REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

ADDENDUM "1" TO

ΤΑΗΟΕ

CLEAR CREEK



ADDENDUM "1" TO REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

ALL OF THE DOCUMENTS LISTED BELOW ARE IMPORTANT TO THE PURCHASE OF THE PROPERTY, SHOULD BE READ BY BUYER AND, AT THE CLOSE OF ESCROW, SHALL BE DEEMED TO HAVE BEEN READ AND APPROVED BY BUYER. BUYER IS ADVISED TO RETAIN ALL DOCUMENTS FOR FUTURE REFERENCE. COPIES OF THESE DOCUMENTS SHOULD BE GIVEN TO ANY PERSON(S) WHO MAY IN THE FUTURE PURCHASE THE PROPERTY FROM BUYER. BY EXECUTING THIS AGREEMENT AND INITIALING BESIDE THE DESCRIPTION OF EACH DOCUMENT, BUYER(S) HEREBY ACKNOWLEDGE(S) RECEIPT OF COPIES OF THE FOLLOWING:

Initials:

_____ Property Report

_____ Affirmation Form: Buyer On-the-Lot Inspection

_____ General Buyer Disclosure

_____ Clear Creek Tahoe Public Offering Statement

Homeowner's Association Documents

_____A. Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Clear Creek Tahoe, and any Unanimous Written Consents, Supplemental Declaration and amendments thereto

- B. Articles of Incorporation of Association
- _____ C. Bylaws of Association
- _____ D. Budget for Association
- _____ E. Rules and Regulations of Association
- _____ F. Association Assessment Collection Manual
- _____ G. Design Guidelines
- _____ Open Range Disclosure
- _____ Affiliated Business Arrangement Disclosure Statement
- _____ Vacant Land Resource Guide
- _____ Preliminary Title Report
- _____ Agreement and Acknowledgment Regarding Receipt of Electronic Documents
- _____ Membership Plan and Club Rules & Regulations
- _____ Low Pressure Sewer/Residential Grinder Pumps Disclosure for Impacted Lots

AFFIRMATION FORM PURCHASER ON-THE-LOT INSPECTION

The undersigned, by his/her/their signature, hereby acknowledge(s) that he/she/they has/have made a personal on-the-lot inspection of:

[*USE FOR COTTAGES:* Lot ______ of the Final Map for CLEAR CREEK TAHOE – UNIT 2, Subdivision Map No. 904626, recorded in the Office of the Douglas County Recorder on September 26, 2017, as Document No. 2017-904626]

[OR USE FOR ESTATES: Lot ______ of the one of the following: Final Map PD 03-004-7 for CLEARCREEK TAHOE

PHASE 1A & 1B, recorded in the Office of the Douglas County Recorder on November 18, 2 016. as Document No. 2016-890939, the Final Map for CLEAR CREEK TAHOE – UNIT 2. Subdivision Map No. 904626, recorded in the Office of the Douglas County Recorder on September 26, 2017, as Document No. 2017-904626, the Final Map as modified by DP 04-19-0479 for CLEAR CREEK TAHOE – UNIT 3A, recorded in the Office of the Douglas County Recorder on March 23, 2020, as Document No. 2020-943845, the Final Map PD 03-004 as modified under DP 19-0477 for CLEAR CREEK TAHOE UNIT 3C, recorded in the Office of the Douglas County Recorder on March 4, 2021, as Document No. 2021-962948 and amended July 30, 2021, as Document No. 2021-971782, and the Final Map PD 03-004 as modified under DP 19-0477 for Clear Creek Tahoe Unit 4, recorded in the Office of the Douglas County Recorder on July 30, 2021, as Document No. 2021-971781, and further modified under DP 21-0210 for the merger and subdivision of Lots 369 through 383 of Clear Creek Tahoe Unit 4, recorded in the Office of the Douglas County Recorder on October 11, 2022, as Document No. 2022-990725, the Final Map PD 03-004 as modified under DP 19-0477 for CLEAR CREEK TAHOE UNIT 6, recorded in the Office of the Douglas County Recorder on November 21, 2021, as Document No. 2021-977643.

Dated this _____ day of ______, 20____.

BUYER:

BUYER:

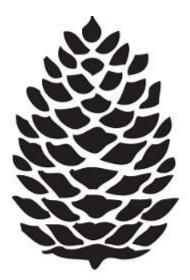
Signature of Buyer

Signature of Buyer

Printed Name

Printed Name

Note to Sales Representatives: Obtain signature(s) of Buyer(s) on this document BEFORE he or she executes the Real Estate Purchase Agreement and Joint Escrow Instructions.



