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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR FLOOD CONTROL FACILITIES

AT HEYBOURNE MEADOWS PHASES IV-VIII

TABLE OF CONTENTS

Page

Article I Definitions 2
1.1 "Act" 2
1.2 "Allocated Interest" 2
1.3 "Articles of Incorporation" 2
1.4 "Assessments" 2
1.5 "Association" 2
1.6 "Board" or "Board of Directors" 2
1.7 "Bylaws" 2
1.8 "Common Expenses" 2
1.9 "Flood Control Facilities" 2
1.10 "Governing Documents" 3
1.11 "Mortgage" 3
1.12 "Mortgagee" 3
1.13 "Unit" 3
1.14 "Unit Owner" or "Member" 3

Article II Flood Control Facilities EasementS 3

Article III Construction and conveyance of Flood Control Facilities 4

Article IV Heybourne Flood Control Community Association 4
4.1 Formation 4
4.2 Membership 4
4.3 Purpose 4
4.4 Association's Powers 5
4.5 Association's Duties 5
4.6 Board 5
4.7 Directors and Officers 5
4.8 Meetings of the Board 5
4.9 Budget 5
4.10 Study of Reserves 6
4.11 Meetings of the Association 6
4.12 Transfer of Voting Power 6
4.13 Maintenance and Inspection of Association Books and Records 6
4.14 Insurance 6

Article V Assessments 6
5.1 Agreement to Pay 6
5.2 Personal Obligations 6
5.3 Purpose and Amount of Assessments 7

5.4 Annual Assessments and Special Assessments 7
5.5 Uniform Rate of Assessment 7
5.6 Assessment Period 7
5.7 Notice of Assessments; Time for Payment 7
5.8 Resale Packages and Statements of Demand 7
5.9 Collection of Assessments 8
5.10 Lien for Assessments; Priority 8

Article VI MORTGAGEE PROTECTION 8
6.1 Right to Examine Books and Records 8
6.2 Right to Furnish Information 8
6.3 Notice of Default 8
6.4 Notices to Mortgagee's of Record 8
6.5 Voting Rights on Default 8
6.6 Effect of Breach 8
6.7 Appearance at Meetings 8
6.8 Required Consent of Mortgagees 9

Article VII general Provisions 9
7.1 Enforcement 9
7.2 Severability 9
7.3 Conflict 9
7.4 Term 9
7.5 Amendment 9
7.6 Attorneys' Fees and Costs 9
7.7 Binding Effect 9
7.8 Notices 10
7.9 No Public Dedication 10
7.10 Indemnification 10
7.11 Changes in the Act 10
7.12 Acceptance 10
[signatures on following page] 10

DECLARANTS: 11

Heybourne: 11

Heybourne Meadows II, LLC, a Utah limited liability company 11

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR FLOOD CONTROL FACILITIES AT HEYBOURNE MEADOWS PHASE IV-VIII

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR FLOOD CONTROL FACILITIES AT HEYBOURNE MEADOWS PHASES IV-VIII ("**Declaration**") is made this ___ day of June 11, 2020, by HEYBOURNE MEADOWS II, LLC, a Utah limited liability company ("**Heybourne**"), and ALTON ANKER and SUSAN ANKER, husband and wife ("**Anker**"). Heybourne and Anker are jointly referred to hereinafter as "**Declarants**."

RECITALS:

A. Heybourne is the owner of that certain real property located in Douglas County, Nevada, more particularly described in Exhibit "A" attached hereto and made a part hereof ("**Heybourne Parcel**"). Anker is the owner of that certain real property located in Douglas County, Nevada, located adjacent to the Heyborne Parcel and more particularly described in Exhibit "A" ("**Anker Parcel**"). The Heybourne Parcel and Anker Parcel are jointly referred to hereinafter as the "**Project**."

B. The Project, a residential planned community commonly known as "Heybourne Meadows," includes Phases IV-VIII referred to hereinafter as "**Phases IV-VIII**."

C. In conjunction with the development of the Project, the Flood Control Facilities (defined below) shall be constructed, at Declarant's expense, to serve Phases IV-VIII.

D. Upon completion of development, Phases IV-VIII are expected to have a total of approximately 434 Units (defined below). Each Unit (or Projected Unit, as defined below) shall have appurtenant to it a membership in the Association (defined below), which is an association created for the limited purpose of maintaining the Flood Control Facilities.

E. By this Declaration, Declarants desire to subject Phases IV-VIII to the covenants, conditions, restrictions and easements related to the Flood Control Facilities as set forth below, and to establish the Association, all for the benefit of Declarants and any and all present and future owners of any portion of Phases IV-VIII. This Declaration is in addition to, and does not supersede, any other declaration of covenants, conditions and restrictions encumbering the Project recorded contemporaneously herewith.

F. This Declaration is being recorded, and the limited purpose association contemplated hereunder will be formed, for the sole purpose of providing maintenance of the Flood Control Facilities in or near Phases IV-VIII, as more fully described below, together with the performance of certain functions and duties associated therewith. Accordingly, pursuant to Nevada Revised Statutes and the Nevada Administrative Code, Phases IV-VIII, this Declaration and the Association are exempt from the provisions of the Act (defined below), except as otherwise expressly provided in the Act. No provision of this Declaration, including the incorporation of certain provisions of the Act set forth herein, shall be interpreted to make the whole of the Act applicable to Phases IV-VIII or the Association.

NOW THEREFORE, Declarants hereby declare that Phases IV-VIII, together with all appurtenances thereunto, shall be held, conveyed, encumbered, leased, used, occupied and improved subject to the declarations, limitations, easements, covenants, conditions and restrictions set forth in this Declaration and the other Governing Documents (defined below), all of which are hereby declared to be in furtherance of a general plan for the development, improvement and sale of the Project, and are further declared and agreed to be for the purpose of enhancing, maintaining and protecting the value and

attractiveness of the Project. All provisions hereof are intended to and do in fact "touch and concern" the Project and shall be deemed to run with the land as covenants running with the land or as equitable servitudes, as the case may be, and as liens, and shall constitute benefits and burdens to the Declarants and their successors and assigns and to all persons hereafter acquiring or owning any interest in the Project, however such interest may be obtained.

ARTICLE I
DEFINITIONS

In addition to the defined terms shown in bold set forth above and any additional defined terms shown in bold in subsequent Articles of this Declaration, the following defined terms shown in bold have the meanings given in this Article:

1.1 **"Act"** means the Uniform Common-Interest Ownership Act, codified as Chapter 116 of the Nevada Revised Statutes ("**NRS**"), as amended from time to time. Among other things, the Act established an "**Ombudsman**" and a "**Commission**," as defined therein.

1.2 **"Allocated Interest"** means the share of liability for Common Expenses and the votes in the Association allocated to each Unit (or Projected Unit). Each of the Units (or Projected Units) shall be allocated a percentage of the Common Expenses determined by the ratio of the Unit (or Projected Unit) to the total number of all Units and Projected Units expressed as a percentage (e.g., 1/434 = .23%). Each Unit (or Projected Unit) shall be allocated one vote in the Association.

