setoff, counterclaim, apportionment, proration or contribution by reason of other insurance not carried by the Association;

(d) any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association or any Owner, or arising from any act, neglect, or omission of any named insured or the respective agents, contractors and employees of any insured;

(e) any right of the insurer to repair, rebuild or replace;

(f) notice of the assignment of any Owner of such Owner's interest in the insurance by virtue of a conveyance of any Unit; and

(g) any right to require any assignment of any Mortgage to the insurer.

Each such policy shall also provide, to the extent reasonably available, that (i) each Owner is an insured Person under the policy with respect to liability arising out of the Owner's Allocated Interests and (ii) the policy provides primary coverage in the event an Owner has a policy covering the same risk.

9. *Destruction of Improvements.*

9.1 *Restoration of the Condominium Project.* Except as otherwise provided in this Declaration, in the event of any destruction of any portion of the Common Elements, the repair or replacement of which is the responsibility of the Association, it shall be the duty of the Association to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance maintained pursuant to Article 8 of this Declaration for reconstruction or repair of the Condominium Project shall be used for such purpose, unless (i) the Condominium Project is terminated; (ii) repair or restoration would be illegal under any state or local statute or ordinance governing health or safety; or (iii) Owners holding at least eighty percent (80%) of the voting interest in the Association vote not to rebuild. The Board shall be authorized to have prepared the necessary documents to effect such reconstruction as promptly as practical. The Condominium Project shall be reconstructed or rebuilt substantially in accordance with the applicable Map and the original construction plans if they are available, unless changes recommended by the Board have been approved in writing by Owners holding at least sixty-seven percent (67%) of the voting interest in the Association. A Capital Improvement

Assessment shall be levied by the Board to provide the necessary funds for such reconstruction, over and above the amount of any insurance proceeds available for such purpose. If the entire the Condominium Project is not repaired or replaced, then the proceeds attributable to the damaged Common Elements must be used to restore the damaged area to a condition compatible with the remainder of the Condominium Project. Any insurance proceeds attributable to Units and Limited Common Elements that are not rebuilt shall be distributed to the Owners of those Units and the Units to which those Limited Common Elements were allocated; *provided, however*, that such proceeds shall first be applied to the balance then due on any Mortgages encumbering such Owner's Unit, in order of priority. The remainder of the insurance proceeds shall be distributed to the Owners holding an interest in such Common Elements in proportion to the interest held; *provided, however*, that such proceeds shall first be applied to the balance then due on any Mortgage encumbering such Owners' Units, in order of priority.

9.2 *Partition.* No Owner shall have the right to partition an interest in the Common Elements and there shall be no judicial partition of the Condominium Project, or any part thereof. Nothing herein shall be deemed to prevent partition of a co-tenancy in any Unit but not an Allocated Interest. Except as provided above, each Owner and the successors of each Owner, whether by deed, gift, devise, or by operation of law, for their own benefit and for the Units and for the benefit of all other Owners, specifically waive and abandon all right, interest and cause of action for a judicial partition of the tenancy in common ownership of the Common Elements of the Condominium Project and do further covenant that no action for such judicial partition shall be instituted, prosecuted or reduced to judgment.

9.3 *Residence Damage.* Restoration and repair of any damage to any individual Unit shall be made by and at the individual expense of the Owner of the Unit so damaged, except to the extent such damage is covered by insurance maintained by the Association. In the event of a determination to rebuild the Condominium Project after partial or total destruction, as provided in this Article 9, such repair and restoration shall be completed as promptly as practical and in a lawful and workmanlike manner, in accordance with the original plans for the Unit.

9.4 *Notice to Owners and Eligible Mortgagees.* The Board, immediately upon having knowledge of any damage or destruction affecting a material portion of the Common Elements, shall promptly notify all Owners and Eligible Mortgagees. The Board, immediately upon having knowledge of any damage or destruction affecting a Unit, shall promptly, notify any Eligible Mortgagee.

10. *Eminent Domain.* The term "*taking*" as used in this Article 10 shall mean condemnation by exercise of the power of eminent domain or by sale under threat of the exercise of the power of eminent domain. The Board shall represent the Owners in any proceedings, negotiations, settlements, or agreements regarding takings. All takings proceeds shall be payable to the Association for the benefit of the Owners and their Mortgagees, and shall be distributed to such Owners and Mortgagees as provided in this Article 10.

10.1 *Condominium Project Condemnation.* If there is a taking of an interest in all or part of the Condominium Project such that the ownership, operation and use of the Condominium Project in accordance with the provisions of this Declaration is substantially and

adversely affected, and within one hundred twenty (120) days after the effective date of the taking, the Owners of Units (i) not taken, or (ii) only partially taken but capable of being restored to at least ninety-five percent (95%) of their floor area and to substantially their condition prior to the taking (collectively, the "*Remaining Units*") do not by affirmative vote of at least one-third (1/3) of their voting power approve the continuation of the Condominium Project and the repair, restoration and replacement to the extent feasible of the Common Elements and the Remaining Units, then the Board shall proceed with the sale of that portion of the Condominium Project which was not taken and distribute the net proceeds of such sale after deducting any incidental fees and expenses, in the same proportion and manner as provided in Section 9.1 of this Declaration.

10.2 *Condemnation of Common Elements.* If there is a taking of all or any portion of the Common Elements (other than Limited Common Elements), or any interest therein, other than the taking of an undivided interest therein taken as a result of the taking of a Condominium, then the award in condemnation shall be paid to the Association and shall be deposited in the Operating Fund.

10.3 *Condemnation of Limited Common Elements.* If there is a taking of all or any portion of a Limited Common Element which is not taken in connection with the taking of all or any portion of the Unit to which it is appurtenant, the award in condemnation shall be paid to the Owner(s) of the Unit(s) to which the taken Limited Common Element was appurtenant; *provided, however,* that such award shall first be applied to the balance then due on any Mortgages encumbering such Unit(s), in order of priority.

10.4 *Condemnation of Condominiums.* If there is a taking of a Unit, the award in condemnation shall be paid to the Owner of the Unit; *provided, however,* that such award shall first be applied to the balance then due on any Mortgages encumbering such Unit, in order of priority.

10.5 *Condemnation of Portions of Units.*

(a) *Minor Takings Within Limits.* If (i) there is a taking of one or more Units such that the intended use of the Units as residential dwellings is not substantially and adversely affected, and (ii) restoration of such Units can be accomplished at a cost less than or equal to the sum of (x) the amount of the condemnation awards for such takings, plus (y) any amounts the Owners of the taken Units wish to contribute to restoration, plus (z) an amount less than or equal to five percent (5%) of the gross expenses of the Association in accordance with the Budget for that Fiscal Year (collectively, the "*Allowable Cost*"), then the Board shall contract for such restoration and levy a Capital Improvement Assessment in an amount equal to the Allowable Cost less the amount of the condemnation awards and owners, contributions, and the condemnation awards, Owners' contributions and Capital Improvement Assessment shall be applied to such restoration. If the restoration is accomplished at a cost less than the amount of the condemnation awards, then that portion of the condemnation awards in excess of the restoration costs shall be paid to the Owners of the partially taken Units in proportion to the decreases in the fair market values of their Units; *provided, however,* that such awards shall first be applied to the balance then due on any Mortgages encumbering such Units, in order of priority.

(b) *Minor Takings Exceeding Limits.* If (i) there is a taking of a one or more Units such that the intended use of the Units as residential dwellings is not substantially and adversely affected, and (ii) restoration cannot be accomplished at a cost less than or equal to the Allowable Cost, then the Board shall call a special meeting of the Owners. If more than fifty percent (50%) of the Owners are represented at such special meeting, either in person or by proxy, and a majority of the votes cast at such special meeting are in favor of levying a Capital Improvement Assessment in an amount equal to the restoration costs minus the sum of the amount of the condemnation awards and the amounts the Owners of the taken Units wish to contribute to such restoration, then the Board shall contract for such restoration and levy a Capital Improvement Assessment, and the condemnation awards, Owners' contributions and Capital Improvement Assessment shall be applied to such restoration.

(c) *Major Takings.* If the requisite approval is not obtained at the special meeting of the Owners referred to in Section 10.5(b) of this Declaration, or if there is a taking of a portion of one or more Units such that the Units are not capable of being restored, then the award in condemnation shall be paid to the Owners of the taken Units, which award must include compensation to the Owner for such Owner's Unit; *provided, however*, that such award shall first be applied to the balance then due on any Mortgages encumbering such Unit, in order of priority. The Board shall have the remaining portions of the taken Units razed. The remaining portions of the taken Units shall become part of the Common Elements, and the Owners of such taken Units on any lot, by acceptance of the award allotted to them in taking proceedings, hereby relinquish to the other Owners on such lot, on the basis of their relative ownership of the Common Elements therein, such Owners' undivided interest in the Common Elements. Each Owner relinquishing such Owner's interest in the Common Elements pursuant to this Section 10.5(c) shall, at the request of the Board and at the expense of the Association, execute and acknowledge such deeds and other instruments which the Board deems necessary or convenient to evidence such relinquishment. Each Owner of a taken Unit shall not be liable for Assessments under this Declaration which accrue on or after the date such Owner accepts a condemnation award.

