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Requested By  
TICOR TITLE OF NEVADA INC  
Washoe County Recorder  
Kathryn L. Burke - Recorder  
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**WHEN RECORDED, MAIL TO:**

Dave Davis, Esq.  
Jones Vargas  
100 West Liberty Street, 12th Floor  
Reno, Nevada 89501



FIRST AMENDMENT TO  
DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS  
FOR  
CASOLEIL AT SPANISH SPRINGS



**FIRST AMENDMENT TO  
DECLARATION OF COVENANTS,  
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FOR  
CASOLEIL AT SPANISH SPRINGS**

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CASOLEIL AT SPANISH SPRINGS ("First Amendment") is made by **GALLERIA STATION, LLC**, a Nevada limited liability company ("Declarant"), with respect to the following facts, and is as follows:

**RECITALS:**

A. Declarant caused that certain Declaration of Covenants, Conditions and Restrictions for Casoleil at Spanish Springs, to be recorded on December 7, 2005, as Document No. 3319339, Official Records, Washoe County, Nevada ("Declaration").

B. **Exhibit "A"** to the Declaration sets forth a legal description for certain real property then or now owned by the Declarant, and which was encumbered by the Declaration upon the recordation thereof ("Original Declaration Property").

C. The legal description of the Original Declaration Property set forth in **Exhibit "A"** to the Declaration comprised more real property than intended by Declarant to be encumbered by the Declaration at the time of the recordation thereof; and Declarant is causing this First Amendment to be recorded for the purpose of correcting same.

D. In addition, Declarant desires to amend the Declaration further as below set forth.

E. Declarant is the Owner of all the Units and the Association has not been formed; so Declarant is the proper person to execute, deliver and cause to be recorded this First Amendment.

Capitalized terms used and not defined otherwise herein shall have the meanings ascribed to such terms in the Declaration.

NOW, THEREFORE, Declarant, as the Owner of all of the Property, hereby declares as follows:

1. Termination of Declaration as to portion of Original Declaration Property. Declarant hereby terminates the Declaration, and the Declaration presently shall have no more force or effect with respect to, that certain real property located in the County of Washoe, State of Nevada, and described more particularly on **Exhibit "1"** attached hereto and incorporated here and by this reference ("Released Property").



2. Inclusion of Released Property in Exhibit "B" to the Declaration. The Released Property forthwith shall be deemed included as a portion of that certain real property described in **Exhibit "B"** attached to the Declaration as part of the Annexed Property. Accordingly, **Exhibit "B"** to the Declaration is hereby amended by adding thereto the Released Property, as though being included as a part of the **Exhibit "B"** Annexed Property at the time the Declaration was recorded.

3. Amendment to Section 3.8 Leasing of Units. Section 3.8 of the Declaration is hereby deleted, in its entirety, and replaced with the following new Section 3.8:

3.8 Rental of Units.

(a) Limitation on Number of Rental Units. Except in the case of hardship, determined as provided below, no more than fifteen percent (15%) of the total number of Units may be non-Owner occupied (as rounded upward to the next whole Unit, the "Non-Owner Occupied Cap"). An "Owner-occupied Unit" shall mean any Unit occupied by its Owner or an Owner's spouse, child(ren) or parent(s) as a primary or secondary residence where no rent (whether in money, property or service) is charged.

(b) General Leasing Restrictions. No Owner may lease or rent less than the entire Unit, and no Owner may rent a Unit for transient or motel purposes. With the exception of a lender in possession of a Unit following default in a First Deed of Trust, a foreclosure proceeding, or any deed or other arrangement in lieu of foreclosure, no Owner may rent or lease a Unit for a period of less than six (6) months.

(c) Hardship. If the Non-Owner Occupied Cap has already been reached, an Owner may apply to the Board for a hardship-based exception to the prohibition against additional leases. The following situations may be considered for hardship-based exceptions: (i) if the Owner or the Owner's spouse relocates for work or educational purposes; (ii) if the Owner dies, is hospitalized for a protracted illness, or is placed in a nursing home or a convalescent home or other facility or with family members due to illness; (iii) if inability to rent a Unit will result in serious financial hardship to the Owner; and (iv) such other extraordinary circumstances as the Board, in its sole discretion, may determine a hardship. The Board, in its sole and unfettered discretion, shall



determine whether an Owner's situation constitutes a hardship, and thus qualifies for a hardship-based exception.