1.3 **"Articles of Incorporation"** means the articles of incorporation of the Association, as amended from time to time.

1.4 **"Assessments"** mean the assessments levied by the Association to pay the Common Expenses pursuant to Article IV.

1.5 **"Association"** means the Heybourne Flood Control Community Association, a Nevada non-profit corporation, its successors and assigns, whose members are all the Unit Owners within the Project. The Association is a limited-purpose association, as defined by the Act, created for the limited purpose of maintaining the Flood Control Facilities.

1.6 **"Board" or "Board of Directors"** means the board of directors of the Association, each of the members thereof being a "**Director**."

1.7 **"Bylaws"** mean the bylaws adopted by the Association, as the same may be amended from time to time.

1.8 **"Common Expenses"** means all expenditures made by, or financial liabilities of, the Association in performing its obligations, together with allocations to reserves. Common Expenses include, without limitation: all costs of maintaining, repairing, restoring, replacing and operating the Flood Control Facilities; insurance; all fees due to the office of the Ombudsman and the Commission; all costs of collecting Assessments; collections for the reserve account; and all professional, consulting and management fees related to any and all of the foregoing.

1.9 **"Flood Control Facilities"** means facilities for collecting and conveying storm and flood waters for the protection of Phases IV-VIII, located on land either owned by the Association or to which the Association has easement rights, including earthen channels, culverts, erosion control matting and rip rap, wherever such facilities are actually constructed throughout Phases IV-VIII, along with service road(s) for maintenance thereof, and related fencing (split rail fence along Buckeye Road) and

appurtenances, including, without limitation, (a) that certain drainage easement (for a flood control channel and/or other drainage improvements) dated June 2, 2014 and recorded in the Douglas County Records as Document No. 843859 ("**2014 Drainage Easement**"), which includes a service road, (b) that certain Flood Storm Drain Easement dated December 24, 2019 and recorded in the Douglas County Records as Document No. 2019-940155, and (c) that certain flood control easement depicted on the Final Map for Heybourne Meadows Phase IVA & Phase VA recorded contemporaneously herewith ("**Platted Flood Control Easement**"; also identified on Exhibit "B" as "Lot 'B' and "Lot 'C'," jointly). The Flood Control Facilities are depicted on Exhibit "B" attached hereto and made a part hereof, provided that Exhibit "B" is for illustrative purposes only and in the event of a conflict between Exhibit "B" and the Flood Control Facilities as actually built, the facilities "as built" shall control. For clarification, to the extent the roads used by the Association to obtain access to the Flood Control Facilities (for maintenance purposes or otherwise) constitute public/private streets within the Project pursuant to one or more subdivision plats, the maintenance of such roads shall not be the responsibility of the Association and shall not be included in the Common Expenses, notwithstanding that the definition of "Flood Control Facilities" includes all access roads used to maintain the Flood Control Facilities. The intent of the Declarants is for the Association to be responsible for, and the Common Expenses to include, only the cost of maintaining roads used solely or primarily by the Association to maintain the Flood Control Facilities.

1.10 **"Governing Documents"** means (i) this Declaration, and (ii) the Articles of Incorporation, Bylaws and rules, regulations and policies of the Association. The Governing Documents shall be interpreted so as to be consistent with the provisions of the Act applicable to limited-purpose associations under NRS 116.1201 or otherwise incorporated herein, and all other applicable laws, ordinances and regulations.

1.11 **"Mortgage"** means a mortgage, deed of trust or other security instrument encumbering a Unit (or Projected Unit) or other portion of the Project.

1.12 **"Mortgagee"** means the mortgagee, trust beneficiary or creditor under any Mortgage.

1.13 **"Unit"** means each single family residential lot within Phases IV-VIII created by the recordation (contemporaneously herewith or hereafter) of a subdivision plat(s) for Phases IV-VIII, as modified from time to time; "**Projected Unit**" means each single family residential lot within Phases IV-VIII anticipated to be created by future subdivision plats for Phases IV-VIII, as reflected on Exhibit "C" attached hereto and made a part hereof, until such time as a subdivision plat for such phase (or portion thereof) is recorded. In the event a recorded subdivision plat results in a different number of Units for the area of real property covered therein than the number of Projected Units for such area, the number of Units created by the recorded subdivision plat controls.

1.14 **"Unit Owner" or "Member"** means the persons or entities holding record fee title in a Unit (or Projected Unit), including Declarants, and land installment contract purchasers under recorded land installment contracts, who collectively comprise the membership of the Association. If more than one person or entity owns an undivided interest in the same Unit (or Projected Unit), such persons or entities shall constitute one Unit Owner. "Unit Owner" shall not include a Mortgagee.

ARTICLE II
FLOOD CONTROL FACILITIES EASEMENTS

Declarants hereby reserve for themselves and grant to the Association, its officers, agents, employees and assigns, for the benefit of Phases IV-VIII, non-exclusive access easements upon, over and across any access easements created by any subdivision plat for the Project, and those portions of the Project actually developed as roads from time to time (including any service road within the 2014 Drainage Easement), for the purpose of providing access to the Flood Control Facilities to enable

maintenance, repair, replacement and operation thereof. Declarants (constituting successors-in-interest to both the grantor and grantee in the 2014 Drainage Easement) further grant to the Association, for the benefit of the Project, the easement rights established by the 2014 Drainage Easement. In addition, Declarants grant to the Association, for the benefit of the Project, the dominant estate rights created by the Platted Flood Control Easement.

ARTICLE III
CONSTRUCTION AND CONVEYANCE OF FLOOD CONTROL FACILITIES

Declarants, at their sole cost and expense, constructed the Flood Control Facilities in accordance with all applicable plans, specifications, approvals, conditions, permits, laws, rules and ordinances, and either granted the Association easement rights in the Flood Control Facilities or contemporaneously herewith deeded (or will deed) to the Association fee simple title to the areas on which the Flood Control Facilities are located, as applicable. More specifically, Declarants contemporaneously deeded to the Association the area identified on Exhibit "B" as "Lot 'A'" and contemporaneously with the recordation of a final map for Phase IVB and VB will record a deed to the Association for "Lot 'B'" and "Lot 'C'." All such deeds shall convey title free and clear of all encumbrances and liens, except (i) real property taxes which may be due but are not delinquent, (ii) easements, covenants, conditions and reservations then of record, including those set forth on any applicable subdivision plat, and (iii) the obligations imposed, directly or indirectly, by virtue of any statute, law, ordinance, resolution or regulation of the United States of America, the State of Nevada, or any other political subdivision or public organization having jurisdiction over the Project, or by virtue of any organization or political body created pursuant to any such statute, law, ordinance or regulation.

ARTICLE IV
HEYBOURNE FLOOD CONTROL COMMUNITY ASSOCIATION

4.1 **Formation**. The Association is a non-profit Nevada corporation formed under NRS Chapter 82 , pursuant to Articles of Incorporation filed with the Nevada Secretary of State on August 21, 2019. The Association is charged with the duties and invested with the powers set forth in the Governing Documents. The Association shall operate as a limited-purpose association under the Act, subject only to those provisions of the Act which are mandatory under NRS 116.1201 (i.e., 116.31155 [payment of fees to Ombudsman], 116.31158 [registration with Ombudsman], 116.31038 [turnover of records by Declarants], 116.31083 [meeting of the Board], 116.31152 [reserve study], and 116.4101 to 116.412 [purchaser protections]), along with the lien rights and enforcement provisions under NRS 116.3116 to 116.31168, and any other provisions of the Act specifically referenced herein.