10.6 *Portions of Awards in Condemnation Not Compensatory for Value of Real Property.* Those portions of awards in condemnation which do not directly compensate the Owners for takings of real property (e.g., awards for takings of personal property, relocation expenses, moving expenses, or other allowances of a similar nature intended to facilitate relocation) shall be paid to the Owners whose personal property is taken, or whose relocation is intended to be facilitated.

10.7 *Notice to Owners and Eligible Mortgagees.* The Board, upon learning of any taking affecting a material portion of the Condominium Project or Improvements thereon, or any threat thereof, shall promptly notify all Owners and Eligible Mortgagees. The Board, upon learning of any taking affecting a Unit, or any threat thereof, shall promptly notify any Eligible Mortgagee.

11. *Mortgagees.*

11.1 *Eligible Mortgagees.* Any Mortgagee in a first lien position on a Unit shall be entitled to become an "*Eligible Mortgagee*" by notifying the Association of its name,

address and the address of the Unit encumbered by the Mortgage which it holds, in the manner provided in Section 19.8 of this Declaration. Any holder of a Mortgage in a first lien position who does not so request notice, shall not be deemed to be an Eligible Mortgagee under the terms of this Declaration and shall not be entitled to any notices from the Association.

11.2 *Rights of Mortgagees.* Notwithstanding any other provision of this Declaration, no amendment or violation of this Declaration shall operate to defeat or render invalid the rights of any Mortgagee under any Mortgage upon one (1) or more Units made in good faith and for value, provided that after the foreclosure of any such Deed of Trust, such Unit(s) shall remain subject to this Declaration as amended. For purposes of any provision of the Association Governing Documents which require the vote or approval of a specified percentage of Eligible Mortgagees, such vote or approval shall be determined based upon one (1) vote for each Unit encumbered by each such Mortgagee in a first lien position. In order to induce Eligible Mortgagees to participate in the financing of the sale of Units, the following provisions are added hereto (and to the extent the provisions set forth in this Section 11.2 conflict with any other provisions of the Association Governing Documents, these added provisions shall control).

(a) Each Eligible Mortgagee is entitled to written notification from the Association of: (i) any condemnation or casualty loss which affects either a material portion of the Condominium Project or the Unit(s) in which the Eligible Mortgagee has a security interest; (ii) any delinquency of sixty (60) days or more in the performance of any obligation under the Association Governing Documents including, without limitation, the payment of Assessments or charges owed by the Owner(s) of the Unit(s) in which the Eligible Mortgagee has a security interest, which notice each Owner hereby consents to and authorizes; (iii) a lapse, cancellation, or material modification of any policy of insurance or fidelity bond maintained by the Association; and (iv) any proposed action of the Association which requires consent by a specified percentage of Eligible Mortgagees.

(b) Each Owner, including each Mortgagee who obtains title to such Unit pursuant to the remedies provided in such Mortgage, or by foreclosure of the 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 the Association Governing Documents.

(c) Each Mortgagee of a Mortgage encumbering any Unit which obtains title to such Unit, pursuant to the remedies provided in such Mortgage or by foreclosure of such Mortgage, shall take title to such Unit free and clear of claims for unpaid Assessments or charges against such Unit. However, each such Mortgagee, upon taking title to a Unit, shall be obligated to pay Assessments just as all other Owners.

(d) Unless Eligible Mortgagees holding at least sixty-seven percent (67%) of the voting rights of all Eligible Mortgagees or Owners holding at least sixty-seven percent (67%) of the voting rights of all Owners (other than the Declarant) have given their prior written approval, neither the Association nor the Owners shall:

(1) by act or omission seek to abandon or terminate the Condominium Project;

(2) change the method of determining the obligations, Assessments, dues or other charges which may be levied against any Owner;

(3) partition or subdivide any non-Declarant owned Unit;

(4) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements; *provided, however*, that the granting of easements for public utilities or for other purposes consistent with the intended use of the Common Elements shall not be deemed a transfer within the meaning of this clause;

(5) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design, the exterior appearance or the maintenance of the Units or the Common Elements;

(6) fail to maintain or cause to be maintained fire and extended coverage insurance on insurable Common Elements as provided in Article 8 of this Declaration;

(7) use hazard insurance proceeds for losses to any portion of the Condominium Project (i.e., Improvements to the Common Elements) for other than the repair, replacement or reconstruction of such property, subject to the provisions of Article 9 of this Declaration; or

(8) change the pro rata interest or obligations of any non-Declarant owned Unit in order to levy Assessments or charges, allocate distributions of hazard insurance proceeds or condemnation awards or determine the pro rata share of ownership of each Unit in the Common Elements.

(e) All Eligible Mortgagees shall have the right to:

(1) examine current copies of the Association's books, records and financial statements and the Association Governing Documents during normal business hours and upon not less than seventy-two (72) hours written notice;

(2) require the Association to submit an annual audited or reviewed financial statement without expense to the entity requesting the statement;

(3) request to receive written notice of all meetings of Owners; and

(4) designate in writing a representative who shall be authorized to attend all meetings of Owners.

(f) All Eligible Mortgagees shall be given thirty (30) days, written notice prior to the effective date of (i) any proposed material amendment to the Association Governing Documents; (ii) any termination of an agreement for professional management of the Condominium Project following any decision of the Owners to assume self-management of the Condominium Project; and (iii) any proposed termination of the Condominium Project as a condominium project.

(g) The Reserve Fund must be funded by regular scheduled monthly, quarterly, semiannual or annual payments rather than by large Special Assessments.

(h) 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 the Manager.

(i) 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 Elements and may pay any overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for Common Elements, and Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

12. *Duration, Amendment and Termination of Declaration.*

12.1 *Duration.* This Declaration shall continue in full force for a term of fifty (50) years from the date of Recordation hereof, after which the term shall be automatically extended for successive periods of ten (10) years, unless terminated as set forth in Section 12.3 of this Declaration. There shall be no severance by sale, conveyance, encumbrance or hypothecation of an interest in any Unit from the Allocated Interests assigned to such Unit, as long as this Declaration shall continue in full force and effect. The provisions of this Article 12 are subject to the provisions of Articles 9 and 10 of this Declaration.

12.2 *Amendment to Declaration.*

(a) *Amendment by the Declarant.* To the extent allowed by NRS Chapter 116: (i) at any time prior to the first Close of Escrow, the Declarant may unilaterally amend or terminate this Declaration without any vote or prior notice to the members and (ii) when the Declarant exercises any of its Developmental Rights, the Declarant may unilaterally amend this Declaration as provided in NRS Section 116.2117.

(b) *Amendment by the Owners.* The Board may propose an amendment to this Declaration upon its own initiative via a majority vote of the Board or upon request of the Owners of not less than ten percent (10%) of the Units. The notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting at which a proposed amendment is to be considered. The resolution shall be adopted by the vote, in person or by proxy, or written consent of Owners representing not less than sixty-seven percent (67%) of the voting power of the Association; *provided, however*, 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. The Owner approval described in this Section 12.2(b) shall not be required for amendments that may be executed by the Declarant under NRS Sections 116.2109 and 116.211 by the Association under NRS Sections 116.1107 and 116.2108(3) or by certain Owners under NRS Sections 116.2108(2), 116.2112 and 116.2118.

(c) *Consent of Eligible Mortgagees.* In addition to the required notice and consent of Owners and the Declarant provided above, the Eligible Mortgagees holding a majority of the voting power of all Eligible Mortgagees must approve any amendment to this Declaration which is of a material nature, as follows:

(1) Any amendment which affects or purports to affect the validity or priority of Mortgages or the rights or protection granted to Beneficiaries, insurers or guarantors of Mortgages in first lien position as provided in this Declaration.

(2) Any amendment which would necessitate a Mortgagee after it has acquired a Unit through foreclosure, to pay more than its proportionate share of any unpaid Assessment or Assessments accruing after such foreclosure.

(3) Any amendment which would or could result in a Mortgage being canceled by forfeiture, or in a Unit not being separately assessed for tax purposes.

(4) Any amendment relating to the insurance provisions as set out in Article 8 of this Declaration, or to the application of insurance proceeds as set out in Article 9 of this Declaration, or to the disposition of any money received in any taking under condemnation proceedings.

(5) Any amendment which would or could result in partition or subdivision of a Unit in any manner inconsistent with the provisions of this Declaration.

(6) Any amendment which would subject any Owner to a right of first refusal or other such restriction, if such Unit is proposed to be sold, transferred, or otherwise conveyed.

(7) Any amendment concerning:

(A) voting rights;

(B) rights to use the Common Elements (but not any amendment executed by Owners exchanging Limited Common Element parking spaces);

(C) reserves and responsibility for maintenance, repair and replacement of the Common Elements excluding therefrom the ratification of the Budget;

(D) boundaries of a Unit in which an Eligible Mortgagee has a security interest;

(E) Owners' interests in the Common Elements;

(F) convertibility of Common Elements into Units or Units into Common Elements other than by Declarant pursuant to the Developmental Rights;

(G) establishment of self-management by the Association where professional management has been required by any Beneficiary, insurer or guarantor of a Mortgage with a first lien position;

(H) annexation or deannexation of real property to or from the Condominium Project other than by Declarant pursuant to the Developmental Rights; or

(I) Assessments, Assessment liens, or the subordination of such liens.