CLEAR CREEK

ΤΑΗΟΕ

GENERAL BUYER

DISCLOSURE

CLEAR CREEK TAHOE GENERAL BUYER DISCLOSURE

Date:

INTRODUCTION

Welcome to the growing family of buyers who have chosen a lot in Clear Creek Tahoe, planned development common interest community offered by Clear Creek Residential, LLC, a Delaware limited liability company, located in Douglas County, Nevada.

It is Seller's goal to help its buyers obtain the information and assistance they need to make an informed purchase decision. There are numerous factors that should be considered in making this decision and one purpose of this Disclosure is to provide Buyer with information about some of these factors.

The information contained in this Disclosure was collected from sources believed to be reliable at the time this Disclosure was prepared. Because changes occur, Buyer is encouraged to seek out more current information. Seller does not make any warranties or guarantees regarding the accuracy or timeliness of this information and cannot be responsible for changes brought about by others. If you do not understand the information in this Disclosure we recommend you consult with others. While we have endeavored to provide a comprehensive list of what may be important to you, the disclosures provided herein are not an exhaustive and complete list. You are encouraged and advised to conduct your own independent investigations regarding the Lot, the subdivision, the surrounding land uses and any other matter that may be of significance to you.

Many of the issues raised in this Disclosure are typical of modern residential developments. These issues exist whether you are told about them or not. Our belief is that you would rather be advised of these issues prior to completing the purchase of the property.

DEFINITIONS

<u>Subdivision:</u> The word "subdivision," as a verb, refers to the division of a parcel of land into smaller parcels (lots) by filing a map describing the division and obtaining approval by a Jurisdictional Agency. As used herein as a noun, the "Subdivision" refers to the planned development common interest community of Clear Creek Tahoe.

Lot: Any parcel of real property within Clear Creek Tahoe designed for occupancy as a residential lot.

<u>Deposit</u>: A deposit that is given by Buyer upon Buyer's execution of the Real Property Purchase and Sale Agreement and Joint Escrow Instructions.

<u>Close of Escrow:</u> The final procedure in which documents are executed, recorded, and title to real property is transferred to Buyer as the new owner.

<u>Completion of Your Purchase:</u> Your purchase is completed at Close of Escrow, not at the time you sign your Real Property Purchase and Sale Agreement and Joint Escrow Instructions.

KEY PERSONNEL

You will be in contact with a number of persons and entities during the sales transaction. Some of those persons may be:

Seller: Clear Creek Residential, LLC, a Delaware limited liability company. Seller is the owner of

the real property who will ultimately convey title to Buyer.

<u>Broker:</u> The licensed entity responsible for selling the property. Broker is typically retained by Seller.

<u>Sales Agent:</u> An employee of Broker who performs the various functions involved in the sales process. The Sales Agent is the primary contact with Buyer. The Sales Agent typically represents Seller.

Title Company: A company that issues insurance regarding title to real property.

Escrow Company: The neutral third party who facilitates the sale and transfer of title.

Escrow Officer: An employee of the Escrow Company.

<u>Lender</u>: The financial institution that provides a loan to Buyer to complete the purchase. A loan transaction is typically between Buyer and the Lender, and Seller is not involved.

<u>Jurisdictional Agencies:</u> The land development and building process is regulated by numerous federal, state, and local governmental agencies. Examples are: Douglas County, Contractor's License Board, Health Department, Environmental Protection Agency, Army Corps of Engineers, etc. For the purposes of this Disclosure, Jurisdictional Agencies also include public and private utilities.

<u>Association:</u> An association of people who own home sites in a given area, which association is formed for the purpose of improving or maintaining the common amenities and quality of an area. The Clear Creek Tahoe community is governed by the Clear Creek Tahoe Community Association, a Nevada nonprofit corporation (the "Association").

ESSENTIAL DOCUMENTS AND SOURCES OF INFORMATION.

There are a number of important documents involved in a real estate sales transaction, as well as numerous sources of information relating to the real property. Listed below are some of the documents you may encounter. We strongly recommend that you read these carefully and be sure that you understand them before you complete the purchase of the property.

<u>Real Property Purchase and Sale Agreement and Joint Escrow Instructions:</u> This document serves a number of purposes:

1. It is the form that is used by Buyer to make an offer to purchase real property.

2. It is the receipt for any deposit made with an offer.

3. It is the form that is used by Seller to accept an offer.

4. Upon acceptance by Seller, it becomes a contract between Buyer and Seller containing the essential terms of the real estate transaction.