4.2 **Membership**. Membership in the Association shall at all times consist exclusively of all Unit Owners, each membership being appurtenant to and inseparable from the ownership of a Unit (or Projected Unit). If a Unit (or Projected Unit) is owned by an entity, such entity shall designate a person to exercise the membership rights and obligations and to otherwise deal with the Association. If a Unit (or Projected Unit) is owned by more than one (1) person or entity, such Owners shall designate a person to exercise the membership rights and obligations and to otherwise deal with the Association. The Association is not authorized to have and shall not issue any capital stock.

4.3 **Purpose**. The purpose of the Association shall be to: (a) maintain, repair, replace and operate the Flood Control Facilities, and (b) enforce and administer any provisions of this Declaration pertaining to Association's rights, obligations, powers and duties. Performance and enforcement shall be carried out by the Board. The Association shall have no other purpose than those specified herein.

4.4 **Association's Powers**. The Association shall have all the powers of a non-profit corporation under Chapter 82 of NRS as needed to fulfill its purpose set forth in Section 4.3 above, subject to such limitations on the exercise of such powers as are set forth in the Act and the Governing Documents, including the prohibition (under NRS 116.1201[2][a][5]) against the Association having power to enforce any restrictions concerning the use of Units (or Projected Units) by the Unit Owners. The powers of the Association, acting through the Board, includes the power to: (a) establish, fix and levy Assessments and to enforce payment thereof; and (b) commence and maintain actions pertaining to the collection of Assessments, including the enforcement of liens.

4.5 **Association's Duties**. The duties of the Association, acting through the Board, include the obligation to perform the following duties: (a) operate, repair, maintain, replace, improve and otherwise manage the Flood Control Facilities in good repair, which may include entering into contracts for services or materials, and engaging the services of a professional manager; (b) obtain and maintain the insurance described in Section 4.14; and (c) carry out such other duties as set forth in the Governing Documents. The obligation to perpetually fund and maintain the Flood Control Facilities shall be the obligation of the Association, except for any portion of the Flood Control Facilities for which maintenance responsibility is assumed by a special assessment district, landscape maintenance district or any other appropriate governmental entity. During the period of its maintenance obligation, the Association shall perpetually fund, maintain and manage the Flood Control Facilities in a first class and workmanlike manner.

4.6 **Board**. The Board is the governing body of the Association and acts on behalf of the Association. The Board is responsible for enforcing the obligations under this Declaration. The Board may delegate its powers, duties and responsibilities to committees of Members, employees, agents and independent contractors, including a professional managing agent. The Board has the power to adopt rules and regulations to further the purposes of this Declaration. The Board's duties include making the necessary filings with the office of the Ombudsman and the Commission, and otherwise complying with the requirements thereof. No Director or any officer of the Association shall be personally liable to any Member or to any other party, including the Association, for any damage or loss claimed on account of any act, omission, error or negligence of any such person or entity within the ordinary course of the Association's business if such person or entity has, on the basis of such information as may be possessed by him or it, acted in good faith without willful or intentional misconduct.

4.7 **Directors and Officers**. The Board shall have at least 3 Directors, all of whom shall be Unit Owners. If a Unit Owner is an entity, then a representative of such entity is eligible to be a Director or officer. The Board shall elect the officers of the Association, who need not be Unit Owners unless otherwise stated in the Bylaws. The officers shall include, at a minimum, a President, Secretary and Treasurer. The term of office of a Director shall not exceed 3 years. Unless the Bylaws provide otherwise, there is no limit on the number of terms that a person may serve as a Director. Except for Directors who serve a term of 1 year or less, the terms of office shall be staggered in such a manner that, to the extent possible, an equal number of Directors are elected at each election. Elections for Directors, and removal of Directors, shall be in accordance with the terms of the Bylaws.

4.8 **Meetings of the Board**. A meeting of the Board must be held at least once every quarter, and not less than every 100 days and must be held at a time other than during standard business hours at least twice annually, or as otherwise required in NRS 116.31083. All meetings of the Board, including, without limitation, notices, conduct and minutes, shall comply with the requirements of NRS 116.31083.

4.9 **Budget**. The Board shall adopt an annual budget intended to cover Common Expenses for the forthcoming calendar year. Not less than 30 days or more than 60 days before the beginning of the calendar year, the Board shall prepare and adopt a proposed budget for the upcoming calendar year based on the estimated revenue and Common Expenses of the Association, including the reserve

account, and shall distribute a copy of the proposed budget to each Unit Owner. The budget shall meet the requirements for reserves set forth in the Act. Within 30 days after the Board's adoption of the proposed budget, the Board shall provide a summary of the proposed budget to all the Unit Owners and shall set a date for a meeting of the Unit Owners to consider ratification of the proposed budget not less than 14 or more than 30 days after the mailing of the summaries. Unless at that meeting a majority of all Unit Owners reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the Unit Owners must be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Board.

4.10 **Study of Reserves**. The Board shall (a) at least once every 5 years have conducted a study of reserves required to repair, replace and restore the major components of the Flood Control Facilities, and (b) at least annually review the results of the reserve study and make necessary adjustments to the reserve account, all in accordance with the requirements of NRS 116.31152.

4.11 **Meetings of the Association**. A meeting of the Unit Owners must be held at least once each year. Special meetings of the Association may be called by the President, by a majority of the Board or by Members having at least 10% of the votes in the Association. The manner for giving notice of meetings and conducting meetings, including quorums and voting, shall be set forth in the Bylaws.

4.12 **Transfer of Voting Power**. Voting power in the Association is vested in each person or entity who owns a Unit (or Projected Unit), one vote per Unit (or Projected Unit), and shall be appurtenant to such Unit (or Projected Unit) and shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except on a transfer of title to such Unit (or Projected Unit), and then only to the transferee. Any attempt to make a prohibited transfer shall be void. Any transfer of title or interest to such Unit (or Projected Unit) shall operate automatically to transfer the appurtenant membership rights in the Association to the new Unit Owner. Immediately after any transfer of title to such a Unit (or Projected Unit), either the transferring Unit Owner or the acquiring Unit Owner shall give notice to the Association of such transfer, including the name and address of the acquiring Unit Owner and the date of transfer.

4.13 **Maintenance and Inspection of Association Books and Records**. The Board shall maintain the books, records and other papers of the Association and make them available for review by Unit Owners and Mortgagees pursuant to procedures determined by the Board.

4.14 **Insurance**. The insurance requirements and provisions of NRS 116.3113-116.31138 shall be complied with by the Association and shall be included in Common Expenses.

ARTICLE V
ASSESSMENTS

5.1 **Agreement to Pay**. Each Unit Owner, by his acceptance of a deed for each Unit (or Projected Unit) owned, covenants and agrees to pay to the Association such Assessments as are established, made, and collected as provided in this Declaration.