Each Eligible Mortgagee which receives proper written notice of a proposed amendment or termination of this Declaration by certified or registered mail with a return receipt requested shall be deemed to have approved the amendment or termination if it fails to submit a response to the notice within thirty (30) days after it receives the notice.

(d) *Recordation of Amendment.* A copy of each amendment shall be certified by the president or any officer of the Association so designated, and the amendment shall be effective when recorded.

12.3 *Termination of Declaration.* Except in the case of a taking of all of the Units by eminent domain, termination of this Declaration shall require approval by the Owners representing at least eighty percent (80%) of the Association's voting power. No such termination shall be effective unless it is also approved in advance either by fifty-one percent (51%) of the Eligible Mortgagees (if said termination is proposed by reason of the substantial destruction or condemnation of the Condominium Project) or by sixty-seven percent (67%) of such Eligible Mortgagees (if said termination is for reasons other than such substantial destruction or condemnation of the Condominium Project). An agreement to terminate this Declaration must be evidenced by the execution of an agreement to terminate in the same manner s a deed by the requisite number of Owners. The agreement to terminate must specify a date after which the agreement will be void unless it is Recorded.

12.4 *Protection of Declarant.* The prior written approval of the Declarant shall be required before any amendment which would impair or diminish the rights of the Declarant to complete the Condominium Project or sell or lease Units therein shall become effective. Notwithstanding any other provisions of the Association Governing Documents, until such time as (i) the Declarant is no longer entitled to exercise its rights under Article 14 of this Declaration, or (ii) the Declarant no longer owns any Units in the Condominium Project, whichever occurs last, the following actions, before being undertaken by the Association, shall first be approved in writing by the Declarant:

(a) the proposal of any amendment of this Declaration or other action requiring the approval of Eligible Mortgagees pursuant to this Declaration, including without limitation, all amendments and actions specified in Section 12.2 of this Declaration;

(b) the annexation to the Condominium Project of real property other than the Annexable Area pursuant to Article 14 of this Declaration; or

(c) any significant reduction of Association maintenance or other services.

13. *Declarant's Rights and Reservations.* Nothing in the Association Governing Documents shall limit, and neither Owner nor the Association shall do anything to interfere with, the right of the Declarant to subdivide or resubdivide any portion of the Condominium Project, or to complete Improvements to and on the Common Elements or any portion of the Condominium Project owned solely or partially by the Declarant, or to alter the foregoing or its construction plans and designs, or to construct such additional Improvements as the Declarant deems advisable in the course of development of the Condominium Project so long as any Unit remains unsold by the Declarant. The rights of the Declarant hereunder shall include, but shall not be limited to, the right to install and maintain such structures, displays, signs, billboards, flags and sales offices as may be reasonably necessary for the conduct of its business of completing construction of the Improvements and disposing of the Units by sale, resale, lease or otherwise. Each Owner by accepting a deed to a Unit hereby acknowledges that the activities of the Declarant may temporarily or permanently impair the view of such Owner and may constitute an inconvenience or nuisance to the Owners, and hereby consents to such impairment, inconvenience or nuisance until such time as the Declarant or any successor-in-interest of the Declarant ceases to own any portion of the Condominium Project or the Annexable Area. This Declaration and/or its agents shall not limit the right of the Declarant at any time prior to acquisition of title to a Unit by a Purchaser from the Declarant to establish on the Condominium Project additional licenses, easements, reservations and right-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 Condominium Project. The Declarant may use any Units owned or leased by the Declarant in the Condominium Project as model home complexes or real estate sales or leasing offices. The Declarant need not seek or obtain Board approval of any Improvement constructed or placed on any portion of the Condominium Project by the Declarant. The rights of the Declarant under Association Governing Documents may be assigned by the Declarant to any successor-in-interest as such rights may relate to any portion of the Declarant's interest in any portion of the Condominium Project by a written assignment. Notwithstanding any other provision of this Declaration, the prior written approval of the Declarant, as developer of the Condominium Project, will be required before any amendment of this Article 13 shall be effective. Each Owner hereby grants, upon acceptance of a deed to such Owner's Unit, an irrevocable, special power of attorney to the Declarant to execute and Record all documents and maps necessary to allow the Declarant to exercise its rights under this Article 13. The Declarant, its agents and prospective Purchasers shall be entitled to the nonexclusive use of the Common Elements without further cost for access, ingress, egress, use or enjoyment, in order to show the Condominium Project to prospective Purchasers, to dispose of the Condominium Project as provided herein, and to develop and sell the Annexable Area. By way of example, the entry and exit gates to the Condominium Project shall, during the construction and sale of any of the Units in the Condominium Project, be left open or closed at the sole discretion of the Declarant. The Association shall provide the Declarant with all notices and other documents to which an Owner or Eligible Mortgagee is entitled pursuant to this Declaration, provided that the Declarant shall be provided such notices and other documents without making written request therefor.

14. *Developmental Rights of Declarant.*

14.1 *Developmental Rights.* The Declarant hereby reserves each and every one of the following "*Developmental Rights:*" (i) to add real estate, including the Annexable Area, to the Condominium Project; (ii) to create Units, Common Elements or Limited Common Elements; (iii) to create and remove Units, to subdivide Units or to convert Units into Common Elements; and (iv) to withdraw real estate from the Annexable Area or the Condominium Project. The Declarant must exercise the Developmental Rights within ninety-nine (99) years following the Recordation of this Declaration. The Developmental Rights may be exercised with respect to different parcels of real estate at different times. The Declarant makes no assurances regarding the boundaries of those parcels of real estate to which the Developmental Rights may apply or the order in which those parcels may be subjected to the Developmental Rights. If any Developmental Right is exercised in any portion of the real estate subject to that Developmental Right, the Developmental Right need not be exercised in all or any other portion of the remainder to that real estate.

14.2 *Additions by the Declarant.* The Declarant or its successors or assigns shall have the right from time to time to add to the Condominium Project any of the real property within the Annexable Area or other property owned by the Declarant and to bring such real estate within the general plan and scheme of this Declaration without the approval of the Association, the Board or Owners. As certain real estate owned by the Declarant or the Annexable Area is developed, the Declarant may, with respect thereto, (i) comply with the provisions of NRS Section 116.2109 and (ii) Record a Notice of Addition which shall have the effect of causing the real estate that is the subject of such Notice of Addition to become subject to each and every covenant, condition, restriction and easement contained within this Declaration and the rights, powers and responsibilities of the owners, lessees and occupants of Units within such added property, as well as within the property originally subject to this Declaration, shall be the same as if the added property were originally covered by this Declaration. Furthermore, the Declarant may supplement this Declaration with such additional covenants, conditions, restrictions, reservations and easements as the Declarant may deem appropriate for that Phase. From the date upon which the Declarant provides written notice, the Owners located in the added property shall share in the payment of Assessments to the Association to meet Common Expenses of the entire Condominium Project. Voting rights attributable to the Owners for the added property shall not vest until Annual Assessments have commenced as to such Phase. The Declarant makes no assurances regarding the order in which any real property will be added to the Condominium Project or whether such real estate will be added to the Condominium Project at all.

14.3 *Notice of Addition of Territory.* The additions authorized under Section 14.2 of this Declaration shall be made by Recording a Notice of Addition and complying with the provisions of NRS Section 116.2109 with respect to the added real estate which shall extend the general plan and scheme of this Declaration to such added property. Any such Notice of Addition shall constitute an amendment to this Declaration as described in NRS Section 116.211. The Notice of Addition for any addition under Section 14.2 of this Declaration shall be signed by the Declarant. The Recordation of said Notice of Addition shall constitute and effectuate the annexation of the added property described therein and thereupon said added property shall

become and constitute a part of the Condominium Project, become subject to this Declaration and encompassed within the general plan and scheme of covenants, conditions, restrictions, reservation of easements and equitable servitudes contained herein, and become subject to the functions, powers and jurisdiction of the Association and the Owners shall automatically become members of the Association. Such Notice of Addition may contain a supplemental Master Declaration with such additions and modifications of the covenants, conditions, restrictions, reservation of easements and equitable servitudes contained in this Declaration as may be necessary to reflect the different character, if any, of the added property, or as the Declarant may deem appropriate in the development of the added property, and as are not inconsistent with the general plan and scheme of this Declaration.

14.4 *Deannexation and Amendment.* The Declarant may amend a Notice of Addition or delete all or a portion of a Phase from coverage of this Declaration and the jurisdiction of the Association, so long as the Declarant is the owner of all such Phase and provided that (i) an amending instrument or a notice of deletion, as applicable, is Recorded in the same manner as the applicable Notice of Addition was Recorded and the Declarant complies with the provisions of NRS Section 116.2109, (ii) the Declarant has not exercised any Association vote with respect to any portion of such Phase, (iii) Assessments have not yet commenced with respect to any portion of such Phase, (iv) Close of Escrow has not occurred for the sale of any Unit in such Phase, and (v) the Association has not made any expenditures or incurred any obligations with respect to any portion of such Phase. Such amending instrument or notice of deletion shall constitute an amendment to this Declaration as described in NRS Section 116.211.

