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Condominium Declaration Of Willowbrook II

A Condominium Project

THIS CONDOMINIUM DECLARATION is made this 17th day of October, 1976, by MARUICE E. McGRATH, Special Trustee under Trust Holding Agreement recorded as Document Number 429010, Official Records of Washoe County, Nevada, (hereinafter called "Developer"), for the purpose of submitting accordance with the provisions of Chapter 117, Nevada Revised Statutes.

WHEREAS, Developer is constructing a condominium project known as "Willowbrook II" condominiums, and whereas Developer intends to sell and convey condominiums in such project subject to certain mutually beneficial restrictions, covenants, conditions, equitable servitudes, and charges which it desires to impose thereon under a general plan of improvements of said project for the benefit of all of said condominiums and the owners thereof,

NOW, THEREFORE, Developer declares that all of the premises described in Exhibit "A" hereto, including all of the condominiums and other improvements located and to be located thereon, are held and shall be held, conveyed, encumbered, leased, rented, used, occupied, and improved subject to the following declarations, all of which are declared and agreed to be in furtherance of a general plan of improvements of said project for the benefit of all of said condominiums in the project, and are intended to enhance and protect the value, desirability, and attractiveness of the project as a whole and to mutually benefit each of the condominiums located and to be located therein, and to create mutual equitable servitudes upon each of said condominiums in favor of each and all other condominiums therein, to create reciprocal rights and privity of contract and estate between all persons acquiring or owning an interest in and to said condominiums, including Developer, and its grantees, heirs devisees, successors, and assigns, and shall be deemed to run with the land or any portion thereof or interest therein, and be a burden and benefit to all such persons, including Developer, its grantees, heirs, devisees, successors, and assigns.

(1) Definitions.

Certain of the terms as used in this Condominium Declaration and in the Articles of Incorporation which are annexed hereto as Exhibit "B" and are made a part hereof, are defined and shall have meaning as follows, unless the context clearly indicates a different meaning:

- (a) "Condominium Declaration" or "Declaration" means this Instrument.
- (b) "Developer" means MAURICE E. McGRATH, Special Trustee under Trust Holding Agreement recorded as Document Number 429010, Official Records of Washoe County, Nevada, and any and all of his successors as such Special Trustee, and any person or entity which succeeds to the ownership of the unsold portions of the project and to the rights and responsibilities of Developer hereunder.
- (c) "Act" means Chapter 117 of Nevada Revised Statutes.
- (d) "Project" means the premises described in Exhibit "A" hereto including land, all buildings, and other improvements and structures now or hereafter thereon, all easements, rights, and appurtenances belonging thereto, and all personal property not owned by Owners now or hereafter used in connection therewith, subject, however, to the provisions of Paragraph (5) set forth hereinbelow.
- (e) "Unit" means a part of the Project intended for independent fee ownership, and entire residential building, or part of a building as the case may be, including foundations, roof, balcony, exterior walls, masonry, one-half of any party wall and all space contained within such walls, floor, and roof, shown as a "Unit" on the subdivision map of Willowbrook II, a condominium, recorded on October 1, 1974 in the office of the County Recorder of Washoe County, Nevada, as File Number 342,554, an such subdivision map may be amended hereafter, and with reference to existing Units, as the existing Units actually are located, constructed, and existing as shown on the record of survey of a portion of Willowbrook II recorded on the 24th day of August, 1976, in the Office of the County Recorder of Washoe County, Nevada, under File Number 422, 102. Unit does not include the land underlying the structure.
- (f) "Common Area" means the entire Project as the Project may be, either as described on Exhibit "A" or as amended, contracted, or expanded as permitted by the provisions hereof, excepting, however, all Units now existing or hereafter constructed on the Project.
- (g) "Limited Common Area" means that portion of the Common Area which is designated as reserved for the use of the Owner or

- Owners of a certain Unit or Units to the exclusion of the Owners of other Units, as further herein described.
- (h) "Condominium" means the Unit together with an undivided interest in the Common Area, including Limited Common Area, and all easements, rights, and appurtenances belonging thereto, as further set forth in Paragraph (5) hereinbelow.
- (i) "Willowbrook Association" or "Association" means the Willowbrook Condominium Home Owners Association, a nonprofit corporation. "Articles" means the Articles of Incorporation of Willowbrook Condominium Home Owners Association annexed hereto as Exhibit "B" and hereby made a part hereof.
- (j) "Owner" means any person or persons or other entity owning a Condominium in fee.
- (k) "Board" or "Board of Directors" means the Board of Directors of Willowbrook Condominium Home Owners Association as designated in the Articles of Incorporation of such Association.
- (I) "Manager" means the person or other entity designated by the Board to manage the affairs of the Project and to perform various other duties assigned by the Board and by the provisions of the Condominium Declaration.
- (m) "Condominium Rules" means such rules and regulations as the Board from time to time may adopt relative to the use of the Project or any part thereof.
- (n) "Common Expenses" means all sums lawfully assessed against the Owners by Willowbrook Association, including both regular periodic assessments and special assessments, as provided for in the Condominium Declaration.
- (o) "Association Property" means any property owned by the Association.

(2) <u>Descriptions.</u>

(a) The boundaries of each Unit are the exterior surfaces of its foundations, balcony, perimeter walls, and masonry, the centerline of any party wall and roof, window and window frames, doors and door frames, and trip, and each Unit includes all space within such boundaries above ground.

