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Fee: $66.00
N/C Fee: $0.00

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Requestor:
RIDGE VIEW AT EAGLE ROCK LLC

Debbie Conway JLB
Clark County Recorder Pgs: 53

APN# 160-33-218-001

11-digit Assessor's Parcel Number may be obtained at:
http://redrock.co.clark.nv.us/assrrealprop/ownr.aspx

Grant of Reciprocal Easements & Declaration of Covenants,

Conditions, and Restrictions of Ridge View Industrial Park

Type of Document

(Example: Declaration of Homestead, Quit Claim Deed, etc.)

Recording Requested by:

Ridge View at Eagle Rock, LLC.

Return Documents To:

Name Christie Daugherty

Address 2606 Vinci Court

City/State/Zip Henderson, Nevada 89052

This page added to provide additional information required by NRS 111.312 Section 1-2

(An additional recording fee of $1.00 will apply)

This cover page must be typed or printed clearly in black ink only.

OR Form 108 ~ 06/06/2007
Coversheet.pdf

APN: 160-33-218-001

When recorded return to:

Ridge View at Eagle Rock LLC.
7461 Eastgate Road
Henderson, NV 89015
Attn: Jerry Daugherty

GRANT OF RECIPROCAL EASEMENTS
AND
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF
RIDGE VIEW INDUSTRIAL PARK

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GRANT OF RECIPROCAL EASEMENTS
AND
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF
<u>RIDGE VIEW INDUSTRIAL PARK</u>

THIS GRANT OF RECIPROCAL EASEMENTS AND DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF RIDGE VIEW INDUSTRIAL PARK (the "<u>Declaration</u>") is made this 10th day of September , 2007, by Ridge View at Eagle Rock LLC., a Nevada limited liability company ("<u>Declarant</u>").

W I T N E S S E T H:

A. Declarant is the Owner of all that real property located in Clark County, Nevada, as shown on the site plan (the "<u>Site Plan</u>") attached hereto as <u>Exhibit "A"</u> and incorporated herein by reference and further described in <u>Exhibit "B"</u> attached hereto and incorporated herein by reference.

B. The Development (defined below) is part of a larger commercial subdivision known as "Four Kids Industrial Park, (A Commercial Subdivision)" (the "<u>Subdivision</u>"), as shown on the Amended Final Map of the Subdivision on file in Book 84 of Plats, Page 43, in the office of the Clark County Recorder (the "<u>Subdivision Map</u>").

C. Declarant has developed or is in the process of developing the Development, and has constructed or is in the process of constructing buildings and other improvements on each of the Parcels (defined below).

D. Declarant intends that each of the respective Parcels be developed and operated in conjunction with each other as integral parts of a Development under a general plan and scheme of improvement and operation for the benefit of all of the Development and the future owners and occupants of all or any portion thereof.

NOW, THEREFORE, Declarant hereby declares that all of the property described in <u>Exhibit "B"</u> shall be held, sold, transferred, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the above described real property and be binding on all parties having any right, title or interest in the described property or any part thereof, their heirs, successors and assigns, and which shall inure to the benefit of each owner thereof.

SECTION 1
Definitions

Each reference in this Declaration to any of the following terms shall mean:

Affiliate. Affiliate shall mean (i) any Person that, whether directly or indirectly, controls, is controlled by, or is under common control with, any other Person, (ii) any spouse, parent, grandparent, child, grandchild, sibling, or first degree collateral of any Person, and (iii) if such Person is a manager, member, partner, director, officer, or shareholder of another Person, any third Person for which such Person acts as a manager, member, partner, director, officer, or shareholder. For the purposes of this definition, control shall mean the power (whether through direct or indirect ownership of fifty-one percent (51%) or more of the voting equity interests of such Person, or otherwise) to direct the management and policies of such Person.

Articles. The articles of incorporation, as amended from time to time, of the Association.

Association. "Ridge View Industrial Park Owners Association", a Nevada non-profit corporation, to be formed in accordance with Section 10 of this Declaration and the requirements of applicable law.

Board. The Association's board of directors as elected in accordance with the terms hereof and the terms of the Articles and Bylaws and with the requirements of applicable law.

Building. Any structure or structures constructed or to be constructed on a Parcel, including but not limited to any enclosed yard constructed on a Parcel for the exclusive use of the Owner or Occupant of the Parcel.

Bylaws. The bylaws, as amended from time to time, of the Association.

City. The City of Henderson.

Common Areas. All portions of the Development on which no Building has been or will be constructed. A canopy that is attached to a Building but extends over Common Area shall be deemed to be part of the Building to which it is attached, and not part of the Common Area. Those portions of each Parcel that are not or cannot, under the terms of this Declaration, be used for Buildings shall become part of the Common Area for the uses permitted hereunder and shall be improved, kept, and maintained as provided herein.

Common Area Maintenance Expenses. Those expenses identified in Section 5 of this Declaration.

Common Area Maintenance Obligation. Those maintenance obligations identified in Section 5 of this Declaration.

Committee. The Ridge View Industrial Park Architectural Review Committee, as described in Section 7.03.1. Prior to the Transfer Date, Declarant shall be the only member of the Committee. After the Transfer Date, the Board shall appoint the members of the Committee, who may or may not be Owners.

County. The County of Clark.

Declarant. Ridge View at Eagle Rock LLC., a Nevada limited liability company, and its successors and assigns, if such successors and assigns should acquire all or substantially all of the Declarant's property in the Development and the instrument of conveyance purports to transfer to such person or entity Declarant's rights hereunder as Declarant.

Design Guidelines. At any relevant point in time, the guidelines adopted by the Managing Party setting forth certain architectural standards and specifications regarding the location and design of Improvements, their expansion, remodeling, construction materials, lighting, landscaping, signage, parking, and other matters. Any Design Guidelines adopted by the Managing Party shall not apply to or govern the initial construction of the Buildings, the Common Areas, and other Improvements to the Development made by the Declarant.

Development. The entire development project (including the Parcels) which is shown on the Site Plan attached hereto as Exhibit "A", is commonly known as "Ridge View Industrial Park", is generally located at the northeast corner of Olsen Street and Eagle Rock Road in the City, County, and State, and is more particularly described on Exhibit "B" attached hereto.

Four Kids Declaration. The recorded document entitled "Four Kids Industrial Park Declaration of Protective Covenants", adopted on August 24, 1998 by Melvin Bagley, and in Book 980827, Instrument No. 02823 in the Office of the Recorder. A copy of the Four Kids Declaration is attached to this Declaration as Exhibit "C".

Interior Driveway. Those driveways and drive aisles within the Development shown on the Site Plan attached hereto as Exhibit "A", but excluding any public right of way.

Improvement. Any Building, parking area, sidewalk, loading area, fence, wall, hedge, landscaping, poles, signs, traffic signals, structures of any type or kind, and the permanent result of any other action taken for the improvement of the Development or a Parcel.

Mortgage. Any bona fide mortgage, deed of trust, or conveyance of a Parcel, or any interest therein or portion thereof, which secures the performance of an obligation which, upon completion of such performance, will be released, discharged, or be conveyed.

Mortgagee. The mortgagee, secured party, or other beneficiary of a mortgage.

Managing Party. Initially, the Declarant. However, upon and after the Transfer Date, Declarant shall be released from its obligations as Managing Party, and the Association shall be the Managing Party (acting by and through the Board, subject to any and all consent rights, approval or disapproval rights, or voting rights granted to or conferred upon the Owners or Members by this Declaration).

Member. A Person entitled to membership in the Association as provided herein.

Occupant. The Person in lawful possession of any portion of a Parcel, including, without limitation, any tenants that have the right to the possession of a portion of a Parcel pursuant to a valid and binding lease with the Owner of a Parcel and any of their subtenants.

Owner. Each of the Persons owning the fee interest in a Parcel or any portion thereof. The Declarant shall be and remain an Owner until the Transfer Date.

Parcel. Any legal lot existing within the Development.

Parking Areas. Any portion of the Development that is paved and striped for the purpose of the parking of vehicles, including the Interior Driveways adjacent thereto.

Person or Persons. Individuals, partnerships, limited liability companies, firms, associations, corporations, trusts, governmental agencies, administrative tribunals, or any other form of business or legal entity.

Property Manager. The Person employed at any given time by the Managing Party to perform the Common Area Maintenance Obligations for the benefit of and at the expense of the Owners.

Proportionate Share. Except as otherwise set forth in this Declaration, whenever an Owner of a Parcel is required to pay its Proportionate Share of a cost hereunder, the Proportionate Share shall be calculated as the ratio that the total square feet of gross land area of the Parcel owned by such Owner bears to the total square feet of gross land area of all Parcels in the Development.

Recorder. The Clark County Recorder, or any successor governmental entity with which documents and instruments affecting title to or the legal condition of real property in and around the location of the Development are required to be recorded, filed or otherwise placed of public record.

State. The State of Nevada.

Transfer Date. The date on which the Declarant has transferred all of its fee ownership in the Development to Persons who or which are not an Affiliate of Declarant.

Users. Each Owner together with the employees, agents, tenants, subtenants, and invitees of each such Owner and its tenants and subtenants.

SECTION 2
Grant of Reciprocal Easements

2.01. Easements for Parking, Access, Ingress and Egress. There are hereby reserved by and granted to the Owners, as well as their respective Occupants, employees, customers, invitees, licensees, and agents, for their reciprocal non-exclusive use and enjoyment, easements for ingress, egress, access, and parking for and by vehicles and pedestrians to and from the parking areas, driveways, drive aisles, and sidewalks located on or within the Common Areas located in the Development, and to and from the public ways surrounding the Development, as each exists from time to time. The aforementioned rights and easements shall be appurtenant to and pass with the transfer of title to the Owner's Parcel. Such rights and easements shall be subject to the following:

(a) The terms, provisions, covenants, conditions, restrictions, easements, reservations, uses, limitations, duties, and obligations contained in this Declaration.

(b) The right of the Managing Party to adopt, from time to time, reasonable rules and regulations concerning the Development, as the Managing Party may determine are necessary or prudent.

(c) The right of the Managing Party to grant permits, licenses, and easements over the Common Areas for utilities and other purposes reasonably necessary or useful for the proper maintenance or operation of the Development.

(d) The right of the Declarant to exercise and or all developmental rights and special declarant's rights, or any combination thereof, reserved by the Declarant in Section 16.13 of this Declaration.

2.02. Easements for Utilities. There are hereby reserved by and granted to the Owners and their respective Occupants, for their reciprocal nonexclusive use and enjoyment, easements for the installation, maintenance, and operation of utilities and services for the Common Areas and/or Parcels, including, without limitation, vaults, manholes, meters, pipelines, valves, hydrants, sprinkler controls, conduits, sewage facilities, and all related facilities, all of which shall whenever and wherever reasonably feasible be located below the surface of the Common Area, or the surface of any other above-ground improvements located thereon; provided, however, that in any event, all of the foregoing permitted public utilities and installations that are located above the surface of the Common Area shall be placed so as not to interfere with, restrict, or impede other uses of the Common Areas provided for herein. All damage done to any of the Common Areas in connection with the installation, maintenance, or replacement of any such utilities shall be promptly repaired by the Owner for whose benefit the utilities were installed, maintained, or repaired.