14.5 *Subdivision of Units.* The Declarant may subdivide any Unit owned by the Declarant into two (2) or more additional Units or into Common Elements or Limited Common Elements. An amending instrument or notice of subdivision shall be Recorded in the same manner as a Notice of Addition, which instrument or notice shall constitute an amendment to this Declaration as described in NRS Section 116.211.

14.6 *Automobile Parking Spaces and Storage Units.* All parking spaces and storage units, unless assigned as set forth in this Section 14.6, are not Limited Common Elements. Each Unit will be assigned one (1) storage unit and one (1) or parking space for the exclusive use of that Unit. Upon the Recordation of a Notice of Addition, a parking space and storage unit shall become a Limited Common Element and part of the Allocated Interest which is assigned to such Unit. All fees, if any, collected by the Declarant for the assignment and use of the parking spaces and the storage units shall be retained by the Declarant and shall not constitute income or revenue of the Association. Owners may self park or valet park, if offered by the Association, their automobiles in their assigned parking space(s). Owners may also park one (1) additional vehicle for each Unit which they own on the Condominium Project; *provided, however*, that the additional vehicle must be valet parked in the event the Association offers valet parking. All guests, servants, invitees and employees of an Owner must valet park their vehicles on the Condominium Project in the event the Association provides for valet parking. All valet parking, if offered by the Association, will be subject to the availability of unoccupied parking spaces.

14.7 *Maximum Number of Units.* The Declarant hereby reserves the right to create a maximum of two hundred thirty-one (231) Units throughout the Condominium Project.

14.8 *Guest Suites.* The Declarant may create one (1) or more guest suites within the Building for the use of the guests and invitees of the Owners. An Owner's right to use and/or reserve the use of the guest suite(s) shall be subject to rules and regulations adopted by the Board.

15. *Reservation of Special Rights.* In addition to the other rights contained in this Declaration, the Declarant reserves the following special rights, on the terms and conditions and subject to the expiration deadlines set forth below:

15.1 *Right to Complete Improvements and Construction Easement.* The Declarant reserves the right, for a period of sixty (60) months following the Recordation of this Declaration, to complete the construction of Improvements on the Condominium Project, and an easement over the Condominium Project for the purpose of doing so. Any damage caused to a Unit, or the Common Elements by the Declarant or its agents in the use or exercise of said right and/or easement shall be repaired by and at the expense of the Declarant.

15.2 *Exercise of Developmental Rights.* The Declarant reserves the right to exercise its Developmental Rights including the right to annex the Annexable Area to the Condominium Project pursuant to the provisions of Articles 13 and 14 of this Declaration.

15.3 *Offices and Promotional Signs.* The Declarant reserves the right to maintain offices for sales and management models and signs on the Condominium Project for so long as the Declarant owns any Unit. The Declarant further reserves the right of unlimited access to such offices for sale and management and to the models and to signs on the Condominium Project during the same time period.

15.4 *Merger; Consolidation.* The Declarant reserves the right during the Declarant's Period of Control to merge or consolidate the Condominium Project into another Condominium.

15.5 *Appointment and Removal of Directors.* The Declarant reserves the right to appoint and remove the officers of the Association and members of the Board, as set forth in Section 2.7 of this Declaration, for the time period set forth therein.

16. *The Master Association.*

16.1 *Relationship with the Master Association.* The Association is a subassociation within the Master Association. As such, the Units within the Condominium Project are subject to the Master Declaration and the Master Association.

16.2 *Master Association Approvals.* Approvals which Owners receive from the Board are also subject to review and approval from the board of directors and/or architectural review committee of the Master Association as set forth in the Master Declaration. The Master Association has the right, but not the obligation to allow an exemption to any review or approval

process which the Master Association deems appropriate in its sole discretion. If an exemption is allowed, the Master Association may, thereafter, revoke such exemption.

16.3 *Payment of Assessments.* The payment of dues to the Master Association is in addition to those dues paid to the Association. The Association shall be a member of the Master Association. The Association shall be obligated to pay dues to the Master Association in accordance with the budget adopted by the Master Association as more particularly set forth in the Master Declaration. The Association shall include as part of its duly adopted budget the amount of annual dues owing to the Master Association. Although payment of the assessments imposed by the Master Association is made by the Association, the Owners shall be ultimately responsible for the payment of all such assessments and the Master Association may lien the Units for any unpaid assessments.

16.4 *Master Association Covenants and Rules.* The covenants, conditions, restrictions and easements including the use restrictions set forth in this Declaration are in addition to those covenants, conditions, restrictions and easements set forth in the Master Association Governing Documents. Additionally, the Master Association may impose rules and regulations upon Owners in addition to those rules and regulations which the Association may impose. The Owners of Units within the Condominium Project shall abide by all Master Association Governing Documents.

16.5 *Delegation of Powers.* To the extent that the Association is unable or unwilling to enforce the provisions of this Declaration, and only upon written notice and after allowing a reasonable time in which the Association may perform its obligations hereunder, pursuant to NRS Section 116.212, the Association hereby assigns all those rights and responsibilities set forth in this Declaration to the Master Association.

16.6 *Conflicts.* In the event of a conflict between the Master Declaration and any Association Governing Document the terms and provisions of the Master Declaration shall control.

17. *Security Disclaimer.* The Association may, but shall not be obligated to, maintain or support certain activities within the Condominium Project designed to make the Condominium Project safer than it might otherwise be.

NEITHER THE ASSOCIATION NOR THE DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE CONDOMINIUM PROJECT, AND NEITHER THE ASSOCIATION NOR THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OR FAILURE TO PROVIDE SECURITY OR THE INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY UNIT, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND THE BOARD, THE DECLARANT OR ANY SUCCESSOR DECLARANT DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM OR OTHER SECURITY SYSTEM DESIGNATED OR INSTALLED ACCORDING TO THE GUIDELINES ESTABLISHED BY THE DECLARANT OR THE ASSOCIATION MAY NOT BE COMPROMISED OR

CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER OR OCCUPANT OF ANY UNIT, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS BOARD AND COMMITTEES, THE DECLARANT, OR ANY OTHER SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY UNIT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISK FOR LOSS OR DAMAGE TO PERSONS, UNITS AND THE CONTENTS OF UNITS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS BOARD AND COMMITTEES, THE DECLARANT, OR ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY TO FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

18. *Violations.*

18.1 *Violations Identified by the Association.* If the Board determines that there is a violation of any provision of the Association Governing Documents or the Master Association Governing Documents, or that there is an Improvement which is the maintenance responsibility of an Owner which is in need of installation, maintenance, repair, restoration or painting, then the Board shall give written notice to the responsible Owner identifying (i) the condition or violation complained of, and (ii) the length of time the Owner has to remedy the violation including, if applicable, the length of time the Owner has to submit plans to the Board and the length of time the Owner has to complete the work proposed in the plans submitted to the Board. If an Owner does not perform such corrective action as is required by the Board within the allotted time, the Board, after Notice and Hearing, may undertake to remedy such condition or violation complained of, and the cost thereof shall be charged to the Owner as a Special Assessment. Such Special Assessment shall be subject to enforcement and collection by the Board in accordance with the procedures provided for in this Declaration and in compliance with NRS Chapter 116. If the violation involves non-payment of any type of Assessment, then the Board shall be entitled to collect such delinquent Assessment pursuant to the procedures set forth in Article 6 of this Declaration.

18.2 *Violations Identified by an Owner.* In the event that an Owner alleges that another Owner, such Owner's Family, guests or tenants, has or is violating the Association Governing Documents (other than non-payment of any type of Assessment), the Owner must first submit the matter to the Board pursuant to the Notice and Hearing procedure established in the Bylaws before the complaining Owner may resort to a court of law for relief with respect to the alleged violation.

18.3 *Legal Proceedings.* Failure to comply with any of the terms of the Association Governing Documents or the Master Association Documents by an Owner, such Owner's Family, guests, employees, invitees or tenants, shall be grounds for relief which may include, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of any lien, or any combination thereof; *provided, however*, that the procedures established in this Declaration must first be followed, if they are applicable.

18.4 *Limitation on Expenditures.* The Association shall not incur litigation expenses, including, without limitation, attorneys' fees, where the Association initiates legal proceedings or is joined as a plaintiff in legal proceedings without the approval of the Owners holding a majority of the voting power of the Association, excluding the voting power of any Owner who would be a defendant in such proceedings. Such approval shall not be necessary if the legal proceedings are initiated to (i) enforce the Association Governing Documents, or (ii) collect any unpaid Assessments levied pursuant to this Declaration.