- (b) The Common Area includes, but not by way of limitation, all land on which the Units are located, the roads, the perimeter fence, lawn areas, trees, shrubbery, and other plantings, parking areas, and other land included in the description of the Project in Exhibit "A" hereto, recreation buildings, tennis courts, the swimming pool, storage areas, and any and all water supply systems, the sewage disposal system located in the Project including pipes, sewage lines, and other facilities; the ducts, flues, chutes, conduits, wires, cable television lines and fixtures, and other utility installations to the outlets at the Unit as hereinafter defined, all installations of power, lights, gas, water and heating existing for the common use; and all other parts of the Project, including personal property, necessary or convenient to its existence, maintenance, and safety, or normally in common use. "Outlets at the Unit" is defined as follows: for sewer lines, to the exterior of the foundation of the Unit: for electric lines, to and including the electric meter; for water lines, to the shutoff valve; for gas lines, to and including the gas meter; for cable television lines and fixtures, to the fixture by which such line is introduced into the Unit; for telephone lines, to the fixture by which such line is introduced to the Unit.
- (c) There are or may be adjacent and appurtenant to Units, walkways, fireplace pads, outside lighting fixtures serving the Unit, driveways, patio areas, yard areas immediately adjacent to the Units but which are designed for the use of said Units and which shall be denominated Limited Common Areas. There may be situate in the Project Units to be shown on an amended map a presently undetermined number of Units which are detached residences surrounded by or adjacent to yard areas within fence lines shown on such amended map. Such yard areas are also Limited Common Area, and if and when the same exist shall be called "Separate Residential Yards". All Limited Common Areas are limited to the exclusive use of the Owner of the Unit to which they are appurtenant.

(3) Statement of Purposes of Condominium Use

The Project is zoned for single family residential use and is primarily intended for residential use and each Unit shall be occupied and used only for private residential purposes by the Owner and his family, or by lessees or guests of the Owner except as hereinbelow provided. No unit shall be divided into two (2) or more separate apartments or living Units. This restriction shall not be construed to prohibit Owners, including Developer, from leasing their Condominiums so long as the lessees thereof occupy and use the leased premises in accordance with the provisions hereof and lessees shall have the same privileges

of use as Owners but the Owner shall at all times be responsible for any and all activities of his lessees in the use of the premises. The following provisions, together with the provisions of the Condominium Rules, are in furtherance of these purposes:

- (a) No use shall be made of any part of the Project which will constitute a fire hazard or which will result in the cancellation of insurance on any part of the Project or which is in violation of any law, ordinance, or governmental regulation applicable thereto. No use shall be made of any part of the Project which will increase the rate of insurance on the Common Area or Limited Common Area, without prior written consent of the Board, which consent may be withdrawn whenever in the discretion of the Board, it deems such withdrawal to be in the best interest of the Project.
- (b) Developer shall be deemed to be the Owner of any unsold Units and may make such use of the Project as may facilitate the completion of construction and such sale including, without limiting the generality of the foregoing, the right to enter all Units, Common Area, and Limited Common Area for construction purposes, the right to store materials, the maintenance of sales office or offices, the use of Units as models, the showing of property, and the displaying of signs.
- (c) The Board is empowered to adopt and amend from time to time Condominium Rules concerning use of the Project and various parts thereof, which Rules shall be furnished in writing to all Owners and which Rules shall not be violated.
- (d) None of the rights and obligations of the Owners created herein, or in any deed conveying a Condominium from Developer to a purchaser thereof, shall be altered in any way by encroachments as a result of construction of any structures or due to settling or shifting of structures. There shall be valid easements for the maintenance of such encroachments so long as they shall exist, provided, however that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful conduct of said Owner or Owners, or his contractors, agents or lessees.
- (e) There shall be no judicial partition of the Project, or of any part thereof nor shall Developer or any Owner acquiring any interest in the Project, or any part thereof, seek any such judicial partition until the happening of the conditions set forth in Paragraph (4) (c) (11) hereof in the event of nonreconstruction, provided, however, that if any Condominium shall be owned by two (2) or more tenants in

common, joint tenants, or as community property, nothing herein contained shall be deemed to prevent a judicial partition as between co-owners.

(4) <u>Insurance and Voting in the Event of Damage or Destruction</u>

(a) Insurance to be Obtained:

From the date of recordation of this Declaration until the election of the first Board of Directors as provided by the Bylaws of the Association, Developer shall be responsible for obtaining and maintaining, to the extent obtainable, insurance coverage as set forth in this Paragraph (4). The Board shall thereafter maintain such insurance and obtain such additional coverage as may be necessary for recently completed Units. The Developer or Board, as the case may be, shall pay for such insurance as provide herein from the Common Expenses assessed to the Owners. The insurance to be obtained shall be as follows:

- (i) A blanket policy of fire insurance with extended coverage, vandalism, and malicious mischief endorsements insuring property owned by the Willowbrook Association, the Units, Common Area, and Limited Common Area (including without limitation on all buildings and other structures, and any improvements thereto) in behalf of the Owners and their mortgagees, as their respective interests may appear, and payable to the Condominium Board as trustee for the Owners and their mortgagees, in an amount equal to the full insurable one hundred percent (100%) replacement value of said Association Property, Units, Common Area, and Limited Common Area. Each Owner shall be assessed individually for a pro rata portion of insurance premium for Common Area owned by Willowbrook Association and that portion of insurance premium applicable to Owner's Unit, and Limited Common Area adjacent thereto based on its value:
- (ii) Public liability insurance in such amounts as the Board may from time to time determine, but in no event shall the limits of liability be less than One Million Dollars (\$1,000,000) for injury to a person, Two Million Dollars (\$2,000,000) per occurrence, and Five Hundred Thousand Dollars (\$500,000) property damage insuring the Association, each member of the Board and the Owners, and with cross liability coverage with respect to liability of an Owner for negligence occurring within his own Unit or within the Limited Common Area of which he has exclusive use;

- (iii) Workman's Compensation insurance as required by law;
- (iv) Such other insurance as the Board may determine.