5.2 **Personal Obligations**. Each Assessment or installment, together with any late charge, interest, collection costs, and reasonable attorneys' fees, shall be the personal obligation of the person or entity who was a Unit Owner of the Unit (or Projected Unit) subject to the Assessment at the time such Assessment or installment became due and payable. If more than one person or entity was the Unit Owner, the personal obligation to pay such Assessment or installment respecting such Unit (or Projected Unit) shall be both joint and several. A purchaser of a Unit (or Projected Unit) shall be jointly and severally liable with the seller for all unpaid Assessments against the Unit (or Projected Unit) without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such Assessments. Suit to recover a money judgment for such personal obligation shall be maintainable by

the Association without foreclosure or waiver of the lien securing the same. No Unit Owner may avoid or diminish such personal obligation by abandonment of his/her/its Unit (or Projected Unit).

5.3 **Purpose and Amount of Assessments**. The Assessments levied by the Association shall be determined by the Board and shall be used exclusively to promote the Association's purpose specified in Section 4.3 and for the performance of the duties of the Association as set forth in this Declaration. Funds held by the Association shall be held, to the extent practical and appropriate in the judgment of the Board, in interest bearing accounts.

5.4 **Annual Assessments and Special Assessments**. "**Annual Assessments**" shall be the estimated cost of operating the Association for the forthcoming calendar year based on the budget described in Section 4.9. "**Special Assessments**" shall be for costs outside the annual budget. If the Board determines that the estimated total amount of funds necessary to defray the Common Expenses for a given calendar year is or will become inadequate to meet expenses for any reason, including, but not limited to, delinquencies in the payment of Assessments, then the Board shall determine the approximate amount necessary to defray such expenses; and if the amount is approved by a majority vote of the Board, it shall become a Special Assessment. The Board may, in its discretion, prorate such Special Assessment over the remaining months of the fiscal year or levy the Special Assessment immediately against each Unit Owner. Additionally, if the Association incurs an expense due to the failure of a specific Unit Owner to fulfill its obligations under this Declaration, the Board may levy a Special Assessment against such Unit Owner.

5.5 **Uniform Rate of Assessment**. Except as otherwise set forth in Section 5.4, Annual Assessments and Special Assessments of the Association shall be fixed at a uniform rate for all Units (or Projected Units), determined by dividing the total amount assessed by the total number of Units (and Projected Units) within the Project (or multiplying the total amount assessed by the Allocated Interest).

5.6 **Assessment Period**. The Annual Assessment period shall commence on January 1 of each year and shall terminate on December 31 of such year. Annual Assessments shall be payable in advance on an annual basis, or such other periodic basis as determined by the Board of Directors. There shall be an annual accounting after the year-end of each Unit Owner's contributions compared to the actual expenses for such year, at which time any monies assessed in excess of actual Common Expenses shall be credited to the Unit Owners on the books of the Association. The Assessments shall begin as to all Units and Projected Units on the first day of the month following the recordation of this Declaration. The first year's Assessments shall be prorated according to the number of months remaining in the calendar year.

5.7 **Notice of Assessments; Time for Payment**. Upon the Board's determination of the amount of Assessments, the Association shall give written notice of Assessments to each Unit Owner, specifying the amount for the applicable period of time (e.g., 1/12 of the total Annual Assessment if the payments are due monthly). No payment shall be due fewer than 15 days after such written notice has been given. An Assessment payment is delinquent if not paid within 30 days after its due date. Failure of the Association to give notice of the Assessment shall not affect the liability of a Unit Owner for such Assessment, but the date when payment shall become due in such a case shall be deferred to a date 15 days after such notice shall have been given. Each delinquent Assessment shall be subject to a late charge and shall bear interest at a rate established by Board policy from time to time.

5.8 **Resale Packages and Statements of Demand**. Upon written request of any Unit Owner, its authorized agent or the Mortgagee of a Unit (as applicable) and payment of a reasonable fee, established by Board policy from time to time or as specified in NRS 116.4109, and payment of copy charges, not to exceed the amount set forth in NRS 116.4109, the Association shall provide Unit Owners,

prospective purchasers and Mortgagees copies of the Governing Documents and the other information required under NRS 116.4109 in accordance with the terms thereof.

5.9 **Collection of Assessments**. The right to collect and enforce Assessments is vested in the Board acting for and on behalf of the Association. The Board or its authorized representative, including any manager, can enforce the obligations of the Unit Owners to pay Assessments provided for in this Declaration by commencement and maintenance of a suit at law or in equity; or the Board may enforce Assessments by judicial proceedings or, to the extent permitted by NRS 116.3116 to 116.31168, through the exercise of the power of sale granted to the Board following the procedure set forth therein. Suit to recover a money judgment against a Unit Owner for unpaid Assessments together with all other amounts allowed by law or described in Section 5.2 shall be maintainable without first foreclosing against the Unit subject to the lien for such Assessment or waiving the lien rights granted hereby.

5.10 **Lien for Assessments; Priority**. All sums assessed to any Unit (or Projected Unit) pursuant to this Article V, together with interest, fees, charges, fines and other expenses allowed by law shall be secured by a lien on such Unit (or Projected Unit) in favor of the Association as provided in NRS 116.3116. The Association's lien shall have such priority over other liens as specified in NRS 116.3116.

ARTICLE VI
MORTGAGEE PROTECTION

6.1 **Right to Examine Books and Records**. Mortgagees may examine the books and records of the Association and may request copies of the financial data concerning the Association furnished to the Members.

6.2 **Right to Furnish Information**. Any Mortgagee may furnish information to the Board concerning the status of any Mortgage.

6.3 **Notice of Default**. A Mortgagee, upon written request, will be entitled to written notification from the Association of any default in the performance by the mortgagor of any obligation under the Governing Documents that is not cured within 60 days.

6.4 **Notices to Mortgagee's of Record**. Upon any material loss to the Flood Control Facilities, any material taking of the Flood Control Facilities by eminent domain, or any judgment rendered against the Association, notice in writing of such loss, taking or judgment shall be given to each Mortgagee that has requested such notice in writing to the Association; provided, however, the forgoing provision governs so long as the Association has been given actual notice of such Mortgagee's interest.

6.5 **Voting Rights on Default**. In case of default by any Unit Owner in any payment due under the terms of any first Mortgage encumbering such Unit (or Projected Unit), the Mortgagee, on giving written notice to such defaulting Unit Owner, and placing of record a notice of default, is hereby granted a proxy and can exercise the voting rights of such defaulting Unit Owner attributable to such Unit (or Projected Unit) at any regular or special meeting of the Association held during such time as such default may continue.

6.6 **Effect of Breach**. No breach of any provision of these covenants, conditions and restrictions shall invalidate the lien of any Mortgage in good faith and for value, but all of the covenants, conditions and restrictions shall be binding on any Unit Owner whose title is derived through foreclosure sale, trustee's sale, or otherwise.

6.7 **Appearance at Meetings**. Because of its financial interest in a Unit (or Projected Unit), any Mortgagee may appear (but cannot vote except under the circumstances set forth above) at meetings

of the Association and the Board to draw attention to violations of this Declaration that have not been corrected or made the subject of remedial proceedings or Assessments.