2.03 Other Easements. There are hereby reserved by and granted to the Owners each and every easement referred to or identified in any applicable recorded subdivision map, including but not limited to any easements for drainage, to the extent any such easement(s) burden the Owner's Parcel, for the uses and purposes stated in any such map or customarily associated with such easement(s), for the benefit of the property, persons, entities, utilities, and/or governmental or quasi-governmental agencies identified in such map.

SECTION 3
Permitted and Prohibited Uses

3.01. Industrial Purposes. Except as herein specifically provided, the Development shall be used for industrial office and warehouse purposes only, and such commercial and retail operations as may be of service to, and in harmony with, a first class industrial park, in accordance with this Declaration and all governmental laws, ordinances, rules, and regulations of any governmental authority having jurisdiction over the Development.

3.02. Prohibited Operations and Nuisances.

(a) Nuisances. No Person shall use or permit the use of its Parcel, or any portion thereof, for (i) the conduct of any offensive, noisy, or dangerous trade, business, manufacturing activity, or occupation, (ii) the maintenance of any nuisance, (iii) the conduct of any trade, service, or activity that results or may result in the emission of fumes, odors, glare, vibration, gases, hazardous waste, pollutants, radiation, dust, liquid waste, smoke, or noise, or (iv) the conduct of any activity which violates public policy.

(b) Prohibited Operations. No Person shall use or permit the use of its Parcel, or any portion thereof, in any manner which violates (i) applicable laws, rules, ordinances, or regulations of any governmental authority having jurisdiction over the Development, (ii) the use restrictions set forth in Article II of the Four Kids Declaration, or (iii) this Declaration. Without limiting the foregoing, no Person shall use or permit the use of its Parcel, or any portion thereof, for (1) cellular phone towers; (2) sexually-oriented businesses; (3) a hotel or residence; (4) a boarding or rooming house; (5) a halfway house; (6) a prison/custodial institution; (7) a rescue mission or shelter for the homeless; (8) a gun club; (9) a "junk yard", automobile salvage facility, or towing yard; (10) mining, sand, or gravel excavation; (11) salvage or reclamation of products; (12) incineration, reduction, treatment, or transfer of garbage or sewage; (13) any "adult" or "pornographic" entertainment facility, such as "adult" bookstores or x-rated movie theaters; (14) refining, storage, or distribution of petroleum or any other substance that is deemed a "hazardous substance" under any governmental law, ordinance, rule, or regulation of any governmental authority having jurisdiction over the Development; (15) a truck or bus terminal; (16) a public storage facility; (17) retail or medical uses, except when incidental to basic operation; (18) dry cleaning facilities; (19) any activity in violation of any governmental law, ordinance, rule, or regulation of any governmental authority having jurisdiction over the Development; or (20) any other unreasonable use of its Parcel not compatible with the operation of an industrial park or not permitted by this Declaration. No portion of the Development shall be used in such a manner as to increase the insurance of any other Owner or Occupant over that which would be charged if the Development were used solely for the purposes described in Section 3.01. No Person shall install or permit the installation of a satellite dish, antenna, or similar improvement on any portion of a Parcel, the Common Area, or any building or other improvement located in the Development, except to the extent screened from view and as approved by the Committee.

(c) Intended Use. No portion of the Common Areas shall be used for any purpose other than those consistent with the purposes for which it was designed and otherwise permitted by this Declaration.

(d) Permitted Use. In conjunction with the sale of Parcels, Declarant may require an Owner and its Occupants to use its Parcel for a specific use and no other ("Permitted Use"). A Permitted Use for a particular Parcel may be set forth in a recorded document that references this Declaration in the sole discretion of the Declarant if authorized by written agreement between Declarant and any Owner or prospective Owner, and may not be amended without the consent of the Owner to which the Permitted Use applies. When a Parcel is subject to a Permitted Use, it shall be used for such Permitted Use and no other without the written consent of the Managing Party, which consent may be granted or denied in Managing Party's sole and absolute discretion. When a Parcel is not subject to a Permitted Use, then it may be used for any purpose not otherwise prohibited by this Declaration or applicable law.

(e) Exclusive Uses. In conjunction with the sale of Parcels, Declarant may grant an Owner or its Occupants the exclusive right within the Development to use its Parcel (the "Benefited Parcel") for a specific purpose ("Exclusive Use"). An Exclusive Use benefiting a particular Parcel may be set forth in a recorded document that references this Declaration in the sole discretion of the Declarant and may not be amended without the consent of the Owner or Occupant (or its successor or assign) for whose benefit the Exclusive Use was granted. No Parcel or portion thereof within the Development shall be used for the Exclusive Use (other than the Benefited Parcel) until such time as the Benefited Parcel is no longer used for the Exclusive Use. Should such Benefited Parcel cease to be used for an Exclusive Use for longer than 30 consecutive days, then such Exclusive Use shall terminate and be of no further force or effect. By purchasing or leasing property within the Development, each Owner and Occupant agrees to be bound by each Exclusive Use recorded from time to time by Declarant, but only to the extent that such Exclusive Use does not violate such Owner's or Occupant's Exclusive Use or primary use of its Parcel or materially interfere with such Owner's or Occupant's actual use of its Parcel, as such use exists at the times of such recordation.

SECTION 4
Construction and Operation of Improvements
And Maintenance of Parcels

4.01 Improvements. No Improvement may be constructed, erected, placed, altered, remodeled, or reconstructed on any Parcel unless it complies with this Declaration, the Design Guidelines, Article III of the Four Kids Declaration, any regulations and/or guidelines promulgated by utility companies for activities surrounding utility lines, pipes, poles, and wires, and all applicable governmental requirements, and is approved by the Committee in accordance with this Section 4. In no event shall any Improvements be constructed, erected, or placed by any Owner outside of the Owner's Parcel. Any Improvement constructed, erected, placed, altered, remodeled, or reconstructed on any Parcel, and any work undertaken on any existing building on a Parcel shall at all times be of first-class quality construction and architectural design. Standards governing appropriate building setbacks, parking, loading areas, storage, temporary improvements, landscaping, signs, utility connections, fencing, on-site lighting rooftop construction, and on-site drainage are set out in this Section 4. Additional standards may be adopted by the Managing Party and incorporated in the Design Guidelines. If there is a conflict between this Section 4, the Design Guidelines, and any applicable law, rule, regulation, or ordinance in effect at the time any Improvement is to be constructed, erected, placed, or altered, the more restrictive shall be deemed controlling.

4.02 Limitation of Liability. Neither the Declarant, the Committee, the Association, nor any agent or employee of any of them shall be liable to any Owner, Occupant, User, or any other party for any damage, loss, or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings or specifications, or (b) the construction or performance of any work by any Person other than the Declarant, the Committee, or the Managing Party, whether or not pursuant to approved plans, drawings, and specifications. Approval by the Committee is independent of any approvals or permits required to be obtained from the applicable governmental authorities and in no way suggests that any such approvals or permits are obtainable from such governmental authorities.

4.03 Architectural Review and Committee Approval.

(a) Committee. The Committee shall discharge the duties set forth in this Section 4, the Design Guidelines, and any other standards or criteria adopted by the Managing Party.

(b) Approval by Committee. Prior to making any Improvement to a Parcel, the Owner of such Parcel shall submit to the Committee a written request for approval. The applicant shall provide the Committee with a full set of plans showing the proposed Improvements, including, without limitation, civil plans showing the location and tie-in points to all common utilities. The Committee may charge a fee not to exceed One Thousand Dollars ($1,000) in connection with any such review. The Committee shall consider requests for approval in accordance with the Design Guidelines, and such approval shall not be unreasonably withheld, delayed, or conditioned, and none of the foregoing shall be commenced without such approval. Without limiting the generality of the foregoing, any work in, on, or affecting any portion of the Common Area shall be subject to the prior written approval of the Committee. The Committee may subject its approval to such reasonable conditions as it deems appropriate. However, no requirement for approval pursuant to this Section 4.03 shall apply in the case of proposed reconstruction of Buildings or Improvements which have been damaged, destroyed by fire or other casualty, or which have become worn out or obsolete, so long as such reconstruction will not materially alter the size, height, bulk, and exterior appearance, and/or parking requirements of the Improvements as they existed prior to the events or conditions requiring reconstruction and provided further that notice of intent to so reconstruct is given by the reconstructing Person to the Managing Party at least 30 days prior to the commencement of any work thereon.

4.04. Damage Deposit. After approval by the Committee of Improvements to be constructed on a Parcel, the Owner of such Parcel shall deposit with the Managing Party the amount of Five Thousand Dollars ($5,000) to secure such Owner's obligations to restore any Common Area damaged in connection with the construction of such improvements. In the event Owner does not restore any such damage as required by this Declaration, then Managing Party may, but shall not have the obligation to, restore such damage as permitted by Section 9.01 and use the damage deposit to pay for any costs associated with such restoration. Use of any of the damage deposit shall in no way limit Managing Party's or any Owner's rights under Section 5.12 or Section 9 or any other rights at law, equity, or as contained in this Declaration. The balance of the deposit shall be returned to the Owner after (i) Owner has requested that Managing Party and the Committee to inspect the Owner's Parcel and adjacent areas to confirm any damage has been satisfactorily repaired, (ii) Owner has delivered to Managing Party and the Committee as-built plans of the improvements, and (iii) Owner has delivered to Managing Party and the Committee a copy of the final certificate of occupancy for the improvements.

4.05 Maintenance During Construction. Any approved construction on or concerning, and any Improvement to, any Parcel by or on behalf of any Owner shall be governed by the following restrictions unless a prior written waiver is obtained from the Managing Party:

(a) Construction Screening. All construction sites shall be enclosed with a lockable chain link fence, kept in a neat and good condition at all times and locked whenever construction is not actually being performed.

(b) Dust. Dust from all construction sites shall be controlled at all times by watering down the construction site. Any sandblasting activities shall be restricted to the water-type application. The Owner of the Parcel on which or for whose benefit construction is being performed shall be responsible for maintaining the Common Area and adjacent public streets (or causing the same to be maintained) in a clean, dust-free, and mud-free condition on a daily basis, and shall be responsible for complying with or causing compliance with dust and pollution laws and regulations.