(b) General Insurance Provisions:

- (i) The Board shall deal with the insurer or insurance agent in connection with the adjusting of all claims covered by insurance policies provided for under Paragraph (4) (a) above and shall review with the insurer or insurance agent, at least annually, the coverage under said policies, said review to include an appraisal of improvements within the Project and shall make any necessary changes in the policy provided for under Paragraph (4) (a) (i) above (prior to the expiration date set forth in any agreed amount endorsement contained in said policy) in order to meet the coverage requirements of such Paragraph;
- (ii) The Board shall be required to make every effort to see that all policies of physical damage insurance provided for under Paragraph (4) (a) above (1) shall contain waivers of subrogation by the insurer as to claims against Willowbrook Association, its employees, members of the Board, Owners, and members of the family of any Owner who reside with said Owner, except in cases of arson and fraud; (2) shall contain an amount endorsement suspending provisions and shall contain a waiver of defense of invalidity on account of the conduct of any of the Owners over which Willowbrook Associations has "no control"; (3) shall provide written notice to all of the insureds thereunder and all mortgagees of Condominiums in the Project; (4) shall provide that in no event shall the insurance under said policies be brought into contribution with insurance purchased individually by Owners or their mortgagees; and (5) shall exclude policies obtained by individual Owners from consideration under any "no other insurance" clause;
- (iii) Each owner may obtain additional insurance policies for his own benefit or for the benefit of his mortgagees, or for his own benefit and the benefit of his mortgagees. The Association shall have no liability for the expenses of any insurance so obtained. No such policy shall be written so as to decrease the coverage under any of the policies obtained by the Board pursuant to Paragraph (4) (a) above, and each Owner hereby assigns to the Board the proceeds of any such policy to the extent that any such policy does in fact result in a decrease in

such coverage, said proceeds to be applied pursuant to the terms hereof as if produced by such coverage. Copies of all such policies (except policies covering only personal property, owned or supplied by individual Owners) shall be filed with Willowbrook Association.

- (c) Procedure in the Event of Damage or Destruction:
 - The Board shall arrange for the prompt repair and restoration of the damaged or destroyed property (Association Property, Unit, Common Area and Limited Common Area) and the Board shall disburse any insurance proceeds to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restorations in excess of the said insurance proceeds shall constitute a Common expense and the Board may with the affirmative vote or written consent of a majority of the voting power assess the Owners for such excess in accordance with their interest in the Common Area. If the cost of such repair and restoration is less than the amount of said insurance proceeds, then the excess of said insurance proceeds over said cost shall be distributed by the Board to the Owners and their mortgagees, as their interest may appear in accordance with their interest in the Common Area. (In the event that the Project is damaged or destroyed to the extent of less than seventy-five percent (75%) of its value, unless the Owners by a vote of seventy-five percent (75%) of their total voting power determine otherwise in accordance with Paragraph (4) (c) (iii) hereof, the mere arrangement by the Board for the repair and restoration of the damaged or destroyed said property shall be deemed a determination by the Willowbrook Association to repair, reconstruct, and rebuild.);
 - (ii) If the Project is destroyed to the extend of seventy-five percent (75%) or more of its value the Board shall call for a vote of the Owners of the Project before effecting any repairs. (The determination of the extent of such destruction when made in good faith by the Board shall proceed in a accordance with Paragraph (4) (c) (i).) In the absence of such a majority vote the Board shall record at the Washoe County Recorder's office a notice of termination and upon the filing of said notice the said property shall be deemed to be owned in common by the individual Owners, each owning an undivided interest equal to his percentage interest in the Common Areas and any liens on any Condominium being deemed to be transferred to the

undivided interest of the Owner of said encumbered Condominium in accordance with the then existing priorities, and upon the recording of said notice the said property shall be subject to a petition by any Owner to the Board for its sale and for partition of the net proceeds of such sale. In the event of such a petition, the said property shall be sold, as a whole or in parts and at one (1) or more sales, upon such terms and conditions as the Board in its sole discretion deems in the best interest of the Owners and the net proceeds of such sale or sales, together with the net proceeds of insurance on said property, if any shall be considered as one (1) fund and shall be divided by the Condominium Board among all the Owners in proportion to their respective undivided interests in said property, after first paying out of the share of each Owner, to the extent sufficient for that purpose, the amount of any unpaid liens on his undivided interest in the order of the priority of such liens. All memberships in the Association formerly appurtenant to the Condominiums shall be null and void;

(iii) Notwithstanding the provisions of subparagraphs (i) and (ii) hereinabove, the Owners by a majority vote may elect to sell said property, in which event the said property shall be sold and the net proceeds thereof, together with the net proceeds of insurance on said property, if any shall be divided, in accordance with the provisions of said subparagraph (ii). In the event of any sale or sales, either under said subparagraph (ii) or this subparagraph, the members of the Board hereby are authorized to execute and deliver, in behalf of the Willowbrook Association and all of the Owners, and instruments necessary or required to effect such sale or sales and each Owner shall be obligated to execute and deliver such instruments and to perform such acts as may be necessary or required to effect such sale or sales.