6.8 **Required Consent of Mortgagees**. Any material amendment to this Declaration shall require approval by at least 51% of Mortgagees holding Mortgages on Units and Projected Units in the Project at the time of such amendment; provided that the failure of a Mortgagee to respond within 30 days to any written request for approval of an amendment, when such request is delivered by certified or registered mail, return receipt requested, shall constitute an implied approval of the amendment.

ARTICLE VII
GENERAL PROVISIONS

7.1 **Enforcement**. Except as expressly limited herein, the Association and Unit Owners shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants and reservations now or hereafter imposed by the provisions of this Declaration. Each remedy provided for in this Declaration shall be cumulative and not exclusive. Failure by the Association or by any Unit Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so hereafter.

7.2 **Severability**. Invalidation of any one of these covenants, conditions or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

7.3 **Conflict**. The Governing Documents are intended to comply with the requirements of those provisions of the Act incorporated herein and Chapter 82 of NRS. If there is any conflict between the Governing Documents and such statutory provisions, the statutory provisions of the Act shall control. All of the provisions of this Declaration shall be liberally construed together in conformity with the laws of the State of Nevada to promote and effectuate the fundamental concepts of the Project overall as set forth in this Declaration.

7.4 **Term**. This Declaration shall be effective for a period of 50 years after the date it is recorded, unless amended or extinguished as herein provided. After such period of time, this Declaration shall be automatically extended for successive periods of 10 years each, unless amended or extinguished by a written instrument executed by at least 75% of the Unit Owners in the Project and recorded in the Douglas County, Nevada Recorder's Office; provided, however, this Declaration may not be extinguished without the written approval of the Douglas County Commission.

7.5 **Amendment**. This Declaration may be amended by an instrument signed by the Unit Owners of not less than 75% of the Units and Projected Units. Any amendment must be recorded to be effective. For purposes of this Section, the signature of one of the Unit Owners, for a Unit (or Projected Unit) with more than one owner, shall be deemed sufficient. For so long as Lennar Reno, LLC, a Nevada limited liability company ("**Lennar**"), owns a Unit, the prior written consent of Lennar shall be required for any amendment to this Declaration, which consent shall be evidenced by Lennar's execution of the recorded amendment document.

7.6 **Attorneys' Fees and Costs**. In any action to enforce or administer the provisions hereof, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

7.7 **Binding Effect**. This Declaration shall inure to the benefit of and be binding on the successors and assigns of the Declarants, and their heirs, personal representatives, grantees, tenants, successors and assigns of the Unit Owners.

7.8 **Notices**. Any notice given under the provisions of this Declaration shall be in writing and may be delivered either personally or by mail or electronic mail. If delivery is made by mail, it shall be deemed to have been delivered on the third day (other than a Sunday or a legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the person at the address give by such person to the Association for the purpose of service of notice, or to the resident of such person if no address has been give to the Association. Delivery by electronic mail may be sent only at the request of the Unit Owner and then to an electronic mail address designated in writing by such Unit Owner. Any address may be changed from time to time by notice in writing give by such person to the Association.

7.9 **No Public Dedication**. Nothing contained in this Declaration shall be a gift or dedication of all or any part of the Project to the public, or for any public use, except as specifically set forth herein or respectively granted or dedicated therefor now or hereafter.

7.10 **Indemnification**. The Association's Directors, officers, attorneys, agents, committee members and employees shall be indemnified, defended and held harmless by the Association against all claims, causes of action, suits, costs, expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon any of them in connection with any proceeding to which any of them may be a party, and court costs, or in which any of them may become involved, by reason of their being or having been a Director, officer, attorney, agent, committee member or employee at the time such expenses and liabilities are incurred, except in such cases wherein such person is adjudged to have committed fraud, willful or wanton misfeasance or gross negligence in the performance of his or her duties.

7.11 **Changes in the Act**. This Declaration is subject to those provisions of the Act incorporated herein, and to the extent that any such provision of the Act is changed, and such change would conflict with a provision of this Declaration, then this Declaration shall be considered modified to the extent of such applicable change to the Act, including the removal of any provisions rendered unenforceable by virtue of a change to the Act.

7.12 **Acceptance**. Each grantee of a conveyance or purchaser under contract or agreement of sale of a Unit (or Projected Unit), by accepting a deed or a contract of sale or agreement of purchase of a Unit (or Projected Unit), accepts the same subject to all of the covenants, conditions and restrictions et forth in this Declaration and agrees to be bound by the same.

[signatures on following page]

THIS DECLARATION IS MADE AND ENTERED into the date first set forth above.

DECLARANTS:

Heybourne:

Heybourne Meadows II, LLC,
a Utah limited liability company

By: Ezra Nilson by Robert D. Anderson, attorney-in-fact
Ezra Nilson, Manager, by Robert Anderson,
Attorney-in-Fact for Ezra Nilson

Date: 6-11-2020

Anker:

By:
Alton Anker

Date: 6/11/20

By:
Susan Anker

Date: 6-11-2020

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

This instrument was acknowledged before me on June 11, 2020, by Susan Anker Susan Anker, an individual.

WITNESS my hand and official seal.

NOTARY

JANE GRAY
NOTARY PUBLIC
STATE OF NEVADA
County of Douglas
My Commission Expires: August 21, 202?
Certificate No: 15-2416-5

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

This instrument was acknowledged before me on June 11, 2020, by Robert Anderson, attorney-in-fact for Ezra Nilson, Manager of Heybourne Meadows II, LLC, a Utah limited liability company.

WITNESS my hand and official seal.

NOTARY

JANE GRAY
NOTARY PUBLIC
STATE OF NEVADA
County of Douglas
My Commission Expires: August 21, 2023
Certificate No: 15-2416-5

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

This instrument was acknowledged before me on June 11, 2020, by Alton Anker Alton Anker, an individual.

WITNESS my hand and official seal.