(c) Damaged Areas. All Common Areas, utilities, or portions of other Parcels that are damaged due to the construction process on a Parcel shall be repaired, to the reasonable satisfaction of the Managing Party (or the Owner of such other Parcel in the case of damage to another Parcel), at the sole expense of the Owner of the Parcel on which the construction is being or was performed. The damaged Common Areas and Parcels shall be repaired within seven days after the damage occurs; damaged utilities shall be repaired within 24 hours after the damage occurs.

(d) Damaged Landscaping or Sprinkler Systems. Any landscaping materials or sprinkler systems on an adjacent Parcel or Common Areas damaged in the course of construction on a Parcel shall be replaced or repaired within two days after damage is detected, to the reasonable satisfaction of the Managing Party, at the sole expense of the Owner of the Parcel on which the construction is being or was performed.

(e) Parking. Construction, delivery, and other vehicles operated or utilized in connection with construction activities upon a Parcel shall be parked only upon such Parcel or, with the prior written consent of the Owner of another Parcel, upon such other Parcel.

(f) Repair by Managing Party. If any damage required to be repaired by a Parcel's Owner pursuant to this Section 4 is not repaired to the reasonable satisfaction of the Managing Party, applicable public or private utility, or the applicable Owner of another Parcel within the time periods specified, the Managing Party (or other Owner in the case of damage to another Parcel) may, at its option, cause the damage to be repaired in accordance with the provisions of Section 9 hereof.

(g) Fire Protection. Each Owner shall be responsible for all fire protection for the Improvements located on their respective Parcels.

4.06 Emergency Work. Notwithstanding any other notice provision contained in this Declaration, in the event of an emergency condition, any Owner may undertake the necessary construction work to remedy the emergency condition, provided that the Owner undertaking such work does so in good faith, gives notice thereof to the Managing Party upon the occurrence of the emergency condition or as soon thereafter as possible, and otherwise complies with the applicable provisions of this Declaration.

4.07 Construction Timing. The provisions of this Section 4.07 shall not apply to the initial Improvements to the Development made or constructed by the Declarant. In all other circumstances, any construction or other work performed by or on behalf of an Owner after approval from the Committee shall be commenced no later than 90 days after receipt of the Committee's approval, and shall be substantially completed within the six month period following the date of commencement unless the Managing Party agrees in writing to a longer time period. In the event the foregoing time period is exceeded without prior approval of the Managing Party, the Managing Party may impose an assessment against the Owner's Parcel in the amount of one percent (1%) of the price such Owner paid for its Parcel for each month or portion of a month from the date the applicable time period is exceeded until the required performance has been completed. Any sum so assessed shall be an Individual Purpose Assessment against the applicable Owner and Parcel in accordance with Section 5.11. Each Owner, by accepting a deed to a Parcel, acknowledges and agrees (i) that the Declarant, the Association, and the other Owners will be substantially harmed by the failure of any Owner to comply with the foregoing construction schedule, (ii) that it would be impractical or extremely difficult to fix actual damages for such defaults, (iii) that the foregoing amount represents a good faith estimate of actual damages that may ensue from a breach of each Owner's obligation, and (iv) the amounts represent liquidated damages rather than a penalty and the assessments are not disproportionate to the actual damages to the Declarant, the Association, and other Owners.

4.08 Subdivision and Partition of Parcels. No Parcel of record within the Development may be subdivided for sale without both the prior written permission of the Managing Party and appropriate governmental review and approval pursuant to applicable statutes, ordinances, and regulations. No Owner shall bring any action for partition of a Parcel or of its interest therein, it being agreed that this restriction is necessary to preserve the rights of the Owners with respect to the operation and management of the Development. Notwithstanding the foregoing, judicial partition of a Parcel owned by two or more Persons is not prohibited hereby so long as the same is effected by means of a sale of the entire Parcel with the partition affecting only a division of the proceeds of such sale.

4.09 Utilities. Any work performed by a Person to connect to, repair, relocate, maintain, or install any storm drain, utility-line, sewer, water-line, gas-line, telephone conduits, or any other public utility service shall be subject to all conditions set forth in, and be performed in compliance with, this Declaration, any utility plan applicable to the Development, including but not limited to any applicable master utility plan established by any governmental or quasi-governmental agency, the Henderson Municipal Code, and any rules, regulations, or conditions adopted or imposed by the Department of Utility Services. In addition, all such work shall be performed without interference with the provision of such services to any other User. Any work of installation, alteration, replacement, or repair of utility installations which requires interference with the paving in the Common Area shall be undertaken with particular care so as to minimize the impact upon traffic circulation within the Common Area and access of all Users to the various business establishments in the Development. All utilities servicing Parcels shall be separately metered, and all costs in connection therewith shall be borne by the Owner thereof at no cost or expense to the other Owners. All utility wires, pipes, conduits, facilities, connections, and installations (including, without limitation, electrical and telephone) shall be underground or screened from view in accordance with applicable law and any utility plan applicable to the Development. No utility meter or apparatus shall be located on any pole or attached to the outside of any building wall which is exposed to view from any street. All transformers shall be placed on or below the surface of each Parcel.

4.10 Maintenance of Parcels. Each Owner shall, at such Owner's sole cost and expense, keep or cause to be kept such Owner's Parcel (including Buildings, Improvements, easement areas, landscaping, and grounds thereon) in a well-maintained, clean, neat, attractive, and first-class condition at all times and shall comply in all respects with all applicable governmental health, fire and safety statutes, ordinances, regulations, and requirements.

4.11 Parking. The location, number, and size of parking spaces within parking areas on a Parcel shall be and remain as set forth in the Site Plan attached hereto as Exhibit "A", except as may be otherwise approved in writing by the Managing Party, but shall in no event be less than required by all applicable local codes and regulations. All parking spaces located in the Development must be and remain free, unfettered, and permanently available to all Users of each Parcel. All parking spaces must be permanently marked and maintained for public parking purposes only. Notwithstanding the foregoing, in the event any Parcel includes more parking spaces than are required by the Henderson Municipal Code or any other governmental or quasi-governmental approvals, conditions, or plans applicable to the Development, the Managing Party and the Owner of such Parcel may agree, in a separate writing, that certain parking spaces located on such Parcel may be reserved for the exclusive use of the Owner and its Occupants, provided that the Managing Party shall be under no obligation to enter into any such agreement with any Owner if the Managing Party determines, in its sole discretion, that such agreement would have a negative effect on the Owners and/or Occupants of other Parcels in the Development. Extended parking of vehicles (more than a single uninterrupted period of 48 hours) is not permitted. Each Owner and Occupant shall be responsible for compliance by its employees and visitors with the provisions of this Section 4.11.

4.12. <u>No Walls, Fences, or Barriers</u>. No walls, fences, or barriers of any sort or kind shall be constructed or erected in the Development, or any portion thereof, which shall prevent or impair the use or exercise of any of the easements granted herein, or the free access and movement of Occupants and Users, including, without limitation, free access and movement between the Parcels and public streets or the Interior Driveways to the extent any easement created pursuant to Section 2 is impaired; provided, however, curb stops and other reasonable traffic controls, including, without limitation, traffic lights, stop signs, directional barriers, and parking stops, as may be necessary to guide and control the orderly flow of traffic, may be installed by the Managing Party or an Owner with Managing Party's consent. Notwithstanding the foregoing, any walls, fences, and gates that surround the Development or enclose private yards or solid waste containers located on a Parcel shall be constructed of the same materials that were used in the original construction thereof, or such other decorative materials that are permitted by the Design Guidelines or, in the absence thereof, approved by the Committee. No chain link fences or colored, common gray, or painted CMU block shall be permitted. No Owner may tear down or rebuild any wall, fence, or gate that was originally constructed by the Declarant, or construct, erect, or install any other wall, fence, or gate, without obtaining the prior approval of the Managing Party.

4.13. <u>Signage</u>. No signs may be installed, placed, or erected on any building, any Parcel, any part of the Common Area, or any part of the Development, unless the sign complies in all respects with the signage criteria incorporated in the Design Guidelines or otherwise adopted by the Managing Party for the Development, except as otherwise permitted in advance in writing by the Managing Party, and the sign complies in all respects with applicable laws, rules, regulations, and ordinances. No free-standing or pylon signs shall be located in the Development other than those erected by or approved by the Managing Party. No signs shall be erected or installed on the exterior of any building without the prior written approval of the Managing Party, which approval shall include the design and sign concept, height, visibility of the sign, and the complimentary and aesthetic display of any names on the sign. The Managing Party may install Development informational signs anywhere on the Common Areas to assist in directing traffic to individual Parcels. The Managing Party will have the sole discretion to erect these signs on an as needed basis. In addition, the Managing Party may install traffic signs anywhere on the Common Areas to assist in the control of vehicle traffic. Owners may request the installation of additional informational signs, and each such request shall include evidence that the proposed signage will not violate any applicable law, rule, regulation, or ordinance. These requests will be considered on an individual basis by the Managing Party by written request. If several businesses are operated within one building, a building directional sign with additional identification for each business will be considered on an individual basis by submission to the Managing Party. The Managing Party may authorize the Committee to consider such requests.

4.14 Exterior Lighting. All exterior lighting shall be designed, installed, directed, altered, and maintained in accordance with the Design Guidelines or other lighting criteria adopted by the Managing Party and applicable laws, rules, regulations, and ordinances, except as may be otherwise approved in advance in writing by the Managing Party. All exterior lighting shall be compatible and harmonious throughout the Development and shall be in keeping with the specific function and building type being served. Notwithstanding any other provision of this Declaration, any lighting required by any applicable federal, state, or local law or regulation shall not be a violation of this Declaration.

4.15. Loading and Receiving Areas. No Owner shall cause or permit others to load and unload vehicles in any location except for designated loading and receiving areas. No Owner shall cause or permit others to use any loading or receiving area in a manner that obstructs or interferes with the free use of any drive aisle, parking spaces, building entrance, street or sidewalk.

4.16. Outside Storage. Except during construction, no vehicles, materials, supplies, equipment, finished or semi-finished products or articles of any nature shall be permitted to be stored on any area exterior to the Building (or the enclosed yard) on any Parcel without the approval of the Managing Party. During construction of Improvements on any Parcel, necessary construction materials and supplies may be stored on the Parcel provided that they are kept in neat order considering the construction activities. All storage of construction materials shall be on the Parcel on which the construction is to take place; provided, however, that such storage may be on another Owner's Parcel with the prior written consent of such Owner and the Managing Party.

4.17 Solid Waste Containers. Subject to applicable City or other governmental laws and regulations in effect from time to time that may impose additional or more stringent container requirements, each Parcel shall have a minimum of one commercial size solid waste container. Said commercial waste container shall be maintained in good mechanical condition. All waste containers shall be emptied as often as necessary so as to prevent such container from overflowing and at least once every seven days if such container is used for the deposit of garbage or other putrescent material. All garbage or putrescent material must be bagged or wrapped so as to be airtight before being deposited in the waste containers. When waste containers are in use, lids and doors of such waste containers are to be kept in a closed position at all times except during times when such container is being emptied or filled. Each waste container shall be screened from view from all adjacent property or streets by means of solid masonry walls at least the height of the waste container, which walls shall be approved in writing in advance by the Managing Party.