(5) Extent of Ownership and Possession by Owner

Subject to the provisions of this Condominium Declaration, each Owner is entitled to exclusive ownership and possession of his Unit. Except as herein provided, each Owner shall own and undivided one hundred twelfth (112th) interest in the Common Area, including Limited Common Area. No undivided interest described herein shall be separated from the Unit to which it appertains, it being deemed to be conveyed or encumbered with the Unit even though it is not expressly mentioned or described in the instrument of conveyance or encumbrance. Subject to the provisions of this Condominium Declaration, each Owner may use the Common Area, excepting

Limited Common Area, in accordance with the purposes for which it is intended, so long as he does not hinder or encroach upon the lawful rights of the other Owners. Subject to the provisions of this Condominium Declaration, each Owner shall be entitled to the exclusive use of the Limited Common Area appurtenant to his Unit. The exclusive use of the Limited Common Area shall not be altered without the consent of all Owners expressed in an amended declaration duly recorded.

Developer hereby reserves the right to make any changes or alterations which it may, in its sole discretion, deem necessary or appropriate to that portion of the Project which remains undeveloped at the time such changes are made. Such changes or alterations include, but are not limited to, changes in the number, design, size, location, or character of any unbuilt Unit or of any unbuilt building or other structure, and the size of the Common Area, or limited Common Area, appurtenant to the Units. Should Developer determine that the Project shall comprise less than one hundred twelve (112) Units, then the undivided interest of each Unit Owner shall be equal to the that of every other Unit Owner and so may be more than a one hundred twelfth (112th) interest in the Common Area but shall not be more than a one seventy-fourth (1/74th) interest therein. Should Developer determine that any portion of the Project which remains undeveloped shall not be Common Area appurtenant to the Units then built, then each Owner shall be divested of any and all interest such Owner might otherwise have in such undeveloped portion and each such interest shall revert to Developer and further shall be free from the encumbrance of this Declaration. Should the Owner determine that it would be to the best interest of the Developer and Owners to add to the Project areas of land adjacent thereto, then Developer reserves the right to do so upon the sole discretion of the Developer, and the performance of any and all acts by Developer necessary and appropriate to accomplish such changes, including but not limited to, the filing of any amended Condominium map or plat, the filing of any petition or application to any governmental authority required under the laws of this State, and the filing of any amendments to this Declaration.

(6) Owner's Obligation to Repair

Each Owner shall at his own expense keep his Unit and its equipment and appurtenances in good order, condition, and repair and in a clean and sanitary condition; and shall make, at his own expense, all repairs to appliances and plumbing facilities within his unit, all fixtures therein, that portion of the electric and gas lines leading from the meter to the interior of the Unit, and all water and sewer lines lying within the perimeter of the Unit walls. Owner shall do all redecorating, painting,

varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit except the painting, maintenance, and repair described in Paragraph (12) (a) (x) (exterior surfaces) which shall be performed by the Association as therein described. Owner shall not perform any of such exterior surface painting, maintenance, or repair. Each Owner shall immediately notify the Manager or a member of the Board of any damage to or malfunction of any pipe, wire, or other installation which is Common Area within his Unit. Each Owner shall also, at his own expense, keep the Limited Common Area appurtenant to his Unit in a clean and sanitary condition, and shall have the sole responsibility for maintaining such Limited Common Area, provided, however, that the Association shall perform the following services: maintenance of any lawn thereon, except as to Separate Residential Yards (the lawns of which shall be properly maintained by Owner of Unit to which the Separate Residential Yard is appurtenant), the maintenance and repair of the driveway and side walks, and the removal of snow from patio and driveway areas.

(7) Pets, Parking, Television Aerials, and Nuisances.

No animals, except customary household pets, shall be kept by any Owner in and about the Project, nor shall any Owner ride or permit to be ridden any horse or other animal within the Project. All motor vehicles, including, but not limited to automobiles, trucks, motorcycles, snowmobiles, campers, and all boats and trailers shall be parked only in the areas provided therefore. In the event cable television is provided, then no Owner shall erect or install any outside television aerial, but if cable television is not installed, Owners may install television aerials not to exceed eight (8) feet in height. No Owner shall install any other outside aerial of any kind without first having obtained the express written permission of the Board, and in not event shall such aerials exceed eight (8) feet in height. No Owner shall maintain, cause to be maintained, or permit to be maintained any nuisance in and about the Project. The Board shall, in its sole discretion. determine what shall constitute a nuisance.

(8) <u>Structural Changes and Exterior Appearance of Unit.</u>

No Owner shall, without first obtaining written consent of the Board, make or permit to be made any structural alteration or structural improvement in or to any other part of the Project. No Owner shall take any action or permit any action to be taken that will impair the structural soundness or integrity or safety of any building or other structure in the Project or impair any easement or right on personal property which is a part of the Project, without written consent of all Owners. No Owner shall paint or decorate any portion of the exterior

of any building or other structure in the Project or any Common Area or Limited Common Area therein, without first obtaining the consent of the Board. No Owner shall keep or permit to be kept any unsightly object or objects in and about his Unit which are visible from the exterior of such Unit.

(9) Entry for Repairs.

The Willowbrook Association shall have the irrevocable right, to be reasonably exercised by the Board or its agents, to enter any Unit when necessary in connection with any repair, maintenance, or construction for which the Board is responsible or the enforcement of the Condominium Rules and shall have the irrevocable right, to be reasonably exercised by the Board or its agents, or by any two (2) or more Owners acting as a group, to enter any Unit when the Owner thereof is absent for the purpose of making emergency repairs necessary to prevent damage to other parts of the Project. Such entry shall be made with as little inconvenience to the Owner as practicable, and any damage caused by such entry or expense in connection therewith shall be borne by the Owner of such Unit.