18.5 *Schedule of Fines.* The Board may adopt a schedule of reasonable fines or penalties and a policy of administrating such fines or penalties which fines or penalties, in its reasonable discretion, it may assess against an Owner for the failure of such Owner, invitees, tenants, guests or Family of such Owner, to comply with any provisions of the Association Governing Documents. Such fines or penalties may only be assessed by the Board, against the Owner and the Unit of the violating Owner, after Notice and Hearing.

18.6 *Right to Enforce.* The Board, any Owner (not at the time in default hereunder), or the Declarant (so long as the Declarant is an Owner) shall be entitled to enforce the Association Governing Documents as described in this Article 18. Each Owner shall have a right of action against the Association for the Association's failure to comply with the Association Governing Documents. Each remedy provided for in this Declaration shall be cumulative and not exclusive or exhaustive.

19. *General Provisions.*

19.1 *No Waiver.* Failure to enforce any provision of this Declaration shall not constitute a waiver of the right to enforce that provision, or any other provision of this Declaration.

19.2 *Attorneys' Fees.* Any judgment rendered in any action or proceeding pursuant to this Declaration shall include a sum for attorneys' fees in such 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 costs of court.

19.3 *Severability.* The provisions of this Declaration shall be deemed independent and severable, and a determination of invalidity or partial invalidity or unenforceability of any one provision or portion hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provisions of this Declaration.

19.4 *Interpretation.* The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the creation and operation of a

residential condominium development and for the maintenance of common elements. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. As used herein, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the other, unless the context dictates otherwise.

19.5 *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 Condominium Project to the public, or for any public use.

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

19.7 *Nonliability and Indemnification.*

(a) *General Limitation.* Except as specifically provided in the Association Governing Documents or as required by law, no right, power, or responsibility conferred on the Board by the Association Governing Documents shall be construed as a duty, obligation or disability charged upon the Board, any member of the Board or any other officer, employee, agent or committee member of the Association. Such Persons are subject to the insulation from liability provided for directors of corporations by the laws of the State of Nevada to the fullest extent provided by such laws. Members of the Board are not personally liable to the victims of crimes occurring on the Condominium Project.

(b) *Indemnification.* When liability is sought to be imposed on a member of the Board, an officer, committee member, employee or agent of the Association, the Association shall indemnify him or her for his or her losses or claims, and undertake all costs of defense, unless and until it is proven that he or she acted with willful or wanton misfeasance or with gross negligence. After such proof the Association is no longer liable for the cost of defense due to the willful or wanton misfeasance or gross negligence of such Person indemnified by the Association, the Association may recover indemnification costs expended from the individual who so acted. Punitive damages may not be recovered against the Association, but may be recovered from Persons whose activity gave rise to the damages. This Section 19.7(b) shall be construed to authorize payments and indemnification to the fullest extent now or hereafter permitted by applicable law. The entitlement to indemnification hereunder shall inure to the benefit of the estate, executor, administrator, heirs, legatees, or devisees of any person entitled to such indemnification.

19.8 *Notices.* Except as otherwise provided in this Declaration, notice to be given to an Owner shall be in writing and may be delivered personally to the Owner. Personal delivery of such notice to one (1) or more Co-owners of a Condominium or to any general

partner of a partnership or manager of a limited liability company owning a Condominium shall be deemed delivery to all Co-owners, to the partnership or the limited liability company, as the case may be. Personal delivery of such notice to any officer or agent for the service of process on a corporation shall be deemed delivery to the corporation. In lieu of the foregoing (and unless the provisions of Nevada law, including without limitation the provisions of NRS Section 116.31162 require delivery by registered or certified mail), such notice may be delivered by regular United States mail, postage prepaid, addressed to the Owner at the most recent address furnished by such Owner to the Association or, if no such address shall have been furnished, to the street address of such Owner's Unit. Such notice shall be deemed delivered three (3) business days after the time of such mailing, except for notice of a meeting of Owners or of the Board in which case the notice provisions of the Bylaws shall control. Any notice to be given to the Association may be delivered personally to any member of the Board, or sent by United States mail, postage prepaid, addressed to the Association at such address as shall be fixed from time to time and circulated to all Owners.

19.9 *Priorities and Inconsistencies.* If there are conflicts or inconsistencies between this Declaration and either the Articles or the Bylaws, the terms and provisions of this Declaration shall prevail over the Articles and Bylaws; and the terms and provisions of the Articles shall control over the Bylaws.

19.10 *Constructive Notice and Acceptance.* Every person who owns, occupies or acquires any right, title, estate or interest in or to any Unit or other portion of the Condominium Project 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 Condominium Project, or any portion thereof.

TURNBERRY PAVILION PARTNERS, L.P., a Delaware limited partnership

By: Turnberry Pavilion Managers, L.P., a Delaware limited partnership, as its general partner

By: Turnberry West, Inc., a Florida corporation as its general partner

By: _____
Jeffrey Soffer, President

STATE OF Nevada)
) ss.
COUNTY OF Clark)

This instrument was acknowledged before me on October 8, 2003 by Jeffrey Soffer as President of Turnberry West, Inc., as general partner of Turnberry Pavilion Managers, L.P., as general partner of Turnberry Pavilion Partners, L.P.

NOTARY PUBLIC

My Commission Expires: 8/26/05

HOPE IPPOLITI
Notary Public, State of Nevada
Appointment No. 01-70629-1
My Appt. Expires August 26, 2005

EXHIBIT "A"

LEGAL DESCRIPTION OF THE CONDOMINIUM PROJECT

THAT PORTION OF THE EAST HALF (E½) OF SECTION 9 AND THE WEST (W½) OF SECTION 10, TOWNSHIP 21 SOUTH, RANGE 61 EAST, M.D.M., AS SHOWN ON REVERSIONARY PARCEL MAP FILE 84, PAGE 66 OF CLARK COUNTY RECORDS, CLARK COUNTY, NEVADA, MORE DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 9; THENCE ALONG THE EAST LINE OF THE NORTHEAST QUARTER (NE¼) OF SAID SECTION 9, SOUTH 04°43'25" EAST, 1,771.99 FEET; THENCE SOUTH 00°14'15" WEST, 36.94 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 89°45'45" EAST, 1.66 FEET; THENCE SOUTH 00°14'15" WEST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 6.58 FEET; THENCE NORTH 00°14'15" EAST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 23.00 FEET; THENCE SOUTH 00°14'15" WEST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 6.58 FEET; THENCE NORTH 00°14'15" EAST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 23.00 FEET; THENCE SOUTH 00°14'15" WEST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 6.58 FEET; THENCE NORTH 00°14'15" EAST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 23.00 FEET; THENCE SOUTH 00°14'15" WEST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 6.58 FEET; THENCE NORTH 00°14'15" EAST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 23.00 FEET; THENCE SOUTH 00°14'15" WEST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 20.33 FEET; THENCE SOUTH 00°14'15" WEST, 10.50 FEET; THENCE SOUTH 89°45'45" EAST, 28.34 FEET: THENCE SOUTH 00°14'15" WEST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 9.00 FEET; THENCE SOUTH 00°14'15" WEST, 4.52 FEET TO THE BEGINNING OF A NON-TANGET CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIAL BEARING OF NORTH 26°50'22" EAST AND A RADIUS OF 39.17 FEET; THENCE ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 36°47'45", AN ARC DISTANCE OF 25.15 FEET; THENCE SOUTH 89°45'45" EAST, 4.51 FEET; THENCE SOUTH 00°14'15" WEST, 9.00 FEET; THENCE SOUTH 89°45'45" EAST, 17.17 FEET; THENCE SOUTH 00°14'15" WEST, 235.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADUIS OF 4.00 FEET; THENCE ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC DISTANCE OF 6.28 FEET; THENCE NORTH 89°45'45" WEST, 15.00 FEET; THENCE SOUTH 00°14'15" WEST, 14.00 FEET; THENCE NORTH 89°45'45" WEST, 99.83 FEET; THENCE NORTH 00°14'15" EAST, 17.34 FEET; THENCE NORTH 89°45'45" WEST, 24.91 FEET; THENCE NORTH 42°30'06" WEST, 37.15 FEET; THENCE NORTH 89°45'45" WEST, 53.01 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 61.83 FEET;

THENCE ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC DISTANCE OF 97.13 FEET; THENCE NORTH 00°14'15" EAST, 7.39 FEET; THENCE NORTH 89°45'45" WEST, 17.21 FEET; THENCE NORTH 00°14'15" EAST, 187.15 FEET; THENCE SOUTH 89°45'45" EAST, 33.25 FEET; THENCE NORTH 00°14'15" EAST, 6.50 FEET; THENCE SOUTH 89°45'45" EAST, 21.34 FEET TO THE POINT OF BEGINNING.

SAID LOT 4A CONTAINS APPROXIMATELY 80,165 SQUARE FEET OR 1.84 ACRES, MORE OR LESS.

THE BASIS OF BEARING FOR THIS DESCRIPTION IS SOUTH 00°14'15" WEST BEING THE WEST PROPERTY LINE OF PARCELS 1 AND 2, AS PER PARCEL MAP ON FILE WITH THE CLARK COUNTY RECORDER IN FILE 68, PAGE 61.