(d) Procedure. Before entering into any lease agreement, an Owner shall notify the Board in writing of the Owner's intent to lease or rent such Owner's Unit, and the name and address of the proposed tenant. Within fifteen (15) days after such notification, the Board shall advise the Owner whether such proposed lease would exceed the Non-Owner Occupied Cap; and if it would exceed such cap, then the Board shall place the Owner on a waiting list, and shall notify such Owner when such Owner's Unit may be rented. An Owner on the waiting list may apply for a hardship exemption, and the Board shall notify the Owner of its decision within forty (40) days after such application. The Board shall establish Rules and Regulations concerning the order in which hardship and non-hardship requests granted by the Board are permitted to lease Units from the waiting list. Once an Owner is notified that the Unit may be rented, such Owner shall enter into a lease with a tenant, if at all, and provide a copy of such lease to the Association within two (2) months after the date of such notice. If a notified Owner has not provided the Association with a fully signed lease within such period, then the Board shall place such Owner at the end of the waiting list, if any, and shall notify the next priority Owner on the waiting list that he may rent his/her Unit. Once an Owner has received permission from the Board to rent the Owner's Unit, the Owner may continue to rent such Unit (and such Unit will be considered leased), even to different tenants, following the expiration or termination of the initial tenancy, until either: (i) the Owner notifies the Board that the Owner no longer wishes to lease such Unit or (ii) the Unit is occupied by the Owner for any period exceeding thirty (30) days.

(e) Compliance with Documents. Tenants of all Owners shall be subject to the terms and provisions of this Declaration, the Bylaws, and the Rules and Regulations. Each lease agreement shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, the Bylaws, and the Rules and Regulations; and that any failure by a tenant to comply with the terms thereof shall be a default under the lease. Each tenant shall be provided copies of this Declaration, the Bylaws, and the Rules and Regulations by the Owner of the Unit being leased at the beginning of the lease term, and thereafter with



any amendments to such documents. In addition to other remedies available to the Association, an Owner may be subject to a Maintenance Violation Notice for any expenses incurred by the Association resulting from damage to the Common Elements caused by such Owner's tenants or their guests. After notice and an opportunity to be heard, an Owner may be fined for his/her tenants' noncompliance with any provision of this Declaration, the Bylaws, and the Rules and Regulations, and such fines shall be collectible as Violation Assessments. The Owner shall provide a fully executed copy of each lease to the Board.

(f) Enforcement. Any occupancy of a Unit in violation of this Section 3.8 is void. If an Owner fails to follow the procedures set forth in this Section 3.8 with respect to the leasing of his Unit, at any time after learning of such leasing, the Board may pursue any and all remedies available as a result of such Owner's violation of the provisions of this Declaration, the Bylaws, and the Rules and Regulations. In addition, the Association may charge such Owner an administrative fee(s), the amount of which shall be determined from time to time by Board resolution to reimburse fully the Association for time, costs, fees, and expenses, including legal fees, incurred to obtain information about the tenant, to provide such tenant with copies of Association documents, and to enforce the Association's other rights and remedies in connection with such unauthorized occupancy, including collection of any amounts owing to the Association hereunder.

IN WITNESS WHEREOF, Declarant has executed this First Amendment as of the date set forth with Declarant's signature below.

**CASOLEIL AT SPANISH SPRINGS, LLC,**  
**a Nevada limited liability company**

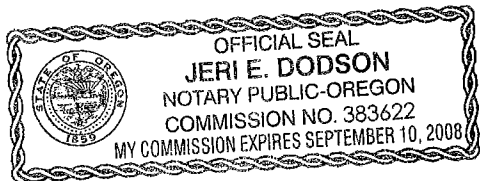
Date: 2-16-, 2005.

By:   
\_\_\_\_\_  
**DAVID G. HERMAN**  
Its: **Member**



STATE OF OREGON            )  
  )ss.  
COUNTY OF CLACKAMAS        )

This instrument was acknowledged before me on February 16, 2006, by DAVID G. HERMAN, as Member of CASOLEIL AT SPANISH SPRINGS, LLC, a Nevada limited liability company.



Jeri E. Dodson  
Notary Public  
My Commission Expires: 9/10/08



**EXHIBIT "1"**

**RELEASED PROPERTY**

All that certain real property located in the County of Washoe, State of Nevada, more particularly described as follows:

All that certain real property subject to and included within Galleria Station Unit No. 1, according to the Official Plat thereof recorded December 7, 2005, under File No. 3319338, as Subdivision Tract Map 4577.

EXCEPTING THEREFROM, Units A through E, inclusive, in each of Buildings 1, 2, 12, 22 and 23, together with all Common Area, as delineated on and according to Official Plat of Galleria Station Unit No. 1, recorded December 7, 2005, under File No. 3319338, as Subdivision Tract Map 4577, Official Records, Washoe County, Nevada.

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