(10) Notice of Transfer.

Immediately after any transfer of title to any Condominium, either the transferring Owner or the acquiring Owner shall give notice to the Board of such transfer, including the name and address of the acquiring Owner and the date of transfer.

(11) Association Membership.

- (a) Willowbrook shall, immediately following the recordation of the Declaration, cause the Articles to be filed with the Secretary of State of the State of Nevada.
- (b) There shall be and there hereby is issued effective upon filing the Articles one (1) membership in the Association appurtenant to each Unit in the Project.
- (c) Except as herein provided, each member shall be entitled to one (1) vote for each Unit owned by him. In the case of a Unit held by two (2) or more persons as joint tenants or tenants in common the voting power shall be exercised by just one (1) Owner who shall be designated in writing by all the Owners or in the absence of such designations by the Owners, shall be selected by the Board.

Developer shall have three (3) votes for each Unit owned by the Developer and for each Unit proposed to be built or partially built, until such time as eighty-four (84) Units have been sold by Developer, provided, however, that should Developer determine that the Project shall comprise less than one hundred twelve (112) Units as herein set forth, then Developer shall have three (3) votes for each completed, partially built, or proposed Unit owned by it until seventy-five percent (75%) of the proposed Units have been sold. At such time as eighty-four Units or seventy-five percent (75%) of the proposed Units are sold, as the case may be, then Developer shall have one (1) vote for each proposed, partially built, or completed Unite owned by it.

(d) No membership may be severed or separated from the Unit to which it is appurtenant, and any sale, transfer, or conveyance of such Unit shall operate to sell or transfer the appurtenant membership without the requirement of express reference thereto.

(12) Powers of the Board

The Board shall be composed of members of the Association and shall have the powers and duties specifically conferred upon it by the Act, the Condominium Declaration, and the Articles and Bylaws adopted pursuant thereto and all other powers and duties necessary for the Project, including, without limiting the generality of the foregoing:

- (a) The power and duty to pay for the following items out of Common Expenses:
 - (i) Trash collection, snow removal, water, electrical, telephone, gas, and any other necessary utility service to the Common Area, the Association property, and (to the extent not separately metered or charged) for the Units;
 - (ii) A policy or policies of fire insurance, with extended coverage endorsements, as required by this Condominium Declaration;
 - (iii) A public liability insurance policy or policies as required by this Condominium Declaration;
 - (iv) Vehicle liability and property damage insurance insuring any vehicles purchased by the Association naming such employees as insureds thereunder;

- (v) Such other insurance, including Workmen's Compensations Insurance, as required by law or as the Board may determine;
- (vi) Any legal and accounting services necessary or proper for the execution of its functions;
- (vii) A fidelity bond naming the Treasurer and any other representative of the Association (including members of the Board and other officers who handle or are responsible for funds of the Association), and such other persons as may be designated by the Board, as principals and the Owners as obligees, for the first year in an amount equal to cash requirement for Common Expenses for that year and for each year thereafter in an amount equal to a least fifty percent (50%) of the total sum collected as Common Expenses during the preceding year;
- (viii) Such painting, maintenance, repair, and all gardening and landscaping of the Common Area, Limited Common Area, except for any Separate Residential Yard, which shall be maintained by Owner as above described, and Association Property as the Board shall determine are necessary or proper, subject to the provisions of this Declaration;
- (ix) The operation and maintenance of all recreation facilities situate on the Common Area as the Board in its discretion shall determine to be necessary and proper;
- (x) The cost of painting, repair, and maintenance of all exterior walls, roof, and other exterior surfaces of the Unit reasonably necessary to keep all such exterior surfaces in the same condition and color as obtained upon construction and completion of the Unit. No change in color scheme of exterior surfaces of any Unit shall be made without the consent of at least a majority of the Board. The Association shall have an express affirmative duty to perform all requirements of this paragraph; (Amended February 2008)
- (xi) Such furnishings, tools, equipment, appliances, and other personal property for the Common Area and for Association Property as the Board shall determine are necessary or proper, and the Board or Manager shall have the exclusive right and duty to acquire same;

(xii) Any other materials, supplies, labor, services, insurance, taxes, or assessments which the Board is authorized to secure or pay for pursuant to the terms of the Condominium Declaration or Bylaws (including, without limitation, any emergency repairs to any Unit which in the discretion of the Board are necessary to prevent damage to other parts of the Project), or which in its opinion shall be necessary or proper for the operation of the Common Area, the Limited Common Area, the Association Property, or for the enforcement of the Condominium Declaration, provided that if any such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for particular Units, the cost thereof shall be specially assessed to the Owners of such Units;

The Board's power shall be limited, in that it shall have no authority to acquire and pay for out of Common Expenses, capital additions and improvements or structural alterations (other than for purposes of replacing portions of the Common Area or Association Property, subject to the provisions of the Declaration) having a cost in excess of Ten Thousand Dollars (\$10,000.00) unless such additions, improvements, or alterations have been approved by a majority of the members of the Association; (Amended April 2004)

- (xiii) Maintenance and repair of any Unit not described in Paragraph (x) above, or of any Separate Residential Yard, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect the Common Area or preserve the appearance and value of the Project, and the Owner of said Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Owner, provided that the Board shall levy a special assessment against said Owner for the cost of such maintenance or repair which shall be paid in full when billed unless the Board shall provide otherwise.
- (b) The power and duty to designate a banking institution or institutions as depository for the Association's funds; and the officer or officers from time to time authorized to make withdrawals therefrom and to execute obligations on behalf of the Association.
- (c) The power to borrow money, or to purchase goods on credit in behalf of the Association, for Association purposes. A resolution by the Board that the interest of the Association requires the borrowing

of money or establishing of credit shall be sufficient evidence for any person that the borrowing of money or establishment of credit is for a proper purpose. Any borrowing or establishing of credit in excess of Five Thousand Dollars (\$5,000.00) shall require the affirmative vote of a majority of the Owners.