NOTARY Jane Gray

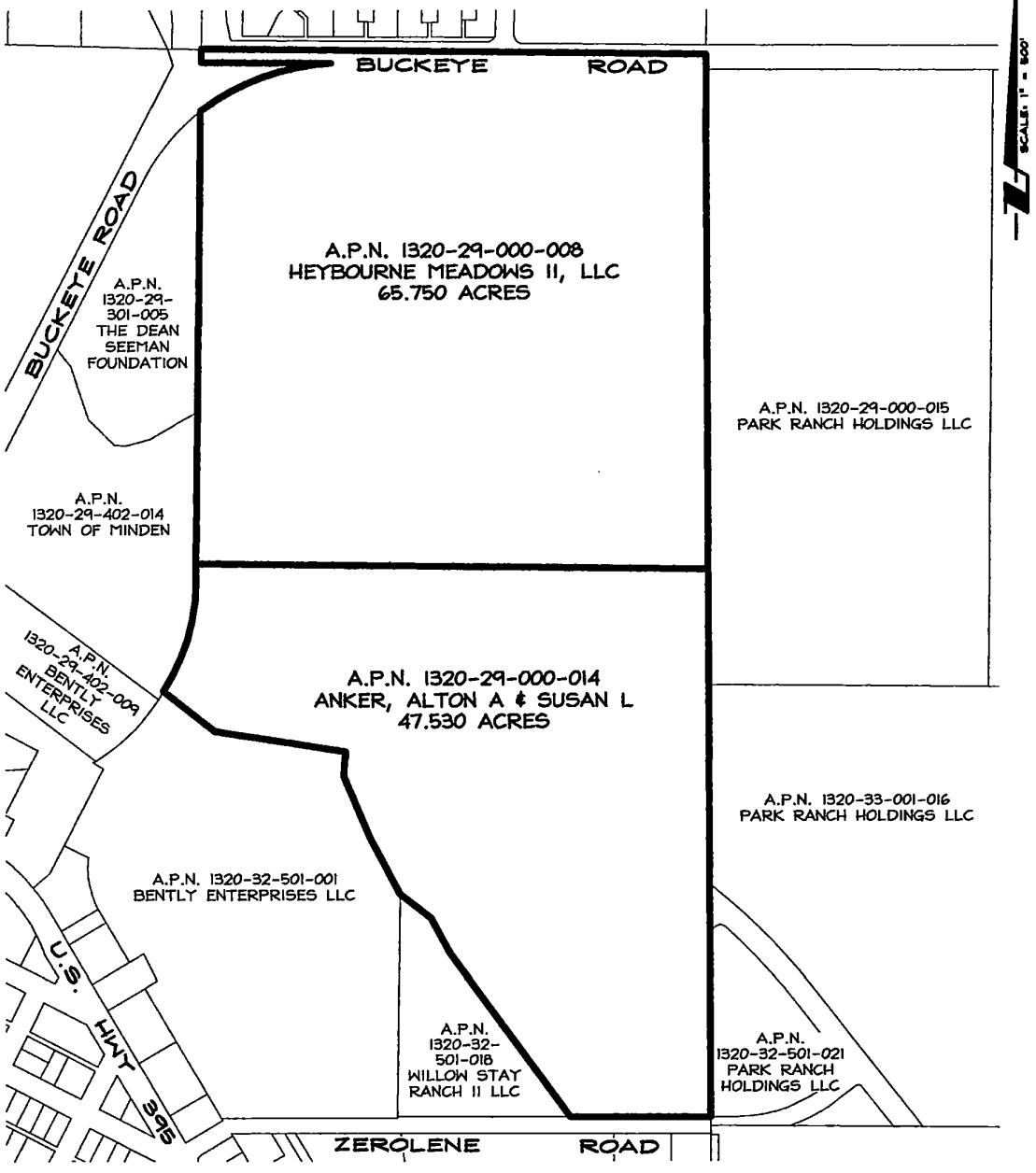
JANE GRAY
NOTARY PUBLIC
STATE OF NEVADA
County of Douglas
My Commission Expires: August 21, 2023
Certificate No: 15-2416-5

EXHIBIT A

Legal Description

Heybourne Parcel:

Anker Parcel:



Y:\Client Files\2406\2406-006\CAD\Engineering\Exhibits\EXHIBIT-A- FLOOD CONTROL.dwg 6/22/2020 11:11:29 AM Cory Kleine

R|O|Anderson
WWW.ROANDERSON.COM

MINDEN
1603 Esmeralda Ave
P.O. Box 2229
Minden, NV 89423
p 775.782.2322
f 775.782.7084

RENO
9060 Double Diamond Pkwy, Unit 1B
Reno, NV 89521
p 775.782.2322
f 775.782.7084

EXHIBIT 'A'
HEYBOURNE FLOOD CONTROL COMMUNITY ASSOCIATION
FLOOD CONTROL FACILITIES

2406-006

06/22/20

2406-006
06/22/20

DESCRIPTION
A.P.N. 1320-29-000-014

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

A parcel of land located within portions of the South one-half (S½) of Section 29 and the North one-half (N½) of Section 32, Township 13 North, Range 20 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at the center of Section 29, T.13N., R.20E., M.D.M., a found 5/8" rebar with plastic cap, PLS 11172 as shown on the Record of Survey to Support a Boundary Line Adjustment for Park Cattle Co. recorded September 28, 2004 in the office of Recorder, Douglas County, Nevada as Document No. 625243;

thence along the north line of the Southeast one-quarter of said Section 29, South 89°23'21" East, 1693.57 feet;
thence South 00°20'20" West, 1690.72 feet to the northeast corner of Lot 42 as shown on the Second Amended Record of Survey for John B. Anderson recorded June 4, 1981 in said office of Recorder as Document No. 56926, a found 5/8" rebar with cap, RLS 2280, the POINT OF BEGINNING;
thence along the east line of said Lot 42, South 00°20'20" West, 1775.04 feet to the southeast corner of said Lot 42;
thence along the south line of said Lot 42, also being the north line of Zerolene Road, North 89°42'32" West, 463.60 feet;
thence North 35°33'10" West, 589.61 feet;
thence North 38°50'33" West, 80.14 feet;
thence North 28°17'55" West, 131.62 feet;
thence North 51°49'55" West, 126.45 feet to an angle point in the westerly line of said Lot 42, a found ½" iron pipe;
thence along said westerly line of Lot 42, also being the easterly line of A.P.N. 23-250-03 as shown on the Record of Survey for Donald E. Bently recorded October 4, 1994 in said office of Recorder as Document No. 347532, the following courses:

North 28°17'02' West, 208.95 feet;
North 22°39'41" West, 218.42 feet;
North 02°14'26" East, 79.34 feet;
North 81°13'07" West, 432.72 feet;
North 52°09'48" West, 213.23 feet;

Along the arc of a non-tangent curve to the left having a radius of 613.00 feet, central angle of 30°20'56", arc length of 324.70 feet, and chord bearing and distance of North 14°09'29" East, 320.92 feet;

North 01°00'59" West, 101.09 feet to the northwest corner of said Lot 42;

thence along the north line of said Lot 42, South 88°45'34" East, 1728.80 feet to the POINT OF BEGINNING, containing 47.53 acres, more or less.

The Basis of Bearing of this description is North 89°23'21" West, the north line of the Southeast one-quarter of Section 29, T.13N., R.20E., M.D.M. as shown on the Record of Survey to Support a Boundary Line Adjustment for Park Cattle Co. recorded September 28, 2004 in the office of Recorder, Douglas County, Nevada as Document No. 625243.