4.18 Landscaping. Subject to applicable laws or regulations of the City or other applicable governmental authority in effect from time to time, including but not limited to water conservation and desert landscaping laws, each Parcel, including portions thereof located within any setback lines or easement areas, shall be landscaped in accordance with landscape plans included in the Design Guidelines or otherwise adopted by the Managing Party, except as otherwise approved in advance in writing by the Managing Party. It is the responsibility of the Owner of a Parcel to maintain all landscaped areas of such Owner's property (including those portions lying within setback lines and easement areas). If any Owner fails to undertake and complete the required landscaping, the Managing Party may enforce such obligation in accordance with the provisions of Section 9 of this Declaration.

4.19. On-Site Drainage. No water shall be drained or discharged from any Parcel or Building thereon, except in accordance with any drainage easements identified in any applicable subdivision map, and as approved by the Managing Party and the City and/or County, as applicable. Further, no Owner shall interfere with the drainage established by any applicable subdivision map and any other grading plan applicable to the Development for the remainder of the Development or any other property adjacent to the Parcel.

4.20. Approvals, Waivers and Variances. It is the intent of this Declaration that the regulation of Parcels as set forth in this Section 4 be strictly adhered to. Notwithstanding that intent, it is recognized that particular circumstances may from time to time and on a case-by-case basis necessitate the waiving or varying of certain of the requirements set forth in this Section 4. Therefore, for good cause shown, the Managing Party may, in its reasonable, good faith discretion, on a case-by-case basis, waive or vary one or more of the requirements and standards of this Section 4 so long as such waiver or variance does not violate the overall scheme and intent of this Section 4. Any waiver or variance, when granted, shall be final and binding upon all Owners provided that it is granted in accordance with the provisions of this Section 4.17. The granting of a waiver or variance to one Owner shall not automatically entitle another Owner to the same waiver or variance, it being understood that each request for a waiver or variance shall be treated on its own merits. Further, the granting of a waiver or variance to an Owner shall not automatically entitle that Owner to any subsequent or additional waiver or variance. All approvals, waivers and variances by the Managing Party shall be in writing and granted and signed by the Managing Party (and, after the Transfer Date, by a majority of the members of the Board) and, if requested by the applicant, shall be in recordable form. Any approval, waiver, or variance in any form other than as set forth in the immediately preceding sentence shall not be binding on the Managing Party.

SECTION 5
Common Area Maintenance and Assessments

5.01. Maintenance By Managing Party. Unless otherwise agreed in writing by all Owners, the Managing Party shall operate, maintain, and keep in good condition and repair the Common Areas, including, but not limited to the Common Area's Interior Driveways, Parking Areas, sidewalks, landscaping, public utilities, and lighting facilities, for the benefit of and at the expense of all of the Owners (the "Common Area Maintenance Obligations"). The Managing Party may engage a Property Manager, in accordance with Section 5.03 of this Declaration, to perform the Common Area Maintenance Obligations. The Common Area Maintenance expenses shall include the expenses of management; premiums for Common Area insurance; common lighting; maintenance, repair, replacement, and renovation of the Common Areas; Property Manager compensation; charges for Common Area utilities; legal and accounting fees incurred in connection with the performance of Common Area Maintenance Obligations; costs, expenses, and liabilities incurred by the Managing Party on behalf of the Owners or otherwise arising under or by reason of this Declaration, the Articles, or Bylaws; the creation of reasonable reserves and/or working capital; any and all other costs and expenses relating to the Common Areas, and/or any other obligations undertaken by the Managing Party or the Property Manager at the request of the Managing Party, for the benefit of all Owners, including, without limitation, the following:

(a) Paved Areas. Maintaining all paved surfaces and curbs of the Common Area in a smooth and evenly covered condition which maintenance work shall include, without limitation, cleaning, sweeping, restriping, repairing, and resurfacing of the driveway areas and curbs.

(b) Debris and Refuse. Removal of all papers, debris, filth, and refuse, and sweeping the Common Area, to the extent necessary to keep the Common Areas in a first-class, clean and orderly condition.

(c) Signals and Markers. Placing, keeping in repair, and replacing any appropriate directional signs, markers, lines, and bumpers.

(d) Landscaped Areas. Maintaining all landscaped areas, repairing automatic sprinkler systems or water lines in the Common Area, and replacing shrubs and other landscaping as necessary.

(e) Utilities. Maintaining and repairing any and all common storm drains, utility lines, sewers, and other utility systems and services located in the Common Area which are necessary for the operation of the Common Area or the Development as a whole. The failure to pay any such utility bill shall permit the Managing Party to impose an Individual Purpose Assessment on such Owner's Parcel pursuant to Section 5.11.

(f) Obstructions. Keeping the Common Area free from obstructions not required or permitted hereunder.

(g) Prevention of Unauthorized Use. Taking reasonable action to prevent any use of the Common Area not permitted hereunder.

(h) Sidewalks. Cleaning, maintenance, and repair of all sidewalks.

(i) Governmental Requirements. Complying with all applicable requirements of governmental agencies pertaining to the Common Areas, including, without limitation, any alterations or additions required to be made to, or safety appliances and devices required to be maintained in or about the Common Areas under any law, rules, regulations, or orders now or hereafter adopted, enacted, or made and applicable to the Common Areas; provided, however, that the Managing Party shall not be responsible for the failure of another Owner or Occupant not a tenant of the Managing Party to comply with applicable requirements of governmental agencies with respect to the Parcel of such other Owner or occupied by such Occupant.

(j) Personnel. Employment of all personnel, contractors, subcontractors, managers, and other persons required for operation and maintenance of the Common Areas, the Managing Party to pay all Social Security, worker's compensation, state disability insurance, and other payments required to be made in connection with any such employment.

(k) Lighting. Maintaining of lighting of the Common Areas.

(l) Pylon or Monument Signs. Design, construction, and maintenance of the pylon or monument signs on the property, which signs advertise the Development and the businesses of certain Owners at Managing Party's sole and absolute discretion. Notwithstanding anything herein to the contrary, the Proportionate Share for the cost of the design, construction, and maintenance (including electricity) of the pylon sign shall be based on a fraction, the numerator of which shall be the square footage of the sign panel for an Owner's business, and the denominator of which shall be the square footage of all the sign panels on the pylon sign (excluding any panel for the Development in general as opposed to any specific Owner or Occupant).

(m) Insurance. The Managing Party shall maintain comprehensive public liability and property damage insurance to protect against any liability to the public, or to any User, arising out of or related to the use of or resulting from any accident or act occurring in or upon the Common Area, with a comprehensive single limit of liability of not less than $2,000,000.00, subject to "deductibles" or self-insurance equivalent to those allowed the Owners under Section 7. Such insurance shall be primary insurance. Each policy of insurance shall provide that it shall not be subject to cancellation or material change except on 30 days' prior written notice to each insured Person. Each Owner shall pay its Proportionate Share of the cost of repair or replacement of such damaged or destroyed Common Areas to the extent such cost is not covered by insurance.

5.02. Common Area Maintenance Expenses. "Common Area Maintenance Expenses" shall mean all of those costs incurred by the Managing Party and the Property Manager (at the request of the Managing Party) in connection with the performance of the Common Area Maintenance Obligations described in Section 5.01 and elsewhere in this Declaration. Such expenses shall exclude only the following:

(i) Any and all expenses for which Managing Party is reimbursed (either by an insurer, tenant, condemning entity, or other person or entity), but only to the extent of such reimbursements;

(ii) Costs incurred in providing services which are separately invoiced and charged to any Owner; and

(iii) Any and all real property and other taxes, general assessments, and special assessments imposed against a Parcel, including the Common Areas located on such Parcel. Each Owner shall be personally liable for the full and timely payment of all such taxes and assessments.

5.03. Property Manager. Notwithstanding any other provision to the contrary contained in this Section 5, the Managing Party may enter into an agreement at market rates and terms with a third party operating entity for the operation and maintenance of the Common Areas as provided in this Section 5, which third party may be an Affiliate of the Managing Party, and pursuant to which the Property Manager shall perform the Common Area Management Obligations assigned to it by the Managing Party. The Managing Party shall have the right to change the Property Manager and/or its responsibilities from time to time in its sole and absolute discretion. As compensation for the operation and maintenance of the Common Areas as specified in Sections 5.01 and 5.02, the Managing Party may pay to the Property Manager, as compensation for services rendered, a fee of no more than twelve percent (12%) of the total Common Area Maintenance Expenses, exclusive of insurance, unless a majority of the Owners agree that the Property Manager's compensation should be a higher amount. Each Owner shall pay its share of the fee in accordance with the provisions of Sections 5.04 and 5.05. Expenses of the Property Manager in performing its obligations under the agreement may be included as Common Area Maintenance Expenses but shall be in lieu of the administrative fee referred to above.

5.04 Personal Obligation for Assessments. All Owners covenant and agree, and shall be personally obligated, to pay to the Managing Party all of the following assessments: (a) the Periodic

Assessments (defined in Section 5.06(a) below) imposed by the Managing Party to meet the Common Area Maintenance Expenses, including reserve requirements of the Managing Party; (b) Special Assessments, pursuant to Section 5.10 of this Declaration; (c) Individual Purpose Assessments, pursuant to Section 5.11 of this Declaration; and (d) other charges, costs, interest, fees, and assessments, including without limitation assessments relating to defaults, acts, errors, or omissions of an Owner or his family, tenants, guests, or invitees, as provided in this Declaration ("Default Assessments"). Every Owner of each Parcel shall be jointly and severally liable to the Managing Party for the payment of all Periodic Assessments and Special Assessments, and shall be personally liable to the Managing Party for the payment of all Individual Purpose Assessments, Default Assessments, and other charges, costs, interest, and fees attributable to its Parcel. The payment of any and all assessments is an independent covenant, with all assessments payable in full, when due, without notice (except as otherwise expressly provided in this Declaration) or demand, and without setoff or deduction. No Owner may waive or otherwise escape personal liability for the payment of the assessments, charges, and fees provided for herein by non-use of its Parcel, the Common Areas, or the facilities contained therein, or by abandonment or leasing of its Parcel. Further, no Owner may waive otherwise escape personal liability for the payment of its Proportionate Share of any assessments, charges, or fees relating to the Common Area insurance by reason of such Owner's purchase of other or additional insurance policies covering the Common Areas located on such Owner's Parcel.

5.05. Allocation of Common Area Maintenance Expenses. Except as otherwise expressly provided in this Declaration, all assessments for Common Area Maintenance Expenses (including all assessments except Individual Purpose Assessments and Default Assessments) shall be allocated among the Parcels in accordance with each Owner's respective Proportionate Share.