- (d) The power and duty to adopt and amend, from time to time, and to enforce Condominium Rules
- (e) The Board shall have the exclusive right to contract for all such goods, services, and insurance referred in this Paragraph (12), which right may be delegated by it. The Board shall have the power to engage the services of a Manager to whom the Board in its discretion may delegate certain of its powers and duties, as well as the services of any other personnel as the Board may determine to be necessary, whether such personnel are employed directly by the Board or are furnished by the Manager.
- (f) The entire Limited Common Area shall be fenced of a material that conforms in quality, texture, and color with the existing fences of the other Owners, and
 - (i) The height of the fence shall be six (6) feet, and
 - (ii) The fenced area shall have a gate access, and
 - (iii) The Limited Common Area shall neither be wider than the Unit itself, nor be deeper than fourteen (14) feet from the rear of the Unit, and
 - (iv) The Limited Common Area shall not encroach upon uniform access to all the Common Areas by all Owners, and
 - (v) Conform to Paragraph 8 of these Declarations. (Amended May, 1985)

(13) Common Expenses.

- (a) The fiscal year of the Association shall be a twelve (12) month period running from July 1 to June 30 of each year.
- (b) On or prior to May 15 of each year the Board shall estimate the Common Expenses to be required during the twelve (12) months period commencing with the following July 1 (including a reasonable provision as a reserve for contingencies and

replacements, less any surplus in the common Expense fund for the fiscal year just ended). The Common Expense fund shall also include any amounts necessary to make up any deficit for said fiscal year just ended, any amounts required by an excess of repair and restoration costs over insurance proceeds, and any other amounts required by the terms of this Condominium Declaration or the Act. A statement of said estimated Common Expenses shall be submitted to the annual meeting of the Condominium Association and shall be subject to change and approval at said meeting. Common Expenses shall be assessed equally to the Owners except as hereinbelow provided, and provided further that in the event the Project shall contain Units which are detached residences, then before any such Units are sold the Developer may designate a real estate appraiser entitled to the designation M.A.I. who shall determine whether or not it is equitable that Owners of Units which are detached residences should be assessed at a different percentage of the costs from Owners of other Units, and if so at what percentages Owners of the two (2) types of Units should be assessed. If the appraiser determines that the two (2) types of Units should be assessed at different percentages, then the Developer shall certify to the Board the fact of appointment of the appraiser and the appraiser shall certify to the Board the results of his said appraisal, and thereafter the percentages of assessments shall be in accordance with his determination until changed in accordance herewith. The fees of such appraiser shall be paid by the Developer.

If, at any time the Board determines that the existing method of allocation of assessments is inequitable, then the Board may appoint a panel of three (3) persons consisting of an appraiser entitled to the designation M.A.I., a civil engineer registered in Nevada, and a person experienced in fire insurance underwriting to reapportion the percentages of assessments to the respective models and types of Units and shall report its determination to the Board in writing. The Board shall thereafter apportion assessments in accordance with the written determination of the panel, until that determination is superceded by a new determination arrived at in the same manner. The cost of such determinations shall be a part of the Common Expenses.

If said estimated sum proves inadequate for any reason, including nonpayment of any Owner's assessment, the Board may at any time levy a further assessment. Each Owner shall be obligated to pay to the Condominium Board the assessment made against him, and such payments shall be due in equal monthly installments on or before the first day of each month during the twelve (12) month

period commencing with said July 1, or in such other reasonable manner as the Board shall designate. Upon an Owner's failure to pay any amount of such assessment when due, then the Board may accelerate the balance of such yearly assessment, that is , declare the entire amount of such assessment immediately due and payable although the time for payment of such sum as provided herein shall not have arrived. In the event a Condominium is rendered uninhabitable by fire or other casualty, the Board, in its discretion may abate all or a portion of the Common Expenses assessed against the Owner of said Condominium while it remains uninhabitable.

The failure of the Board to fix the assessments for such a twelve (12) month period prior to the commencement of such a period shall not be deemed a waiver or modification in any respect of the provisions hereof, or a release of the Owners from the obligation to pay the assessments, or any installment thereof for such period, but the assessment fixed for the preceding twelve (12) month period shall continue until a new assessment is fixed. No Owner may exempt himself from liability for his assessment for the Common Expenses by waiver of the use or enjoyment of any of the Common Areas or by abandonment of his Unit.