Prepared By: R.O. ANDERSON ENGINEERING, INC.
P.O. Box 2229
Minden, Nevada 89423



2406-006
06/22/20

DESCRIPTION
A.P.N. 1320-29-000-008

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

A parcel of land located within a portion of the South one-half (S½) of Section 29, Township 13 North, Range 20 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at the center of Section 29, T.13N., R.20E., M.D.M., a found 5/8" rebar with plastic cap, PLS 11172 as shown on the Record of Survey to Support a Boundary Line Adjustment for Park Cattle Co. recorded September 28, 2004 in the office of Recorder, Douglas County, Nevada as Document No. 625243, the POINT OF BEGINNING;

thence along the north line of the Southeast one-quarter of said Section 29, South 89°23'21" East, 1693.57 feet;
thence South 00°20'20" West, 1690.72 feet to the northeast corner of Lot 42 as shown on the Second Amended Record of Survey for John B. Anderson recorded June 4, 1981 in said office of Recorder as Document No. 56926, a found 5/8" rebar with cap, RLS 2280;
thence along the north line of said Lot 42, North 88°45'34" West, 1728.80 feet to the northwest corner of said Lot 42;
thence along an existing fence as described in the Deed between Grace M. Dangberg and Henry F. and Edith Hazel Seeman recorded March 17, 1947 in said office of Recorder in Book Y of Deeds, at Page 145, North 00°56'42" East, 1457.48 feet to a point on the southerly right-of-way of Buckeye Road as described in Grant Deeds for Public Roadway recorded April 13, 1998 in said office of Recorder in Book 498, at Page 1993 and as recorded December 3, 1998 in Book 1298, at Page 826;
thence along said right-of-way of Buckeye Road, the following courses:

Along the arc of a non-tangent curve to the right having a radius of 690.00 feet, central angle of 30°22'50", arc length of 365.86 feet, and chord bearing and distance of North 65°37'05" East, 361.59 feet;
North 80°48'30" East, 117.90 feet;
North 89°29'43" West, 425.92 feet;

thence North 01°26'19" East, 42.20 feet to the POINT OF BEGINNING, containing 65.75 acres, more or less.

2406-006
06/22/20

The Basis of Bearing of these descriptions is North 89°23'21" West, the north line of the Southeast one-quarter of Section 29, T.13N., R.20E., M.D.M. as shown on the Record of Survey to Support a Boundary Line Adjustment for Park Cattle Co. recorded September 28, 2004 in the office of Recorder, Douglas County, Nevada as Document No. 625243.

Prepared By: R.O. ANDERSON ENGINEERING, INC.
P.O. Box 2229
Minden, Nevada 89423

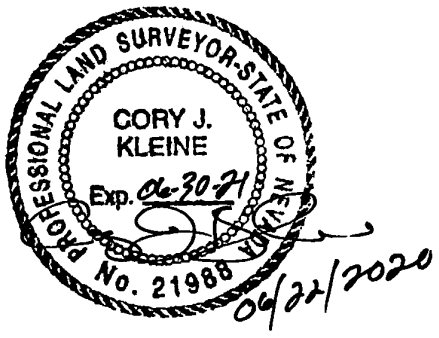
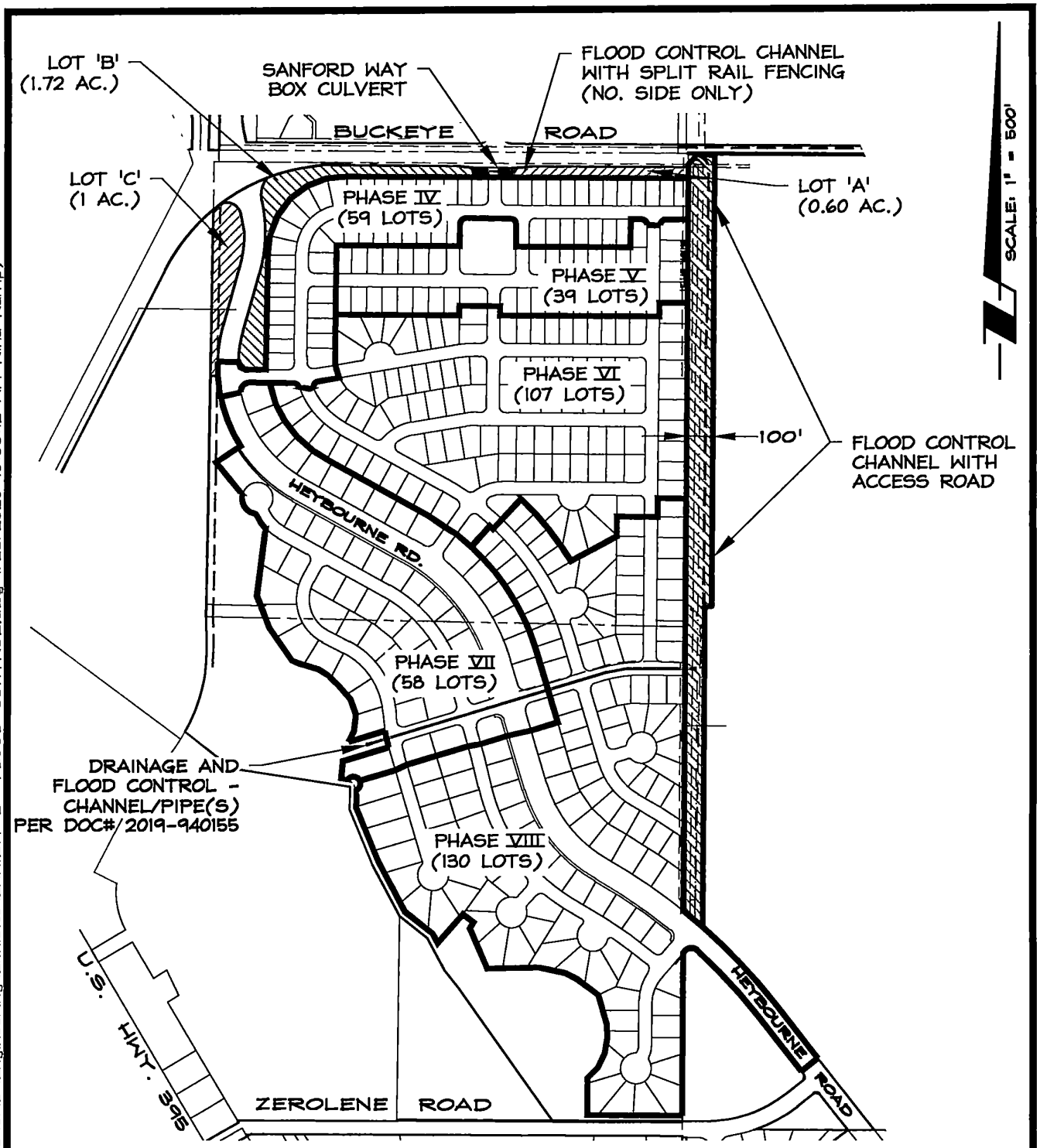


EXHIBIT B

Depiction of Flood Control Facilities



R|O|Anderson
WWW.ROANDERSON.COM

MINDEN
1603 Esmeralda Ave
P.O. Box 2229
Minden, NV 89423
p 775.782.2322
f 775.782.7084

RENO
9060 Double
Diamond Pkwy, Unit 1B
Reno, NV 89521
p 775.782.2322
f 775.782.7084

HEYBOURNE FLOOD CONTROL COMMUNITY ASSOCIATION

EXHIBIT 'B'