5.06. Periodic Assessments: Budgets.

(a) Commencement of Assessments. The initial assessments shall commence not later than 60 days after the first sale of a Parcel to a purchaser other than a successor Declarant or an Affiliate of Declarant. After any assessment has been made by the Managing Party, an assessment ("Periodic Assessment") shall be payable periodically with the amount of the Periodic Assessment to be determined by the Managing Party from time to time (but no less frequently than annually) based on a budget adopted in accordance with Section 5.06(b), below.

(b) Budget. Within 30 days after adoption of the initial budget, and thereafter, on or before the first day of November of each calendar year, the Managing Party (if the Association, then acting through the Board) shall cause to be prepared a proposed annual budget for the ensuing calendar year, estimating the total amount of the Common Area Maintenance Expenses required during such year, together with the reserves identified in Section 5.07, below. The Managing Party shall prepare each proposed budget assuming the Managing Party's books and records are maintained on an accrual basis, to provide for the payment of all estimated expenses, costs, and fees for the duties described in Sections 5.1 and 5.2 of this Declaration and for other costs, fees, and expenses, related to or connected with the administration, maintenance, insurance, repair, operation, addition, alteration, and improvement of the Common Areas, and any other obligations which may be undertaken by the Managing Party for the benefit of the Owners or the Development as a whole. Within 30 days after the adoption of any proposed budget, the Managing Party shall furnish a copy of a summary of the proposed annual budget to each Owner. The proposed annual budget shall be submitted to the Association's voting Members at a meeting, and to the extent adopted by an affirmative vote of at least 67% of the voting power of the Association (or Owners owning 67% of the square footage of land area in the Development if the Association has not yet been created), or Declarant or an Affiliate of Declarant (so long as Declarant or an Affiliate of Declarant owns a Parcel), the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the Managing Party.

5.07. Reserves. The Managing Party may establish an adequate reserve fund for the maintenance, repair, and replacement of those Common Areas that must be periodically maintained, repaired, or replaced and for payment of insurance deductibles. Such reserves shall be included in the budget and funded through the Periodic Assessments.

5.08. Date of Payment of Periodic Assessments. The Periodic Assessments shall be due and payable on the first day of each month, in advance, or on such other dates, and with such frequency (but no less frequently than annually), as may be set by the Managing Party from time to time. Any person purchasing a Parcel between Periodic Assessment due dates shall pay a pro rata share of the last Assessment due.

5.09. Rate of Assessment. Both Periodic Assessments and Special Assessments shall be fixed at such rates as will be sufficient to meet the advance budget of the Managing Party.

5.10. Special Assessments. In addition to the Periodic Assessments authorized above, the Managing Party may at any time, from time to time, determine, levy, and assess a special assessment ("Special Assessment") for the purpose of defraying, in whole or in part, payments for any operating deficit, loss, or unbudgeted expense, and/or unbudgeted costs, fees, and expenses of any construction, reconstruction, repair, demolition, replacement, management, administration, or maintenance of the Common Areas including without limitation any fixtures and personal property related thereto. Special Assessments shall be based on a budget adopted in accordance with Section 5.06, provided that if necessary, the Managing Party shall adopt a new budget pursuant to Section 5.06 before levying a Special Assessment. Such Special Assessment(s) shall be due and payable as determined by the Managing Party, with at least 30 days' prior written notice provided to the Owners.

5.11. Individual Purpose Assessments.

(a) Nature. In addition to the Periodic Assessments and Special Assessments as hereinabove provided, the Managing Party may at any time, or from time to time, levy and collect assessments against any one or more, but fewer than all, of the Parcels, for any matters applicable only to such Parcels. Such Individual Purpose Assessments may include, but shall not be limited to, (i) expenses of maintaining, repairing, and replacing all fixtures, equipment, and utilities which are Common Areas but provide exclusive service to such Parcel(s) and any service lines to the Parcel(s), including without limitation all utility, heating, plumbing, air conditioning, and domestic hot water equipment and appurtenances, (ii) costs of insurance assessed in proportion to risk (if reasonably determinable), and (iii) costs of utilities assessed in proportion to usage if the same are separately measured or to the extent the same can otherwise be fairly and equitably attributed to the Parcel(s). Such Individual Purpose Assessments (which shall include any Default Assessments) may be levied against Parcels to pay or reimburse the Managing Party for any costs, expenses, fees, reserves, and other charges, incurred or reasonably anticipated to be incurred by the Managing Party, for management, control, administration, maintenance, repair, replacement, and improvement, or any other purpose, of or with respect to any matter pertaining to the Parcels against which such Individual Purpose Assessment is levied.

(b) Payment. The amounts determined, levied, and assessed pursuant to this Section 5.11 shall be due and payable as determined by the Managing Party provided that written notice setting forth the amount of such Individual Purpose Assessment for each Parcel and the due date(s) for payment thereof shall be given to the Owners of the affected Parcels not less than 30 days prior to the due date, and that the Owner is afforded a reasonable opportunity to be heard by the Managing Party before an Individual Purpose Assessment being levied.

5.12. Liens.

(a) Nature of Lien. All sums owed the Managing Party shall be a lien on the Parcel of the Owner owing the same. The Managing Party may bring an action at law or in equity against the Owner personally obligated to pay the same, or foreclose the lien against the Parcel of such Owner without waiving any right to a deficiency. The provisions of Sections 116.3116 to 116.31168, inclusive, of the Nevada Revised Statutes, or any successor statute(s), are hereby adopted and incorporated herein for the purpose of, among other things, establishing the manner in which any charges referred to herein shall become a lien against the Parcel of the Owner owing the same, the priority of such liens, and the manner in which they are enforced. Any lien so created shall also secure reasonable attorneys' fees incurred by the Managing Party incident to the collection of such charges and the enforcement of such lien. Such lien may also be enforced in any other manner permitted by law. The lien shall be subordinate to and shall not defeat any bona fide lease, sublease, mortgage, deed of trust, or sale-leaseback (or assignment thereof) made in good faith and for value.

(b) Application of Nevada Law. Except as provided in Section 5.12(a), and in accordance with Section 116.1201 of the Nevada Revised Statutes, the provisions of Chapter 116 of the Nevada Revised Statutes shall not apply to any of the terms of this Declaration, including, without limitation, the creation and operation of the Association.

(c) Effect of Recordation. The recording of this Declaration constitutes record notice and perfection of the statutory lien. No further recordation of any claim of lien or assessment is required; however, a claim may be recorded at the Managing Party's option, in which event costs and attorneys' fees incurred in connection with the preparation and filing of such claim shall be assessed against the Owner and its Parcel as a Default Assessment.

5.13. Effect of Non-Payment. Any assessments, charges, costs, or fees provided for in this Declaration, which are not fully paid within 10 days after the due date thereof, will bear interest from the due date at the rate of eighteen percent (18%) per annum, or at such other rate as may be set by the Managing Party from time to time (subject to any limits imposed by law) (the "Agreed Rate"), and the Managing Party may assess a monthly late charge thereon in addition to such interest. Further, the Managing Party may bring an action at law or in equity, or both, against any Owner personally obligated to pay such overdue assessments, charges, costs, or fees, and may also proceed to foreclose its lien against such Owner's Parcel in the manner permitted in Section 5.12. An action at law or in equity by the Managing Party against an Owner to recover a money judgment for unpaid assessments, charges, costs, or fees, may be commenced and pursued by the Managing Party without foreclosing or in any way waiving the Managing Party's lien therefor. In the event that any such assessment, charge, cost, or fee, is not fully paid when due and the Managing Party shall commence such an action (or shall counterclaim or cross claim for such relief in any action) against an Owner personally obligated to pay the same, or shall proceed to foreclose its lien against the particular Parcel, then all unpaid assessments, charges, and fees, any and all late charges and accrued interest under this Section 5.13, the Managing Party's costs, expenses, and reasonable attorneys' fees incurred in collection efforts, and the Managing Party's costs of suit, expenses, and reasonable attorneys' and other professional fees incurred for any such action and/or foreclosure proceedings, and any other costs which may be authorized by a court of competent jurisdiction, shall be taxed by the court as a part of the costs of any such action or foreclosure proceeding and shall be recoverable by the Managing Party from any Owner personally obligated to pay the same and from the proceeds of the foreclosure sale of such Owner's Parcel. Foreclosure or attempted foreclosure by the Managing Party of its lien shall not be deemed to estop or otherwise preclude the Managing Party from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessments, charges, costs, or fees which are not fully paid when due. The Managing Party shall have the power and right to bid on or purchase any Parcel at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, vote the Association votes appurtenant to ownership thereof, convey, or otherwise deal with the same. In any action brought by the Managing Party (or counterclaim or cross claim brought by the Managing Party) to collect assessments or to foreclose a lien for unpaid assessments, the Managing Party shall be entitled to have a receiver of the Owner and the Owner's Parcel to collect all sums alleged to be due from the Owner prior to or during the pendency of the action. The receiver shall have the right to collect any rents paid in connection with the use of such Owner's Parcel. The Court may order the receiver to pay any sums held by the receiver to the Managing Party during the pendency of the action to the extent of the Managing Party's assessments.

5.14. <u>Successor's Liability for Assessments</u>. Notwithstanding any terms and provisions of this Declaration to the contrary, unless otherwise determined by the Managing Party, the sale or transfer of any Parcel shall not affect the lien for assessments, charges, costs, or fees levied hereunder, except as otherwise provided by applicable law in the event the sale or transfer of a Parcel is made pursuant to foreclosure of a Mortgage or any proceeding in lieu thereof. If applicable law provides that the lien for assessments shall be extinguished as a matter of law under the circumstances, in no event shall the sale or transfer result in the extinguishment or release of the personal obligation of the Owner for the payment of assessments; provided, however, that any such assessments, charges, costs, or fees which are extinguished as provided herein may be reallocated and assessed to all Parcels. No sale, transfer, foreclosure, or any proceeding in lieu thereof, shall relieve any Owner from liability for any assessments, charges, costs, or fees, or any portion thereof, accrued during the period of such Owner's ownership of the Parcel. No Owner shall have personal liability for assessments levied with respect to a Parcel that become due prior to the time he acquired title to such Parcel.

5.15. <u>Working Capital Fund</u>. The Managing Party shall require the first Owner of each Parcel (other than Declarant), to make at the time of purchase, a non-refundable contribution to the Managing Party in an amount of two month's Periodic Assessments against that Parcel in effect at the closing thereof to be paid into a working capital account. On the Transfer Date, the Declarant will transfer control of any funds remaining in the working capital account to the Association (if not transferred earlier). Amounts paid into the working capital fund shall not be considered as advance payments of regular assessments. Funds in the working capital account shall be segregated with other such working capital funds for the use and benefit of the Managing Party, including without limitation, replacement of improvements whose useful life has expired, and to meet unforeseen expenditures or to purchase additional equipment, property, or services. Such contribution to working capital funds shall not relieve an Owner from making regular payments of assessments as the same become due. Declarant shall not use any of the working capital funds to defray its expenses, reserve contributions, or construction costs, or to make up any budget deficits.