(14) <u>Assessments.</u>

Each Owner shall pay all Common Expenses assessed against him and all other assessments made against him by the Board in accordance with the terms of the Condominium Declaration, provided, however, that Developer shall not be liable for the amount of any assessment against land or Units (whether partially or completely constructed) owned by them, unless such Units are actually occupied or have in the past been occupied as residences. Each assessment shall be separate, distinct, and personal debts and obligations of the Owner against whom the same are assessed, and in the event of an Owner be composed of more than one (1) person or entity all of the said persons and entities shall be both jointly and severally liable for all of such debts and obligations. The amount of any assessment. whether regular or special, assessed to the Owner of an Condominium plus interest at ten percent (10%), and costs, including reasonable attorney's fees, shall become a lien upon such Condominium upon recordation of a notice of assessment in accordance with the Act and may be enforced as provided therein for enforcement of such liens. A certificate executed and acknowledged by a majority of the Board stating the indebtedness secured by the lien upon any Condominium created hereinunder, shall be conclusive upon the Board and the Owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and

such certificate shall be furnished to any Owner upon request a ta reasonable fee, not to exceed Fifteen Dollars (\$15.00).

(15) Mortgage Protection.

Notwithstanding all other provisions hereof:

- (a) The liens created hereunder upon any Condominium shall be subject and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by any recorded first mortgage (meaning a mortgage or deed of trust with first priority over all other mortgages) upon such made in good faith and for value, provided that after the foreclosure of any such mortgage there may be a lien created pursuant to Paragraph (13) hereof on the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchased as an Owner after the date of such foreclosure sale, which said lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein;
- (b) No amendment to this paragraph shall affect the rights of the holder of any such mortgage recorded prior to the recordation of such amendment who does not join in the execution hereof;
- (c) By subordination agreement executed by a majority of the Board, the benefits of (a) and (b) above may be extended to mortgages not otherwise entitled thereto.

(16) Condemnation.

In the event of a taking in condemnation or by eminent domain of part or all of the Common Area, the award made for such taking shall be payable to the Board. The Willowbrook Association shall take a vote of the Owners of the affected Common Area within sixty (60) days of such taking and if a majority of the voting power approve the repair and restoration of such Common Area, the Board shall arrange for the repair and restoration of such Common Area. The Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that the Owners do not so approve the repair and restoration of such Common Area, the Board shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Paragraph (4) (c) (ii) hereof.

(17) No Waivers.

The failure of the Board or Manager to insist, in any instance, upon the strict performance of any of the terms, covenants, conditions, or restrictions of this Condominium Declaration or of the Bylaws, or to exercise any right herein or therein contained, or to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment for the future, of such term, covenant, condition, restriction, or right, but such term, covenant, condition, restriction, or right shall remain in full force and effect. The receipt by the Board or Manager of any assessment from an Owner with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach, and no waiver by the Board or Manager of any provision hereof shall be deemed to have been made unless expressed writing and signed by the Board or Manager.

(18) Liability of the Board.

The member of the Board shall not be liable to the Owners fro any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith and except as provided hereinbelow. The Unit Owners shall indemnify and hold harmless each of the members of the Board against all contractual liability to other arising out of contracts made by the Board in behalf of Willowbrook Association unless any such contract shall have been made I bad faith or contrary to the provisions of the Condominium Declaration, the Articles or Bylaws. The liability of any Owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the members of the Board shall be limited to such proportion of the total liability thereunder as his interest in the Common Area bears to the interests of all the Owners in the Common Area. The provisions of this Paragraph (18) do not apply to and shall not preclude claims for property damage and bodily injury by Owners against the Board or any other insured under the liability insurance required by Paragraph (4) (a) (ii).

(19) Enforcement.

Each Owner shall comply strictly with the provisions of this Condominium Declaration, and the Condominium Rules as the same may be lawfully amended from time to time and with decisions adopted pursuant to said Condominium Declaration and Condominium Rules, and failure to comply shall be grounds for an action to recover sums due for damages, injunctive relief, or both, maintainable by the Board or Manager in behalf of the Owners, or in a proper case, by an aggrieved Owner.

(20) Notices.

All notices hereunder to the Association, the Board, and the Manager shall be sent by registered or certified mail to the Board or the Manager at the Project, or to such other address as the Board may designate from time to time by notice in writing to all Owners. All notices to any Owner shall be sent by registered or certified mail to his Unit or to such other address as may be designated by him from time to time, in writing, to the Board. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received, and except as otherwise provided herein.

(21) Reservation of Utility Easements.

Developer reserves the right to establish and convey subsequent utility easements provided that if any damage is caused to landscaping or other improvement on the above described property as a result of construction incidental to said easements, Developer, or its successors or assigns, shall have such damage repaired promptly.

(22) Invalidity.

The invalidity of any part of this Condominium Declaration shall not impair or affect in any manner the validity, enforceability, or effect of the balance of the Condominium Declaration.

(23) Amendment.

Except as otherwise provided herein, the provisions of this Condominium Declaration may be amended by Owners holding no less than fifty-one percent (51%) of the total voting power hereunder, which amendment shall be effective upon recordation in the Official Records of Washoe County. (Amended February 2008)

(24) Evidence of Vote of Owners.

Any action taken by vote of the members of the Association may be evidenced by a certificate of the Secretary of the Association duly executed stating the action taken, the manner in which it was taken (i.e. by vote at a meeting, by written consent, by written ballot, etc.), the total voting power of all members of the Association, and the number of votes cast in favor of such action. Such certificates shall be conclusive evidence of action by the members of the Association as to third persons relying thereon, and such a certificate showing action of the Owners in amending this Declaration or the Articles may be recorded as evidenced by such action.

(25) <u>Interpretation.</u>

In construing this instrument any number or gender shall designate any other number or gender where appropriate. Headings are for convenience only, and shall not affect the meaning of the text. This instrument shall be liberally construed to effectuate the purpose of establishing and maintaining a desirable community in the Project and of fair and equitable treatment of all of the Owners by the Association.