END OF DESCRIPTION

EXHIBIT "B"

LEGAL DESCRIPTION OF ANNEXABLE AREA

THAT PORTION OF THE EAST HALF (E ½) OF SECTION 9 AND THE WEST HALF (W ½) OF SECTION 10, TOWNSHIP 21 SOUTH, RANGE 61 EAST, M.D.M., AS SHOWN ON REVERSIONARY PARCEL MAP FILE 84, PAGE 66 OF CLARK COUNTY RECORDS, CLARK COUNTY, NEVADA, MORE DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 9; THENCE ALONG THE EAST LINE OF THE NORTHEAST QUARTER (NE ¼) OF SAID SECTION 9, SOUTH 04°43'25" EAST, 1771.99 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 87°13'45" EAST, 267.08 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF PARADISE ROAD (WESTERLY PORTION OF RIGHT-OF-WAY BEING 40.00 FEET WIDE); THENCE ALONG SAID WESTERLY RIGHT-OF-WAY SOUTH 00°14'45" WEST, 886.42 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 24.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 91°06'43" AN ARC DISTANCE OF 38.16 FEET TO THE NORTHERLY RIGHT-OF-WAY BEING 40.00 FEET WIDE); THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY NORTH 88°39'02" WEST, 678.65 FEET; THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY NORTH 00°14'15" EAST, 928.35 FEET; THENCE SOUTH 87°13'45" EAST, 436.60 FEET TO THE POINT OF BEGINNING.

SAID SITE CONTAINS APPROXIMATELY 646,352 SQUARE FEET OR 14.84 ACRES, MORE OR LESS.

THE BASIS OF BEARING FOR THIS LEGAL DESCRIPTION IS SOUTH 00°14'15" WEST BEING THE WEST PROPERTY LINE OF PARCELS 1 AND 2 AS PER PARCEL MAP ON FILE WITH THE CLARK COUNTY RECORDER IN FILE 68, PAGE 61.

END OF DESCRIPTION

EXHIBIT "C"

LEGAL DESCRIPTION OF CLUB

Lot 1C, Final Map-Amendment I of Turnberry Place, as shown by map thereof on file in Book 97 of Plats Page 29 in the Office of the County Recorder of Clark County, Nevada.

EXHIBIT "D"

LIMITED COMMON ELEMENTS

SWEDROE ARCHITECTS

EXHIBIT "D"
LIMITED COMMON ELEMENTS

LEVEL DESIGNATION	DESCRIPTION
level 3	a lobby area will be a limited common element for units A305, D303 & K307 a lobby area will be a limited common element for units J301 & K307 a stairwell access will be a limited common element for units A305, D303, J301& K307 a service area will be a limited common element for units A305, D303 J301& K307 a lobby area will be a limited common element for units B306, C304 & K308 a lobby area will be a limited common element for units J302 & K308 a stairwell access will be a limited common element for units B306, C304, J302& K308 a service area will be a limited common element for units B306, C304, J302 & K308
level 4	a lobby area will be a limited common element for units A405, D403 & K407 a lobby area will be a limited common element for units J401 & K407 a stairwell access will be a limited common element for units A405, D403, J401& K407 a service area will be a limited common element for units A405, D403 J401& K407 a lobby area will be a limited common element for units B406, C404 & K408 a lobby area will be a limited common element for units J402 & K408 a stairwell access will be a limited common element for units B406, C404, J402& K408 a service area will be a limited common element for units B406, C404, J402 & K408
level 5	a lobby area will be a limited common element for units A505, D503 & K507 a lobby area will be a limited common element for units J501 & K507 a stairwell access will be a limited common element for units A505, D503, J501& K507 a service area will be a limited common element for units A505, D503 J501& K507 a lobby area will be a limited common element for units B506, C504 & K508 a lobby area will be a limited common element for units J502 & K508 a stairwell access will be a limited common element for units B506, C504, J502& K508 a service area will be a limited common element for units B506, C504, J502 & K508
level 6	a lobby area will be a limited common element for units A605, D603 & K607 a lobby area will be a limited common element for units J601 & K607 a stairwell access will be a limited common element for units A605, D603, J601& K607 a service area will be a limited common element for units A605, D603 J601& K607 a lobby area will be a limited common element for units B606, C604 & K608 a lobby area will be a limited common element for units J602 & K608 a stairwell access will be a limited common element for units B606, C604, J602& K608 a service area will be a limited common element for units B606, C604, J602 & K608
level 7	a lobby area will be a limited common element for units A705, D703 & K707 a lobby area will be a limited common element for units J701 & K707 a stairwell access will be a limited common element for units A705, D703, J701& K707 a service area will be a limited common element for units A705, D703 J701& K707 a lobby area will be a limited common element for units B706, C704 & K708 a lobby area will be a limited common element for units J702 & K708 a stairwell access will be a limited common element for units B706, C704, J702& K708 a service area will be a limited common element for units B706, C704, J702 & K708
level 8	a lobby area will be a limited common element for units A805, D803 & K807 a lobby area will be a limited common element for units J801 & K807 a stairwell access will be a limited common element for units A805, D803, J801& K807 a service area will be e limited common element for units A805, D803 J801& K807 a lobby area will be a limited common element for units B806, C804 & K808 a lobby area will be a limited common element for units J802 & K808 a stairwell access will be a limited common element for units B806, C804, J802& K808 a service area will be a limited common element for units B806, C804, J802 & K808
level 9	a lobby area will be a limited common element for units A905, D903 & K907 a lobby area will be a limited common element for units J901 & K907 a stairwell access will be a limited common element for units A905, D903, J901& K907 a service area will be a limited common element for units A905, D903 J901& K907 a lobby area will be a limited common element for units B906, C904 & K908 a lobby area will be a limited common element for units J902 & K908 a stairwell access will be a limited common element for units B906, C904, J902& K908 a service area will be a limited common element for units B906, C904, J902 & K908

EXHIBIT "D"
LIMITED COMMON ELEMENTS

level 10	a lobby area will be a limited common element for units A1005, D1003 & K1007 a lobby area will be a limited common element for units J1001 & K1007 a stairwell access will be a limited common element for units A1005, D1003, J1001& K1007 a service area will be a limited common element for units A1005, D1003 J1001& K1007 a lobby area will be a limited common element for units B1006, C1004 & K1008 a lobby area will be a limited common element for units J1002 & K1008 a stairwell access will be a limited common element for units B1006, C1004, J1002& K1008 a service area will be a limited common element for units B1006, C1004, J1002 & K1008
level 11	a lobby area will be a limited common element for units A1105, D1103 & K1107 a lobby area will be a limited common element for units J1101 & K1107 a stairwell access will be a limited common element for units A1105, D1103, J1101& K1107 a service area will be a limited common element for units A1105, D1103 J1101& K1107 a lobby area will be a limited common element for units B1106, C1104 & K1108 a lobby area will be a limited common element for units J1102 & K1108 a stairwell access will be a limited common element for units B1106, C1104, J1102& K1108 a service area will be a limited common element for units B1106, C1104, J1102 & K1108
level 12	a lobby area will be a limited common element for units A1205, D1203 & K1207 a lobby area will be a limited common element for units J1201 & K1207 a stairwell access will be a limited common element for units A12005, D1203, J1201& K1207 a service area will be a limited common element for units A1205, D1203 J1201& K1207 a lobby area will be a limited common element for units B1206, C1204 & K1208 a lobby area will be a limited common element for units J1202 & K1208 a stairwell access will be a limited common element for units B1206, C1204, J1202& K1208 a service area will be a limited common element for units B1206, C1204, J1202 & K1208
level 14	a lobby area will be a limited common element for units A1405 & D1403 a stairwell access will be a limited common element for units A1405, D1403 & E1401 a service area will be a limited common element for units A1405, D1403 & E1401 a lobby area will be a limited common element for units B1406 & C1404 a stairwell access will be a limited common element for units B1406, C1404 & E1402 a service area will be a limited common element for units B1406, C1404 & E1402
level 15	a lobby area will be a limited common element for units A1505 & D1503 a stairwell access will be a limited common element for units A1505, D1503 & E1501 a service area will be a limited common element for units A1505, D1503 & E1501 a lobby area will be a limited common element for units B1506 & C1504 a stairwell access will be a limited common element for units B1506, C1504 & E1502 a service area will be a limited common element for units B1506, C1504 & E1502
level 16	a lobby area will be a limited common element for units A1605 & D1603 a stairwell access will be a limited common element for units A1605, D1603 & E1601 a service area will be a limited common element for units A1605, D1603 & E1601 a lobby area will be a limited common element for units B1606 & C1604 a stairwell access will be a limited common element for units B1606, C1604 & E1602 a service area will be a limited common element for units B1606, C1604 & E1602
level 17	a lobby area will be a limited common element for units A1705 & D1703 a stairwell access will be a limited common element for units A1705, D1703 & E1701 a service area will be a limited common element for units A1705, D1703 & E1701 a lobby area will be a limited common element for units B1706 & C1704 a stairwell access will be a limited common element for units B1706, C1704 & E1702 a service area will be a limited common element for units B1706, C1704 & E1702
level 18	a lobby area will be a limited common element for units A1805 & D1803 a stairwell access will be a limited common element for units A1805, D1803 & E1801 a service area will be a limited common element for units A1805, D1803 & E1801 a lobby area will be a limited common element for units B1806 & C1804 a stairwell access will be a limited common element for units B1806, C1804 & E1802 a service area will be a limited common element for units B1806, C1804 & E1802