5.16. Mortgagees May Pay Assessments and Cure Defaults. If any assessment on a Parcel is not paid by the Owner thereof within 30 days after the same is due, or if a default by any Owner of any provision of this Declaration, the Articles, or Bylaws of the Association, is not cured within 30 days after written notice thereof is given to such Owner, then any Mortgagee of the Owner may (but shall not be required to) pay such assessment, together with any other amounts secured by the Association's lien created by this Section 5, and may (but shall not be required to) cure any such default.

5.17. Statement Regarding Assessments. The Managing Party shall furnish to an Owner or such Owner's designee or Mortgagee, upon written request, a statement setting forth the amount of any unpaid assessments currently levied against such Owner's Parcel. The statement shall be furnished within 14 business days after receipt of the request and is binding on the Managing Party, the Board and every Owner. The Managing Party may establish a reasonable fee to be paid in connection with the furnishing of a statement regarding assessments, which fee shall be paid at the time such statement is provided to the party requesting the statement.

5.18. Additional Right of Reimbursement. In the event the Managing Party or its designee performs any work which is the responsibility of, or cures any default of, any Owner after written notice and opportunity to cure, the defaulting Owner shall reimburse the Managing Party on demand for all expenditures incurred by the Managing Party in connection with such cure, plus twelve percent (12%) of such amount as an administrative cost.

SECTION 6
Property Taxes

6.01. Payment of Property Taxes. Each Owner shall pay or cause to be paid directly when due all real property taxes and other taxes and assessments which may be levied or assessed against its Parcel, including the Common Areas located thereon, and including, without limitation, any tax or assessment attributable to any interest created by this Declaration, and any and all taxes assessed pursuant to law hereinafter enacted, by way of substitution for or in addition to all or any part of the taxes or assessments levied or assessed against said Parcel.

6.02. Contest of Property Taxes. Each Owner may contest (or allow to be contested) in good faith any real property tax or other special tax or assessment levied upon its Parcel. Any such contested tax or assessment shall be paid, however, before the time when the Parcel subject thereto can be subjected to sale under any applicable law pursuant to a proceeding that may result in impairment of the rights created hereunder or terminate any provision hereof as applied to any Parcel. The Owners who are not parties to such contest shall execute such documents as may be necessary to establish or evidence the contesting Owner's right to contest any such tax, assessment, or charge. The Owner making such contest shall indemnify the other Owners against any loss, cost, damage, injury, or expense arising out of or relating to the conduct of such contest, but no Owner shall be charged with responsibility as a result of any such contest for any increased taxes allegedly resulting therefrom.

SECTION 7
Indemnification and Insurance

7.01. Indemnity. Each Owner shall indemnify, defend, and hold the other Owners harmless from and against all claims, expenses, liabilities, loss, damage, and costs, including any actions or proceedings in connection therewith (and including reasonable attorneys' fees) incurred in connection with, arising from, due to, or as a result of (i) the death of, or any accident, injury, loss, or damage, howsoever caused, to any Person or loss of or damage to the property of any Person as shall occur in or about any portion of such Owner's Parcel (except to the extent the death, accident, injury, loss, or damage occurs on the Common Areas as a result of the negligence or willful misconduct of the Managing Party or the Property Manager in the performance of Common Area Maintenance Obligations), (ii) the death of, or any accident, injury, loss, or damage to any Person or damage to the property of any Person resulting from the negligence or willful act or omission of an Owner or its Occupants, wherever the same may occur, or (iii) by reason of injury to or death of persons, damage to property, or claims of lien for work or labor performed, or materials or supplies furnished, arising out of or in connection with use by an Owner or its Occupants or their Users of the easements granted hereunder, or exercise of the rights granted herein, except claims resulting from the negligence or willful act or omission of the indemnified Owner or any Occupant or User of any such Owner's Parcel, wherever the same may occur.

7.02. Public Liability Insurance. Each Owner shall at all times during the term hereof maintain or cause to be maintained comprehensive public liability and property damage insurance covering its Parcel and all Improvements on its Parcel to protect against any liability to the public, or to any User, arising out of or related to the use of or resulting from any accident occurring in or upon such Owner's Parcel, with limits of liability of not less than (i) One Million Dollars ($1,000,000.00) combined single limit for injury or death of one or more persons, and (ii) Five Hundred Thousand Dollars ($500,000.00) for property damage.

7.03. Property Insurance. Each Owner shall at all times carry, or cause to be carried, comprehensive all risk property insurance upon improvements located upon its Parcel in an amount not less than the full replacement cost thereof (excluding foundations or excavations). The loss, if any, covered by such insurance shall be paid to the respective Owner, provided that if such Owner's Mortgagee has agreed in writing that insurance proceeds shall be available for use for the purpose of compliance with this Section 7.03, such insurance may name such Mortgagee as an additional insured as its interest may appear. Each Owner shall have the power to adjust and settle any loss with its insurer. In the event of any damage to or destruction of any buildings on a Parcel, the affected Owner shall (i) repair (or cause to be repaired) any such damage or destruction and reconstruct the Improvements, or (ii) demolish and dispose of the damaged or destroyed Improvements and clear away the rubble, either of the foregoing (i) or (ii) must be accomplished in accordance with the concept of an integrated development and the provisions of Section 4 of this Declaration. The proceeds of all insurance and condemnation awards shall be used by the affected Owner in payment for such restoration and reconstruction or demolition. The affected Owner shall commence (or cause to be commenced) restoration, reconstruction, or demolition as herein provided as soon as possible after receipt of the proceeds from insurance or condemnation award therefor and shall use all due diligence to repair or reconstruct within a reasonable period of time thereafter not exceeding one hundred eighty (180) days.

7.04. General Provisions. All policies required to be maintained pursuant to the terms of this Declaration shall be issued by companies having a Best's rating of not less than A-VII. Each Owner shall deliver (or cause to be delivered) to the Managing Party copies of policies or certificates of insurance required hereunder showing that said policies are in effect. All policies providing for self-insurance or "deductibles" may permit one or more of the named insureds to assume the right to defend or adjust claims that reasonably appear to be susceptible of settlement or final resolution within the limits of the self-insurance. All such policies shall provide primary insurance. All policies shall name the Managing Party as an additional insured. The Managing Party may, from time to time, adjust the amount of insurance types, amounts and requirements for deductibles as it determines in its reasonable discretion. Should any Owner fail to acquire, maintain, or renew any insurance required to be maintained by it under this Declaration, or to pay the premium therefor (or cause the foregoing to be done), then and in any of said events, the Managing Party, upon written notice, may procure such insurance if such failure is not cured within 10 days of receipt of such notice, and any sums expended by it to procure any such insurance shall be forthwith repaid upon demand plus eighteen percent (18%) of the sums paid. Each Owner shall obtain (or cause to be obtained) written undertakings from each insurer under policies required to be maintained by it to notify all insureds thereunder at least 30 days prior to cancellation or modification. Any policy required to be maintained hereunder by any Owner may be maintained under a so-called "blanket policy" insuring other parties and other locations so long as the amount of insurance and the scope of coverage required to be provided hereunder are not thereby diminished.

7.05. Self-Insurance. Notwithstanding anything in this Section 7 to the contrary, if an Owner so elects, it may self-insure rather than obtain the insurance required pursuant to this Section 7 for any period when the net worth of the Owner providing such insurance, as shown on its most recently published, audited financial statement, exceeds Fifty Million Dollars ($50,000,000.00).

SECTION 8
Condemnation

As among the Owners, any award of compensation or damages resulting from a taking of any Parcel, or any portion thereof, including any Common Areas located thereon, by exercise of right of condemnation or eminent domain or resulting from a requisitioning of any Parcel, or a portion thereof, by military or other public authority for any purpose arising out of a temporary emergency or other temporary circumstance shall be distributed in accordance with the terms of the judgment, verdict, or order made in the proceedings. In the event of any sale of any Parcel or any portion thereof under threat of condemnation, such Parcel or portion thereof shall, for all purposes, be deemed to have been "taken" in this Section 8, and the net amount of the price received therefor after deduction of the expenses of the sale borne by the Owner of the Parcel taken shall constitute an "award" as that term is used in this Declaration.

SECTION 9
Rights Upon Default

9.01. Right to Cure. Whenever under any provision of this Declaration an Owner is obligated to do any act or thing or to refrain from doing any act or thing, and such failure continues for 10 days after written notice thereof from the Managing Party, the Managing Party shall be entitled, but not obligated, to do any such act or thing required of the Owner, or to do anything necessary to rectify any action by an Owner in violation of this Declaration, all on behalf of and at the cost and for the account of that Owner. Each Owner shall be responsible hereunder for the default of its respective tenants, subtenants, employees, principals, agents, and concessionaires. Subject to the provisions herein with respect to emergencies, an Owner shall not be in default hereunder for a default in the payment of money due Managing Party until failure to perform for 10 days. For all other failures of performance by an Owner of its obligations hereunder, failure to perform for 25 days after written notice shall be required, but if such failure is not capable of cure within 25 days, an Owner shall not be in default hereunder if, upon receipt of written notice, it commences cure of the default within the 25 day period and thereafter uses all due diligence continuously to effectuate cure and completes the same within 90 days of such notice. After notice, as herein specified, and failure to effectuate any such cure, or without notice and/or failure to cure within the above time periods in the case of emergencies, the Managing Party shall have the right to enter upon the Parcel of the defaulting Owner to perform any necessary work or furnish any necessary materials or services to otherwise cure the default of the defaulting Owner. The Managing Party shall have the further right to recover from the defaulting Owner all costs and other sums expended in connection with the cure of the default hereunder plus interest thereon at the Agreed Rate. All sums owed the Managing Party shall be a lien on the Parcel of the Owner owing the same in accordance with the provisions of Section 5.12 hereof with the same rights of enforcement and priority. Each Owner shall be responsible hereunder for the default of its respective tenants, subtenants, employees, principals, agents and concessionaires. For the purpose of this Section 9.01, an Owner who's Parcel is damaged by another Owner shall have the rights of the Managing Party under this Section 9 regarding such damage and the repair of such damage.

9.02. Legal and Equitable Relief. The Managing Party shall have the right to prosecute any proceedings at law or in equity against any Owner or any other Person violating or attempting to violate any of the provisions contained in this Declaration in order to prevent the violating Owner or Person from violating or attempting to violate the provisions of this Declaration and to recover damages for any such violation. The remedies available under this Section 9.02 shall include, by way of illustration, but not limitation, ex-parte applications for temporary restraining orders and preliminary injunctions and permanent injunctions enjoining any such violation or attempted violation of any provision of this Declaration.