FLOOD CONTROL FACILITIES

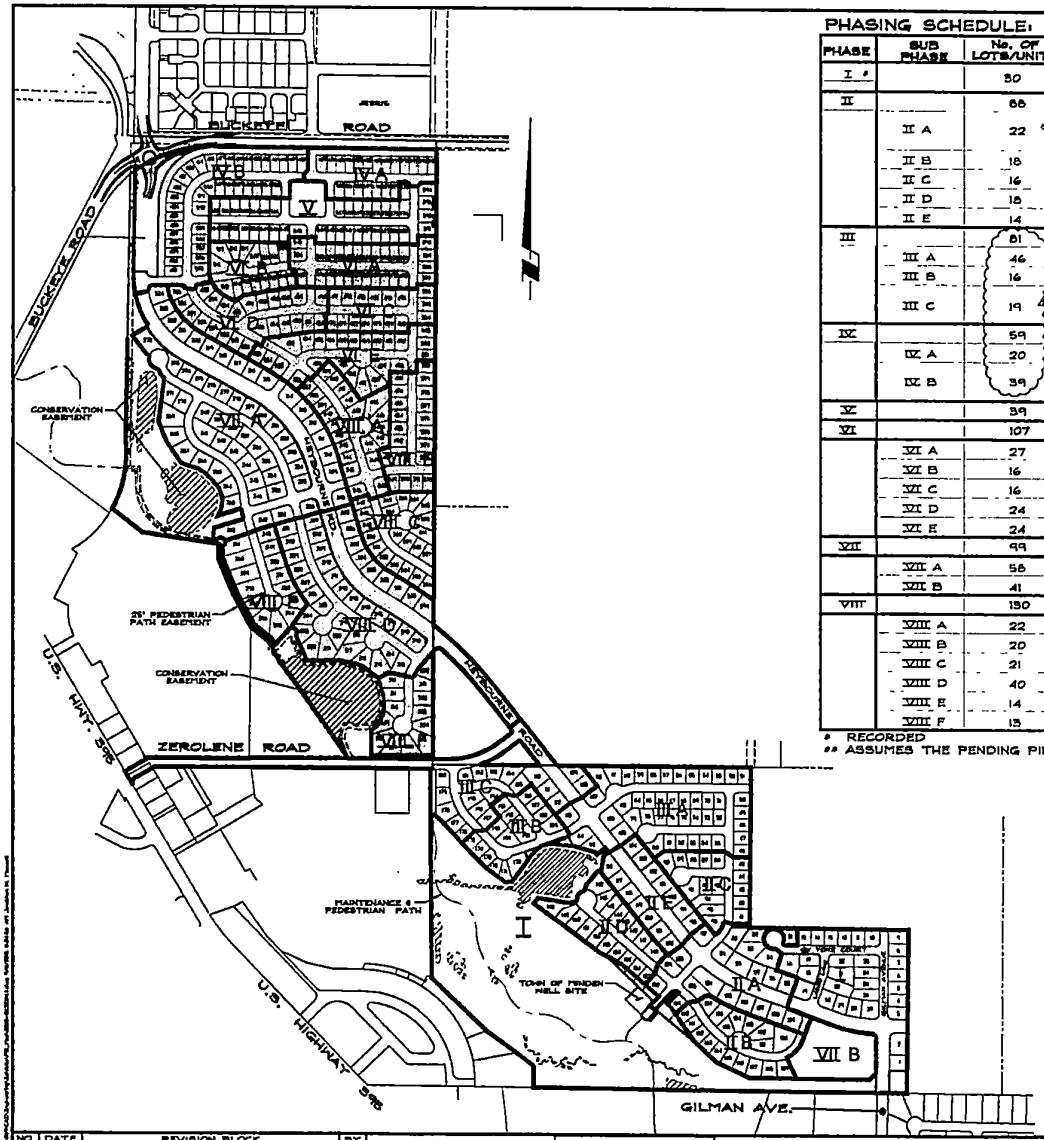
2406-006

01.23.2020

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EXHIBIT C

Depiction and Schedule of Projected Units

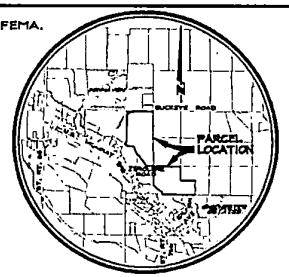


PHASING SCHEDULE:

PHASE	SUB PHASE	No. OF LOTS/UNITS	RECORDED BY:	REGIONAL ROAD IMPROVEMENT
I *		50	RECORD	GILMAN AVENUE EXTENSION; MARTIN SLOUGH CORRIDOR (PH. 1) DEDICATION; TOWN OF MINDEN WELL SITE; AND, HEYBOURNE ROAD, PH. 1
II		88	12/31/18	
	II A	22		HEYBOURNE ROAD (THROUGH PH. IIA); AND, EMERGENCY ACCESS ROAD (ALONG HEYBOURNE ROAD ALIGNMENT TO ZEROLENE ROAD, THEN WEST ON ZEROLENE TO THE WESTERN BOUNDARY OF PHASE IIIC.)
	II B	18		
	II C	16		
	II D	18		
	II E	14		HEYBOURNE ROAD (THROUGH PH. IIE)
III		81	12/31/24	
	III A	46		
	III B	16		
	III C	19		HEYBOURNE ROAD (THROUGH ZEROLENE ROAD), AND ZEROLENE ROAD (FROM HEYBOURNE ROAD TO U.S. HIGHWAY 395
IV		59	12/31/27	
	IV A	20		
	IV B	39		BUCKEYE ROAD FRONTAGE IMPROVEMENTS HEYBOURNE ROAD (BUCKEYE ROAD SOUTH TO 'ROAD F')
V		39	12/31/29	CENTRAL PARK
VI		107	12/31/33	
	VI A	27		
	VI B	16		
	VI C	16		
	VI D	24		
	VI E	24		
VII		99	12/31/35	
	VII A	58		HEYBOURNE ROAD ('ROAD F' SOUTH TO 'ROAD M')
	VII B	41		MULTI-FAMILY SITE
VIII		130	12/31/39	
	VIII A	22		
	VIII B	20		
	VIII C	21		
	VIII D	40		HEYBOURNE ROAD (ROAD 'B' SOUTH TO ZEROLENE ROAD)
	VIII E	14		
	VIII F	13		

* RECORDED

** ASSUMES THE PENDING PINENUT CREEK FLOOD STUDY HAS BEEN APPROVED BY FEMA.



VICINITY MAP
NO SCALE

NO.	DATE	REVISION BLOCK	BY
1	07/15/13	MODIFIED PLAN PER DO/CO. & TOM COMMENTS	RSR
2	07/27/12	MODIFIED PLAN PER DO/CO. & TOM COMMENTS	RSR
3	08/01/13	MODIFIED TO CORRECT LOT CHANGES	RSR

SCALE: 1" = 300'

R|O|Anderson

THE RANCH AT GARDNERVILLE

PLANNED DEVELOPMENT MODIFICATION PHASING PLAN

ROBERT O. ANDERSON No. 7767 CIVIL Exp. 12-31-14

DRAWN:	RSR	JOB:	0029-063
ENGINEER:	ROA	DRAWING:	0029-063DM.E
SCALE:	1" = 300'	SHEET:	1
DATE:	07/16/2012	OF:	1 SHEETS