EXHIBIT "D"
LIMITED COMMON ELEMENTS

level 19	a lobby area will be a limited common element for units A1905 & D1903 a stairwell access will be a limited common element for units A1905, D1903 & E1901 a service area will be a limited common element for units A1905, D1903 & E1901 a lobby aree will be a limited common element for units B1906 & C1904 a stairwell access will be a limited common element for units B1906, C1904 & E1902 a service area will be a limited common element for units B1906, C1904 & E1902
level 20	a lobby area will be a limited common element for units A2005 & D2003 a stairwell access will be a limited common element for units A2005, D2003 & E2001 a service area will be a limited common element for units A2005, D2003 & E2001 a lobby area will be a limited common element for units B2006 & C2004 a stairwell access will be a limited common element for units B2006, C2004 & E2002 a service area will be a limited common element for units B2006, C2004 & E2002
level 21	a lobby area will be a limited common element for units A2105 & D2103 a stairwell access will be a limited common element for units A2105, D2103 & E2101 a service area will be a limited common element for units A2105, D2103 & E2101 a lobby area will be a limited common element for units B2106 & C2104 a stairwell access will be a limited common element for units B2106, C2104 & E2102 a service area will be a limited common element for units B2106, C2104 & E2102
level 22	a lobby area will be a limited common element for units A2205 & D2203 a stairwell access will be a limited common element for units A2205, D2203 & E2201 a service area will be a limited common element for units A2205, D2203 & E2201 a lobby area will be a limited common element for units B2206 & C2204 a stairwell access will be a limited common element for units B2206, C2204 & E2202 a service area will be a limited common element for units B2206, C2204 & E2202
level 23	a lobby area will be a limited common element for units A2305 & D2303 a stairwell access will be a limited common element for units A2305, D2303 & E2301 a service area will be a limited common element for units A2305, D2303 & E2301 a lobby area will be a limited common element for units B2306 & C2304 e stairwell access will be a limited common element for units B2306, C2304 & E2302 a service area will be a limited common element for units B2306, C2304 & E2302
level 24	a lobby area will be a limited common element for units A2405 & D2403 a stairwell access will be a limited common element for units A2405, D2403 & E2401 a service area will be a limited common element for units A2405, D2403 & E2401 a lobby area will be a limited common element for units B2406 & C2404 a stairwell access will be a limited common element for units B2406, C2404 & E2402 a service area will be a limited common element for units B2406, C2404 & E2402
level 25	a lobby area will be a limited common element for units A2505 & D2503 a stairwell access will be a limited common element for units A2505, D2503 & E2501 a service area will be a limited common element for units A2505, D2503 & E2501 a lobby area will be a limited common element for units B2506 & C2504 a stairwell access will be a limited common element for units B2506, C2504 & E2502 a service area will be a limited common element for units B2506, C2504 & E2502
level 26	a lobby area will be a limited common element for units A2605 & D2603 a stairwell access will be a limited common element for units A2605, D2603 & E2601 a service area will be a limited common element for units A2605, D2603 & E2601 a lobby area will be a limited common element for units B2606 & C2604 a stairwell access will be a limited common element for units B2606, C2604 & E2602 a service area will be a limited common element for units B2606, C2604 & E2602
level 27	a lobby area will be a limited common element for units A2705 & D2703 a stairwell access will be a limited common element for units A2705, D2703 & E2701 a service area will be a limited common element for units A2705, D2703 & E2701 a lobby area will be a limited common element for units B2706 & C2704 a stairwell access will be a limited common element for units B2706, C2704 & E2702 a service area will be a limited common element for units B2706, C2704 & E2702

EXHIBIT "D"
LIMITED COMMON ELEMENTS

level 28	a lobby area will be a limited common element for units A2805 & D2803 a stairwell access will be a limited common element for units A2805, D2803 & E2801 a service area will be a limited common element for units A2805, D2803 & E2801 a lobby area will be a limited common element for units B2806 & C2804 a stairwell access will be a limited common element for units B2806, C2804 & E2802 a service area will be a limited common element for units B2806, C2804 & E2802
level 29	a lobby area will be a limited common element for units A2905 & D2903 a stairwell access will be a limited common element for units A2905, D2903 & E2901 a service area will be a limited common element for units A2905, D2903 & E2901 a lobby area will be a limited common element for units B2906 & C2904 a stairwell access will be a limited common element for units B2906, C2904 & E2902 a service area will be a limited common element for units B2906, C2904 & E2902
level 30	a lobby area will be a limited common element for units A3005 & D3003 a stairwell access will be a limited common element for units A3005, D3003 & E3001 a service area will be a limited common element for units A3005, D3003 & E3001 a lobby area will be a limited common element for units B3006 & C3004 a stairwell access will be a limited common element for units B3006, C3004 & E3002 a service area will be a limited common element for units B3006, C3004 & E3002
level 31	a lobby area will be a limited common element for units A3105 & D3103 a stairwell access will be a limited common element for units A3105, D3103 & E3101 a service area will be a limited common element for units A3105, D3103 & E3101 a lobby area will be a limited common element for units B3106 & C3104 a stairwell access will be a limited common element for units B3106, C3104 & E3102 a service area will be a limited common element for units B3106, C3104 & E3102
level 32	a lobby area will be a limited common element for units A3205 & D3203 a stairwell access will be a limited common element for units A3205, D3203 & E3201 a service area will be a limited common element for units A3205, D3203 & E3201 a lobby area will be a limited common element for units B3206 & C3204 a stairwell access will be a limited common element for units B3206, C3204 & E3202 a service area will be a limited common element for units B3206, C3204 & E3202
level 33	a lobby area will be a limited common element for units A3305 & D3303 a stairwell access will be a limited common element for units A3305, D3303 & E3301 a service area will be a limited common element for units A3305, D3303 & E3301 a lobby area will be a limited common element for units B3306 & C3304 a stairwell access will be a limited common element for units B3306, C3304 & E3302 a service area will be a limited common element for units B3306, C3304 & E3302
level 34	a lobby area will be a limited common element for units A3405 & D3403 a stairwell access will be a limited common element for units A3405, D3403 & E3401 a service area will be a limited common element for units A3405, D3403 & E3401 a lobby area will be a limited common element for units B3406 & C3404 a stairwell access will be a limited common element for units B3406, C3404 & E3402 a service area will be a limited common element for units B3406, C3404 & E3402
level 35	a lobby area will be a limited common element for units A3505 & D3503 a stairwell access will be a limited common element for units A3505, D3503 & E3501 a service area will be a limited common element for units A3505, D3503 & E3501 a lobby area will be a limited common element for units B3506 & C3504 a stairwell access will be a limited common element for units B3506, C3504 & E3502 a service area will be a limited common element for units B3506, C3504 & E3502
level 36	a lobby area will be a limited common element for units A3605 & D3603 a stairwell access will be a limited common element for units A3605, D3603 & E3601 a service area will be a limited common element for units A3605, D3603 & E3601 a lobby area will be a limited common element for units B3606 & C3604 a stairwell access will be a limited common element for units B3606, C3604 & E3602 a service area will be a limited common element for units B3606, C3604 & E3602
level 37	a stairwell access will be a limited common element for units E3701 & TS-F3703 a service area will be a limited common element for unit E3701 & TS-F 3703 a stairwell access will be a limited common element for unit E3702 &TS-G3704 a service area will be a limited common element for units E3702 & TS-G3704

EXHIBIT "D"
LIMITED COMMON ELEMENTS

level 38	a service area and a stairway vestibule will be limited common elements for unit TS-H3801 a service area/stairway vestibule and a stairway vestibule will be limited common elements for unit TS-F3703 two stairway vestibules will be limited common elements for unit TS-G3702
level 39	vestibule to stair #1 will be a limited common element for unit TS-H3801

EXHIBIT "E"

DESCRIPTION OF UNIT BOUNDARIES

Each Unit shall include that part of the building containing the Unit that lies within the following boundaries:

1. Upper and Lower Boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to their planar intersections with the perimetrical boundaries:

   (a) Upper Boundaries. The horizontal plane of the unfinished lower surface of the ceiling.

   (b) Lower Boundaries. The horizontal plane of the unfinished upper surface of the floor of the Unit.

   (c) Interior Divisions. Except as provided in subsections 1(a) and 1(b) above, no part of the floor of the top floor, ceiling of the bottom floor, stairwell adjoining the multi-floors, in all cases of a multi-story Unit, if any, or nonstructural interior walls shall be considered a boundary of the Unit.

2. Perimetrical Boundaries. Except as provided herein, the perimetrical boundaries of the Unit shall be the vertical planes of the unfinished exterior surfaces of exterior walls and center of common/interior walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.