9.03. Costs of Cure. All costs and expenses incurred by the Managing Party to cure a default of a defaulting Owner under the provisions of Section 9.01, together with interest thereon at the Agreed Rate, and all costs and expenses of any proceedings at law or in equity, including reasonable attorneys' fees awarded to any party by an order of court, shall be assessed against and paid by the defaulting or violating Owner.

SECTION 10
Owners' Association

10.01. Formation of Association; Transfer of Common Areas. Declarant may, at any time and in its sole and absolute discretion, do the following:

(a) Organization. Cause the Association to be organized and formed as a Nevada non-profit corporation under the name of Ridge View Industrial Park Owners Association (or a similar name) for the purposes of performing the duties and obligations imposed upon, and exercising the rights and benefits granted to, the Managing Party by this Declaration.

(b) Articles and Bylaws. Cause the Articles and Bylaws of the Association to be drafted, executed, and, if applicable, filed with the State of Nevada. The Articles and Bylaws shall, among other things, provide for (i) two classes of Members and voting rights in respect thereof in accordance with the provisions of this Section 10, (ii) management of the affairs of the Association by a Board of Directors consisting of no fewer than three natural persons, (iii) a requirement that eighty percent (80%) of the voting power of the Association approve the bringing of any legal action in the name of the Association, and (iv) such other matters, including, without limitation, powers of the Board, as the Declarant shall believe reasonably necessary or desirable; provided, however, that in no event shall the Articles or Bylaws contain any terms or conditions, or confer upon the Board the power to enact any rules, procedures, or regulations, which are inconsistent or conflict with the provisions of this Declaration. The initial members of the Board shall be appointed by the Declarant, shall be named in the Articles and/or Bylaws and shall hold office until the first annual meeting of the Members.

10.02. Association Membership. Each Owner shall automatically, upon and by virtue of being or becoming an Owner, be a Member of the Association and shall remain a Member thereof until such time as its ownership of a Parcel ceases for any reason (or, in the case of Declarant, when it is no longer the Owner of a Parcel or the holder of Class B Membership pursuant to Section 10.04 hereof), at which time its Membership in the Association shall automatically cease. No Person shall become or be a Member unless it is also the Owner of a Parcel or is the designated authority of such Owner and has the authority to act on behalf of such Owner. Membership shall be in accordance with the remaining provisions of this Section 10 and those terms and conditions of the Articles and Bylaws of the Association not inconsistent herewith. Each Owner's Membership in the Association shall be appurtenant to and shall automatically follow the legal ownership of such Owner's interest in a Parcel and may not be separated from such ownership. No Occupant or User of all or any portion of a Parcel shall be a Member of the Association unless such Occupant or User is also an Owner.

10.03. Transferred Membership. Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Parcel to which it is appurtenant, and then automatically to the new owner as provided in Section 10.02 above. Any attempt to make a prohibited transfer is void. Upon the transfer of an ownership interest in a Parcel, the Association shall, upon being advised of the same, record the transfer upon its books, causing an automatic transfer of membership as provided in Section 10.02 above. No separate instrument shall be required to effect the transfer of membership upon the transfer of a fee interest in a Parcel from one Person to another, by whatever means, and no certificate of membership shall, or shall be required to, be issued.

10.04. Classes of Membership. The Association shall have two (2) classes of voting membership established according to the following provisions:

(a) Class A Membership. Class A Membership shall be that held by each Owner, excluding, for so long as two classes of Membership exist, Declarant (or any of its Affiliates) as Owner of any Parcel. Each Class A Member shall be entitled to one vote for each square foot of land contained in the Parcel of which it is an Owner. If a Parcel is owned by more than one Person, each such Person shall be a Member of the Association but they shall be required to agree among themselves, and to advise the Association in writing, as to which of such Persons is authorized to cast the total number of Class A votes otherwise allocable to the ownership of such Parcel in accordance with the foregoing formula.

(b) Class B Membership. Class B membership shall be that held by Declarant or any of its Affiliates with respect to the ownership of any Parcel. The Class B member shall be entitled, with respect to each Parcel owned by Declarant or any of its Affiliates, to three times the number of votes that would be allocable in respect of such Parcel if such Parcel were held by a Class A Member; provided, however, that (i) with respect to any Parcel, the Owner thereof shall be a Class A Member from and after the date on which title thereto is first transferred by Declarant to a Person other than an Affiliate of Declarant, and (ii) in any event, Class B Membership shall forever cease to exist and shall be converted (with concomitant loss of the 3-to-1 multiple) into Class A Membership and voting power on the Transfer Date.

10.05. Voting Requirements. Except as otherwise specifically provided to the contrary in any other provision of this Declaration, any action by the Association that must have the approval of the membership of the Association before being undertaken shall require either (a) the vote of fifty-one percent (51%) of the total voting power of the Members present in person or represented by proxy at a duly called and held Special Meeting (as defined in Section 10.10 hereof) of the membership at which a Quorum (as defined in Section 10.10 hereof) has been constituted, or (b) the written consent of fifty-one percent (51%) of the total voting power of the Members. No percentage specifically prescribed by a provision in the Bylaws or the Articles of the Association may decrease the above-specified fifty-one percent (51%) figure or any greater percentage figure set forth elsewhere in this Declaration, and, so long as the Class B Membership exists, no provision in the Articles or the Bylaws of the Association shall be effective if it purports to authorize a total Membership vote other than by Classes on issues or decisions where this Declaration provides for voting by Classes.

10.06. Voting Rights. Voting rights attributable to all Parcels owned by Declarant shall vest immediately by virtue of Declarant's ownership thereof. Voting rights in the Association attributable to all Parcels owned by Persons other than Declarant shall vest upon the later of (i) the date the Association is established in accordance with this Section 10 or (ii) the date the Owner acquires fee title to its Parcel.

10.07. Membership Meetings. Regular and special meetings of members of the Association shall be held with the frequency, at the time and place, and in accordance with the provisions hereof or of the Articles or the Bylaws.

10.08. Board of Directors. The affairs of the Association shall be managed by a Board of Directors, which shall be established in accordance with the provisions of Section 10.01(b) hereof. The members of the Board shall conduct themselves and the activities of the Association, and shall assume the rights and responsibilities of Board members, in accordance with the provisions of this Declaration, the Articles, the Bylaws, and applicable law.

10.09 Project Manager. So long as the Class B Membership is in existence (as provided in this Section 10), Declarant shall have the right to designate and retain, on behalf of the Association and as a Common Area Maintenance Expense to be reimbursed in accordance with Section 5 hereof, a Person (who or which may be a member, manager, or Affiliate of the Declarant) to serve as project manager to manage the day-to-day affairs of the Association, to keep and maintain the books and records of the Association, to perform (or to cause to be performed) the maintenance, repair and other such obligations or duties of the Association hereunder, to collect assessments provided for herein and to manage the funds of the Association ("Project Manager"). Following termination of the Class B Membership, the Board, acting on behalf of the Association, shall have the right, but not the obligation, to designate and retain such a Project Manager. All fees or expenses charged to the Association by the Project Manager in the performance of its duties hereunder shall be included in Common Area Maintenance Expenses (subject to any right the Association may have hereunder to recover any such expenses, or any portion thereof, from any Owner due to such Owner's failure to meet its maintenance or other obligations hereunder, or due to any other default hereunder by such owner). The Project Manager may, with the approval of the Declarant, engage a Property Manager in accordance with Section 5.03 to perform the Common Area Maintenance Obligations, but, in that event, the reimbursable expenses of the Project Manager shall not duplicate the charges or fees imposed, or expenses to be reimbursed to, any Property Manager. The amount of any fees or compensation charged by the Project Manager shall be reasonable and shall not significantly exceed the level for such fees generally charged at the time by other Persons performing similar services for similar properties in Clark County, Nevada.

10.10. Special Meetings; Quorum. Any meeting of the Members called by the Board pursuant to this Declaration is referred to in this Declaration as a "Special Meeting." At the first Special Meeting called by the Board to address a specific issue, the presence of Members (in person or by proxy) entitled to cast sixty-seven percent (67%) of the total voting power of each of the Class A and Class B Memberships shall constitute the required quorum; provided, however, that if the required quorum is not present, another Special Meeting may be called, subject to the same written notice requirement, and the required quorum at such subsequent Special Meeting shall be three-fourths (3/4) of the required quorum at the immediately preceding Special Meeting; and provided further that if the required quorum is still not present, a third Special Meeting may be called, subject to the same written notice requirement, and the required quorum at this third Special Meeting shall be one-half (½) of the required quorum at the second Special Meeting (the required quorum at any Special Meeting, whether called by the Board to approve Assessments or otherwise, is referred to in this Declaration as a "Quorum"). Notwithstanding the foregoing, no Special Meeting may be held more than 90 days after the date on which the Board first gave written notice of the amount of the proposed Assessment or other specific issue to be addressed.

10.11 Transfer of Responsibilities as Managing Party. On the later of (i) the date the Association is established or (ii) the Transfer Date, Declarant shall cease to be the Managing Party and the rights and obligations of the Managing Party shall be deemed transferred to the Association without further action. Upon such transfer, Declarant shall be deemed to be, and shall be, released from the obligations of the Managing Party under this Declaration (while remaining liable for its obligations arising prior to such transfer). Declarant shall deliver to each other Owner a final closing statement detailing all costs and expenses incurred for the operation and maintenance of the Common Area (including any fees, costs, or expenses owed to a Project Manager) as of the date the responsibilities are transferred to the Association. Such statement shall be paid within 10 days of the date of the transmittal thereof. In lieu of such closing statement, Declarant and the Association may allocate Common Area Costs among themselves in a manner as they may agree. Unless otherwise agreed to by the Association, the rights and obligations of any Project Manager (but not Property Manager) employed by the Declarant shall cease as of the date Declarant transfers management responsibilities to the Association.

SECTION 11
Release Upon Sale of Interest

11.01. Sale by Any Party. Upon the sale or transfer by any Owner of its entire right, title, and interest in its Parcel, that Owner shall be released from the obligations of this Declaration (other than from those obligations arising from a default in the performance by such Owner of any provisions of this Declaration before such sale or transfer), provided that such Owner shall have given notice to the Managing Party of the sale, transfer, conveyance, or assignment of all of its right, title, and interest in its Parcel concurrently with the filing for record of the instrument effecting the same.

11.02. Liability of Transferee. In no event shall any transferee of any Owner be personally liable for any default under this Declaration of the transferring Owner which occurred prior to the effective date of the transfer to the transferee; provided, however, that nothing contained in this Section 11.02 shall affect the existence, priority, validity, or enforceability of any lien placed upon the affected Parcel pursuant to the provisions of Section 5.12 hereof.