(signed) Maurice E. McGrath MAURICE E. McGRATH Special Trustee, Developer.

STATE OF CALIFORNIA,) ss.)
COUNTY OF LOS ANGELES.)

On October 17th, 1976, personally appeared before me, a Notary Public, MAURICE E. McGRATH,k who acknowledged that he executed the foregoing instrument

(signed) Ruth E. Anderson Notary Public

(OFFICIAL SEAL)

TRANSCRIBED FROM ORIGINAL TO EDITABLE ELECTRONIC DOCUMENTS BY ARTHUR E. CHAPMAN ON Friday, March 25, 2011

MAY 1985, and April 2004 AMENDMENTS FOLLOW

AMENDMENT TO CONENANTS, CONDITIONS AND RESTRICTIONS OF WILLOWBROOK II A CONDOMINIUM PROJECT

WHEREAS, the Condominium Declaration of Willowbrook Homeowners Association was duly made and recorded on October 20, 1976, as document No. 431127 in Book 1016, Page 760, in the official records of Washoe County, Nevada, and

WHEREAS, said Covenants provide that the Covenants my be amended in accord with Article XXIII providing for approval by vote or written consent of SEVENTY FIVE PERCENT (75%) or more of the members, and

WHEREAS, at the Board of Directors meeting held April 16, 1985, EIGHTY FIVE (85) signatures were presented showing approval of the Owners holding THREE FOURTHS (3/4) or more of the total membership of the Association was obtained,

NOW, THEREFORE, the following amendment shall be added to Paragraph 12, at Subparagraph (f) to read as follows:

- The entire Limited Common Area shall be fenced of a material that conforms in quality, texture, and color with the existing fences of the other Owners, and
- 2) The height of the fence shall be six (6) feet, and
- 3) The fenced area shall have a gate access, and
- 4) The Limited Common Area shall neither be wider than the Unit itself, nor be deeper than fourteen (14) feet from the rear of the Unit, and
- 5) The Limited Common Area shall not encroach upon uniform access to all the Common Areas by all Owners, and
- 6) Conform to Paragraph 8 of these Declarations.

DATED this 21st day of May, 1985

(signed) Robert Morrow, President

(signed) Carrie Blanchard, Recording Secretary

FIRST AMENDMENT TO CONDOMINIUM DECLARATION OF WILLOWBROOK II

THIS FIRST AMENDMENT TO THE CONDOMINIUM DECLARATION OF WILLOWBROOK II ("the Declaration") is made this 9 day of April, 2004, by the members of the Parkwood, hereinafter referred to as "Owners" with reference to the following facts, and is as follows:

RECITALS:

- A. On October 20, 1976, an instrument entitled "Condominium Declaration of Willowbrook II, A condominium Project" ("the Declaration") was recorded in the office of the County Recorder of Washoe County, Nevada, as Document No. 431127, which affects certain real property situate in Washoe County, Nevada, described therein in Exhibit "A" attached to the Declaration.
- B. As of the date of this First Amendment, there are one hundred and twelve (112) voting members.
- C. The voting members of Parkwood desire to amend the provisions of the Declaration pertaining to the power of the Board of Directors of Parkwood.

NOW, THEREFORE, the Owners hereby amend the Declaration as follows:

The Second Paragraph 12 (a)(xii) is hereby amended as follows:

The Board's power shall be limited, in that it shall have no authority to acquire and pay for out of Common Expenses, capital additions and improvements or structural alterations (other than for purposes of replacing portions of the Common Area or Association Property, subject to the provisions of the Declaration) having a cost in excess of Ten Thousand Dollars (\$10,000.00) unless such additions, improvements, or alterations have been approved by a majority of the members of the Association;

FIRST AMENDMENT TO THE CONDOMINIUM DECLARATION OF WILLOBROOK II (now know as Parkwood)

THIS FIRST AMENDMENT TO THE CONDOMINIUM DECLARATION OF WILLOWBROOK II ("First Amendment") is made this 6th day of February, 2008, by the President and Secretary of Parkwood, a Nevada non-profit corporation ("the Association").

WHEREAS, that Condominium Declaration of Willowbrook II was recorded on October 20, 1976, in the Official Records of Washoe County as Document No. 431127, in Book 1016, Page 760 ("Declaration");

WHEREAS, the members of the Association approved the amendment of the Declaration as hereinafter set forth;

NOW, THEREFORE, the undersigned hereby acknowledge and certify, pursuant to Article 23 of the Declaration, that the Owners (as defined in the Declaration) entitled to cast not less than seventy-five percent (75%) of the number of votes entitled to be cast to amend the Declaration as follows:

1. Article 12 (a)(x) shall be amended as follows:

The cost of painting, repair and maintenance of all exterior surfaces of the Unit reasonably necessary to keep all such exterior surfaces in the same condition as obtained upon construction and completion of the unit. No change in color scheme of exterior surfaces of any Unit shall be made without the consent of at least a majority of the Board. The Association shall have an express affirmative duty to perform all requirements of this paragraph.

2. Article 23 shall be amended as follows:

Except as otherwise provided herein, the provisions of this Condominium Declaration may be amended by affirmative vote of the Owners holding no less than fifty-one percent (51%) of the total voting power hereunder, which amendment shall be effective upon recordation in the Official Records of Washoe County.

3. Declaration is in Full Force and Effect as Amended. Except as amended as set forth above, the Declaration shall remain in full force and effect according to the original terms thereof, and by the amendments set forth in this Certification of Amendment.