3. Apertures. Where there are apertures in any boundary, including, but not limited to, windows, doors, bay windows and skylights, such boundaries shall be extended to include the windows, doors and other fixtures located in such apertures, including all frameworks, window casings and weather stripping thereof, except that exterior surfaces made of glass or other transparent materials and exteriors of any and all doors facing interior Common Element hallways shall not be included in the boundaries of the Unit and shall therefore be Common Elements. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO POST TENSION WIRING CONTAINED IN THE BUILDING SHALL BE CONSIDERED A PART OF A UNIT. AS SUCH WIRING IS ESSENTIAL TO THE STRUCTURE AND SUPPORT OF THE BUILDING, ALL POST TENSION WIRING SHALL BE DEEMED COMMON ELEMENTS OF THE CONDOMINIUM AND MAY NOT BE DISTURBED OR ALTERED WITHOUT THE WRITTEN CONSENT OF THE BOARD.

4. Exceptions. In cases not specifically covered above, and/or in any case of conflict or ambiguity, the description of the Units set forth on the Map shall control in determining the boundaries of a Unit, except that the provisions of Section 3

above shall control unless specifically depicted and labeled otherwise on such survey.

EXHIBIT "F"

DESIGNATION OF UNITS

EXHIBIT "G"

ALLOCATED INTERESTS

EXHIBIT B

Articles of Incorporation of Four Turnberry Place Condominium Association

FILED # C25338

OCT 15 2003

IN THE OFFICE OF
DEAN HELLER SECRETARY OF STATE

ARTICLES OF INCORPORATION OF FOUR TURNBERRY PLACE CONDOMINIUM ASSOCIATION

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, for the purpose of association to establish a nonprofit corporation for the transaction of business and the promotion and conduct of the objects and purposes hereinafter stated, under the provisions of and subject to the requirements of the laws of the State of Nevada, does make, record and file these Articles of Incorporation in writing.

AND DOES HEREBY CERTIFY:

1. *Name.* The name of the non-profit corporation is Four Turnberry Place Condominium Association (the "*Association*").

2. *Definitions.* Capitalized terms not defined in these Articles of Incorporation (these "*Articles*") shall have the same meaning as given to them in the Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Four Turnberry Place dated October 8, 2003 (the "*Declaration*").

3. *Resident Agent.* The resident agent shall be Gordon & Silver, Ltd. The address of the registered office in the State of Nevada where process may be served upon the Association is Gordon & Silver, Ltd., 3960 Howard Hughes Parkway, 9th Floor, Las Vegas, Nevada 89109, Attn: James S. Mace. The Association may also maintain an office or offices at such other places within or outside the State of Nevada as it may from time to time determine. Corporate business of every kind and nature may be conducted, and the meetings of the directors of the Association (the "*Directors*") and Owners may be held outside the State of Nevada, the same as in the State of Nevada.

4. *Nonprofit Association.* The Association is a nonprofit corporation.

5. *Purpose.* The purpose for which the Association is organized is to maintain, operate and govern a certain condominium community known as Four Turnberry Place located in Clark County, Nevada. The Association may engage in any lawful activity for which a corporation may be organized, and to promote or conduct any legitimate object or purpose which a corporation may promote or conduct, under Chapter 82 and Chapter 116 of the Nevada Revised Statutes.

6. *Powers.* Subject to any limitations contained in the Declaration and Bylaws, the Association shall have the power to do any and all things that a nonprofit corporation may now or hereafter do under the laws of the State of Nevada, including, but not limited to, the following:

(a) To make and collect Assessments, fines and other charges against Owners and to use the proceeds thereof in the exercise of its powers and duties;

(b) To enforce by legal means the provisions of the Declaration, these Articles, the Bylaws and any rules and regulations concerning the Condominium Project, including but not limited to lien rights;

(c) To purchase, acquire, own, hold, lease, mortgage, sell and dispose of any and all kinds and character of real, personal and mixed property and, while owner of any of the foregoing, to exercise all rights, powers and privileges appertaining thereto;

(d) To maintain, repair, replace, restrict, add to and operate the Condominium Project and other property acquired or leased by the Association;

(e) To purchase insurance for the Condominium Project and insurance for the protection of the Association, its officers, Directors and Owners and such other parties as the Association may determine to be in its best interests;

(f) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium Project and for the health, comfort, safety and welfare of the Owners;

(g) To contract for the management of the Condominium Project and to delegate to the party with whom such contract has been entered into all of the powers and duties of the Association, except (1) those which require specific approval of the Board or the Owners; (2) those which are incapable of being delegated as the same may be contrary to the Declaration or the Bylaws; (3) those which are contrary to the laws of the State of Nevada; and (4) wherein a delegation is a power and duty which by its very nature is a decision or fiduciary responsibility to be made by the Board and is therefore not susceptible of delegation;

(h) To employ personnel to perform the services required for proper operation of the Project; and

(i) To enter into agreements with other parties for easements or sharing arrangements or recreational facilities as the Board may deem in the best interests of the Project.

7. *Membership.*

7.1. *Members.* Every Owner, upon becoming the Owner of a Unit, shall be a Member of the Association. Membership shall automatically cease when such Person is no longer an Owner.

7.2. *Assignment.* Each Membership in the Association shall be appurtenant to and shall not be separated from the fee ownership of the Unit to which it relates and cannot be assigned, hypothecated or transferred in any manner except upon the sale of a Unit, and then only to the Purchaser.

8. *Voting Rights.* Subject to the Declarant's right to appoint and remove officers of the Association and members of the Board during the Declarant's Period of Control, all voting rights of the Association shall be exercised by the Owners, Owners being entitled to one (1) vote for each

Unit in which they hold the interest required for Membership on each item brought before the Membership. With respect to matters to be voted upon by the Owners as provided in the Declaration, the voting procedures and requirements shall be as set forth in the Declaration.

9. *Directors.* During the Declarant's Period of Control, the members of the Board shall be styled directors. The number of Directors shall not be less than three (3) and not more than five (5), as determined by the Declarant. After the Declarant's Period of Control has expired, the number of Directors shall be five (5) unless changed by a duly authorized amendment to the Bylaws. The Directors shall be appointed and/or elected as provided in the Declaration and the Bylaws. The names and addresses of the first Board, which shall consist of three (3) Directors is as follows:

NAME:	ADDRESS:
Jeffrey Soffer	Turnberry Associates 19501 Biscayne Blvd., Suite 400 Aventura, FL 33180
Jacquelyn Soffer	Turnberry Associates 19501 Biscayne Blvd., Suite 400 Aventura, FL 33180
Bruce Weiner	Turnberry Associates 19501 Biscayne Blvd., Suite 400 Aventura, FL 33180

The number of Directors of the Association may from time to time be increased or decreased as set forth in the Declaration and the Bylaws, without the necessity of amending these Articles of Incorporation

10. *Duration.* The Association shall have perpetual existence.

11. *Incorporator.* The name and address of the incorporator is as follows:

NAME:	ADDRESS:
James S. Mace	Gordon & Silver, Ltd. 3960 Howard Hughes Parkway, 9th Floor Las Vegas, Nevada 89109

12. *Limitation on Liability.* No officer or Director of the Association shall have personal liability to the Association or its Members for damages for breach of fiduciary duty as an officer or Director, except for:

(a) Acts or omissions which involve intentional misconduct, fraud or knowing violation of the law;

(b) The payment of distributions in violation of NRS § 82.136; or

(c) An action or proceeding brought pursuant to NRS § 82.536 or Chapter 35 of the NRS.

13. *Manager*. The Board may, by written contract, delegate to a Manager its managerial duties, responsibilities, functions and powers as are properly delegable in accordance with the laws of the State of Nevada.

14. *Amendments*. These Articles may be amended upon the vote or written consent of: (i) not less than a majority of the Board and (ii) by not less than sixty-seven percent (67%) of the voting power of the Membership. No amendment shall be made that is in conflict with the laws of the State of Nevada or the Declaration, nor shall any amendment make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Declarant, beneficiary, assignee or designee of the Declarant, unless the Declarant shall join the execution of the amendment. Notwithstanding the foregoing, these Articles may be amended by a majority of the entire Board at any time prior to the Close of Escrow of the sale of the first Unit.

15. *Controlling Documents*. With respect to any inconsistency among the Declaration, these Articles, and the Bylaws, the Declaration shall have priority over these Articles and the Bylaws and these Articles shall have priority over the Bylaws.

EXECUTED this 9th day of October, 2003.

James S. Mace

CERTIFICATE OF ACCEPTANCE OF APPOINTMENT OF RESIDENT AGENT OF FOUR TURNBERRY PLACE CONDOMINIUM ASSOCIATION

Gordon & Silver, Ltd. hereby accepts appointment as resident agent for the above-named corporation.

GORDON & SILVER, LTD.

Dated: October 9th, 2003

James S. Mace

FILED # C 25338-03

OCT 15 2003

IN THE OFFICE OF
DEAN HELLER SECRETARY OF STATE

EXHIBIT C

Bylaws of Four Turnberry Place Condominium Association