11.03. Assumption Statement. Concurrently with the transfer of all right, title, and interest in any Parcel by any Owner, the transferee shall execute and deliver to the Managing Party a written statement in which: (i) the name and address of the transferee shall be disclosed, and (ii) the transferee shall acknowledge its obligation to be bound by this Declaration and perform all obligations hereunder arising after the date of such transfer in accordance with the provisions of this Declaration. Failure to deliver any such written statement shall not affect the running of any covenants herein with the land, nor shall such failure negate, modify, or otherwise affect the liability of any transferee pursuant to the provisions of this Declaration, but such failure shall constitute a default by the transferee hereunder.

SECTION 12
Effect of Breach

12.01. No Termination. The breach of this Declaration shall not entitle any Person to cancel, rescind, or otherwise terminate its obligations hereunder.

12.02. Mortgagee Protection. No breach hereof shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value, but the covenants and restrictions, easements and conditions herein contained shall be binding upon and effective against the Owner of any Parcel, or any portion thereof, whose title thereto is acquired by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise.

12.03. Rights of Mortgagees. Upon written request of a Mortgagee to the Managing Party, if such request identifies the name and address of the Mortgagee for any Parcel and the Parcel address, any such Mortgagee will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Common Area;

(b) any delinquency in the payment of assessments or charges owed or other default in the performance of an obligation under this Declaration by an Owner of a Parcel subject to a first Mortgage held, insured, or guaranteed by such Mortgagee, which remains uncured for a period of 30 days; and

(c) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

SECTION 13
Covenants and Recordation

13.01. Covenants Run With the Land. All of the provisions, agreements, rights, powers, covenants, conditions, and obligations contained in this Declaration shall be perpetual and shall be binding upon and shall inure to the benefit of the Owners. All of the provisions of this Declaration shall be covenants running with the land and equitable servitudes pursuant to applicable law.

13.02. Recordation. This Declaration shall become effective and binding upon recordation of this Declaration in the office of the Recorder.

SECTION 14
Amendments and Modifications

14.01. Amendments. Any amendment to this Declaration must be recorded, and shall be effective as of the date of recordation. Prior to the Transfer Date, only the Declarant may amend this Declaration. The Declarant shall provide a copy of any amendment to each Owner. After the Transfer Date, except as otherwise herein expressly provided, this Declaration may be amended by an instrument signed by Owners representing not less than a sixty-seven percent (67%) of the square footage of the land area of the Parcels in the Development. Notwithstanding the foregoing, no amendment to this Declaration after the Transfer Date shall be valid unless approved by all Owners that will be materially and adversely affected by such amendment. Without limiting the generality of the foregoing, an amendment to this Declaration will be deemed to have a material and adverse effect on an Owner if the amendment (i) prohibits a Parcel from being used for a use that exists as of the date the amendment is first proposed if such use is otherwise permitted hereunder, or (ii) restricts access to or from the Owner's Parcel. An amendment shall not be deemed to have a material and adverse effect on an Owner merely because the Owner votes against adopting the amendment or the amendment adjusts how the Proportionate Share or voting rights in the Association or under this Declaration are calculated so long as Proportionate Share is calculated in a nondiscriminatory manner. No amendment hereto shall be effective without the written consent of the Managing Party.

14.02. Supplements. Declarant may, without the approval of any other Owner, from time to time cause to be recorded supplements hereto affecting that portion of the Development then owned by Declarant. Such supplements may, among other things, allocate assessments imposed pursuant hereto among the different Parcels, further restrict the use thereof, and impose such other burdens and give such other rights as Declarant may elect provided only that no such supplement shall abrogate any easement unless consented to by the Owners of all affected Parcels, increase the Proportionate Share of expenses payable by any other then Owner without such Owner's consent, permit any Parcel to be used in a manner prohibited hereunder, nor materially adversely affect any Occupant. Such supplement may also amend the Site Plan.

SECTION 15
Notices

15.01. General. Any and all notices and demands by or to Declarant, the Managing Party, any Owner or Occupant required or desired to be given hereunder, shall be in writing and shall be validly given or made only if (i) personally delivered, (ii) deposited in the United States mail, certified or registered, postage prepaid, return receipt requested, or (iii) by a nationally-recognized overnight delivery service that keeps records of deliveries and attempted deliveries, such as Federal Express. Service shall be conclusively deemed made upon the date of execution of the return receipt or the date upon which the postal authorities first attempt delivery.

15.02 Notice to Declarant and Managing Party. Any notice or demand to Declarant shall be addressed to Declarant as follows: Ridge View at Eagle Rock LLC., 7461 Eastgate Road, Henderson, NV 80015, Attn: Jerry Daugherty. Upon the formation of the Association, the Association shall record a notice of its address.

15.03 Notice to Other Owners. At the time that any portion of the Development is sold, the new Owner thereof shall notify the Managing Party of such Owner's address. The address records of the Managing Party shall be available for inspection by all Owners and Occupants at any reasonable time. If an Owner or Occupant has failed to notify the Managing Party of its address pursuant to this Section 15.03, such Owner or Occupant shall not be entitled to any notice hereunder until it does so notify the Managing Party.

15.04. Change of Address. Each Owner or Occupant may change its address for the purpose of receiving notices or demands as herein provided by a written notice given in the manner aforesaid to the Owners or Occupants entitled to notice hereunder.

SECTION 16
Miscellaneous

16.01. Negation of Partnership. None of the terms or provisions of this Declaration shall be deemed to create a partnership between nor among the Owners, the Managing Party, the Association, or the Declarant in their respective businesses or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise. This Declaration is not intended nor shall it be construed to create any third-party beneficiary rights in any Person who is not an Owner, Managing Party, or Declarant unless expressly otherwise provided.

16.02. Approvals. Unless otherwise herein provided, whenever approval is required of any Owner or Occupant it shall not be unreasonably withheld, conditioned or delayed. Unless provisions are made for a specific time period, the time period for approval shall be within 30 days of the receipt of the request for approval (or the time period specified). If any Owner or Occupant shall neither approve nor disapprove within said 30-day period (or the time period specified), the Owner or Occupant shall be deemed to have given its written approval. If an Owner or Occupant shall disapprove, the reasons therefor shall be stated. If, pursuant to a lease or sublease for space in the Development, a tenant thereunder has an approval right, it shall be reasonable for the landlord of such tenant not to grant its approval unless its tenant also consents, which consent by tenant shall not be unreasonably withheld, conditioned or delayed. Similarly, it shall be reasonable for the landlord of any such tenant to disapprove any matter prohibited by such tenant's lease.

16.03. Rights of Managing Party. The Managing Party shall not be liable to any Owner, Occupant, or other User hereunder for any action taken nor omitted to be taken in good faith.

16.04. First Class. The term "first-class" when used in this Declaration in connection with the maintenance, operation, or condition of the Development, or any portion thereof, shall refer to a comparative standard of excellence judged in accordance with other similar well-maintained developments within Clark County, Nevada.

16.05. Not A Public Dedication. Nothing herein contained shall be deemed a gift or dedication of any portion of the Development or of any Parcel or portion thereof to the general public or for any public use or purpose whatsoever, it being the intention and understanding that this Declaration shall be strictly limited to and for the purposes herein expressed solely for the benefit of the Owners and their Occupants. The Managing Party may take such action as may be necessary to prevent any such public dedication or appropriation, including, but not limited to, temporary closure of the Development by barriers at entrance-ways on non-business holidays or other appropriate times not disruptive to the businesses of the Owners.

16.06. Excusable Delays. Whenever performance is required of any Person hereunder, that Person shall use all due diligence to perform and take all necessary measures in good faith to perform; provided, however, that if completion of performance (other than payment of monies due hereunder) shall be delayed at any time by reason of acts of God, war, civil commotion, riots, strikes, picketing, or other labor disputes, unavailability of labor or materials or damage to work in progress by reason of fire or other casualty or cause beyond the reasonable control of the performing Person (financial inability, imprudent management and negligence excepted), then the time for performance as herein specified shall be appropriately extended by the amount of delay actually so caused.

16.07. Severability. If any term, provision, covenant or condition of this Declaration, or any application thereof, should be held by a court of competent jurisdiction to be invalid, void, or unenforceable, all provisions, covenants, and conditions of this Declaration and all applications thereof not held invalid, void or unenforceable, shall continue in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

16.08. Captions. The captions preceding the text of each section hereof are included only for convenience of reference and shall be disregarded in the construction and interpretation of this Declaration.

16.09. Litigation Expenses. If the Declarant, the Association, or any Owner shall bring an action against any other Owner by reason of the breach of any covenant, term or obligation hereof, or otherwise arising out of this Declaration, the prevailing party in such suit shall be entitled to its costs of suit and reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment.

16.10. Pronouns. In this Declaration, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

16.11. Governing Law. The laws of the State of Nevada shall govern the validity, construction, performance, and effect of this Declaration. Any action commenced hereunder shall be brought in the state or federal courts located in Clark County, Nevada, and each Owner by taking title to a Parcel consents to the exclusive venue and jurisdiction of such courts.

16.12 Four Kids Declaration. For as long as the Four Kids Declaration remains an encumbrance against the Development and each Parcel, if there any conflicts between the provisions of this Declaration and the provisions of the Four Kids Declaration, the more restrictive provision shall govern the conduct of the Declarant and each Owner.

16.13 Reservation of Rights. The Declarant hereby reserves, and reserves the right to exercise each and every developmental right defined in Nevada Revised Statute Section 116.039 and every special declarant's right defined in Nevada Revised Statute Section 116.089, to the extent permitted by applicable law, and hereby reserves the right to amend this Declaration to include additional provisions applicable to the exercise of any or more of such rights.

SIGNATURE PAGE FOLLOWS.

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

RIDGE VIEW AT EAGLE ROCK LLC.,
a Nevada limited liability company

By:________________________________
Jerry Daugherty, Managing Member

By:________________________________
Christie Daugherty, Managing Member

STATE OF NEVADA)
) ss:
COUNTY OF CLARK)

This instrument was acknowledged before me on ___________________ ____, 2006, by Jerry Daugherty as Managing Member of RIDGE VIEW AT EAGLE ROCK LLC., a Nevada limited liability company.

____
NOTARY PUBLIC

STATE OF NEVADA)
) ss:
COUNTY OF CLARK)

This instrument was acknowledged before me on __________________, ____, 2007, by Christie Daugherty as Managing Member of RIDGE VIEW AT EAGLE ROCK, LLC., a Nevada limited liability company.

EXHIBIT "A"

DEVELOPMENT SITE PLAN

[to be attached]

EXHIBIT "B"

DEVELOPMENT LEGAL DESCRIPTION

[to be attached]

EXHIBIT “C”

FOUR KIDS INDUSTRIAL PARK
DECLARATION OF PROTECTIVE COVENANTS

[to be attached]