Addenda and Exhibits: Other material added to a contractual agreement.

General Buyer Disclosure: This Disclosure.

<u>CC&R's:</u> Generally speaking, covenants, conditions, and restrictions (commonly known as CC&R's), are publicly recorded obligations that run with particular property and obligate the owners of such property to abide by certain promises and obligations. The property constituting the Clear Creek Tahoe community is covered by the Master Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements for Clear Creek Tahoe recorded September 27, 2016 as Document No. 2016-888265 in the Official Records of the Douglas County Recorder's Office (which, as amended and supplemented from time to time, is referred to herein as the

"Declaration"), which provides for the creation of the Association, rules for how the Association will operate, rules for funding and carrying out the maintenance of certain common areas within the Clear Creek Tahoe community, and rules that limit and affect how an owner in the Clear Creek Tahoe community may use his/her property. The Declaration is sometimes referred to in this Disclosure as the "CC&R's".

<u>Association Documents:</u> These documents, which include the Association's articles of incorporation and bylaws, set forth the rights of the Association and the rules affecting owners of property within the Association. Buyer is advised that the CC&Rs, Bylaws, and other Association Documents are subject to change prior to the Close of Escrow. To the extent not provided earlier, finalized version will be provided at the Close of Escrow.

<u>Escrow Instructions:</u> Instructions that are signed by both Buyer and Seller, and enable the Escrow Company to carry out the procedures necessary to transfer the real property.

<u>Preliminary Title Report:</u> The Preliminary Title Report is provided by the Title Company and can be obtained from Escrow Officer. This is a report showing the condition of title before a sale indicating, among other things, easements and encumbrances on the property. The Preliminary Title Report is used by the parties to help determine what the condition of title will be at the Close of Escrow. The condition of title may change prior to completion of the transaction. After completion of the transaction a Title Insurance Policy is issued.

<u>Title Insurance Policy</u>: Insurance against loss resulting from defects of title to a specifically described parcel of real property.

Grant, Bargain, Sale Deed: This is the document used to transfer ownership of real property.

SOILS, GRADING AND LANDSCAPING

<u>Geological Condition:</u> Soil and geologic conditions vary throughout the country and not all locations are ideal for building. Sometimes location and cost considerations take precedence over soil and geologic conditions. We recommend that Buyer examine and understand the soil and geologic conditions of Clear Creek Tahoe.

<u>Soil Conditions:</u> There are many types of soils that have different structural characteristics. Foundations and methods of construction are designed to accommodate soil conditions. These designs are based on recommendations from the soils engineers as contained in the soils report and are approved by the Jurisdictional Agencies. During grading operations, native soils and rocks are often relocated. Dirt and fill materials are often imported for use on a site. Certain types of soil pose hazards to structures. Examples are clays, which expand when wet; and/or soluble salts that may expand when wet and/or damage concrete or stucco. Many of the problems relate to excessive moisture. This is why it is important to maintain positive drainage to keep water and excessive moisture away from foundations and concrete flatwork. Even with such preventative measures, some discoloration and surface scarring of concrete and stucco may be experienced.

<u>Drainage</u>: The Association will be responsible for maintaining the established drainage pattern within Clear Creek Tahoe. If the drainage is altered anywhere in the subdivision it can impact the drainage on both the subdivision and the surrounding properties. Therefore, Buyer is advised that Buyer can be responsible and liable for damages to Lots, homes and common elements in the subdivision and neighboring properties if he/she alters the established drainage within Clear Creek Tahoe.

Landscaping: Any landscaping within the subdivision common areas will be maintained by the Association.

ENVIRONMENTAL DISCLOSURES

<u>Radon:</u> Radon is an important issue about which Buyer needs to be aware. Radon is a naturally occurring, colorless, and odorless radioactive gas formed by the breakdown of uranium and radium deposits in the soil. Radon can escape from the soil and enter buildings. Preliminary studies by the United States Environmental Protection Agency suggest that prolonged exposure to radon may result in adverse health consequences.

The extent to which an area or a specific Lot may be exposed to radon depends upon a number of factors, including natural geologic conditions, climate, temperature, prior land use, groundwater, construction materials and techniques, ventilation and air conditioning systems, and owner maintenance. Because of the multitude of factors involved, it is difficult to predict whether a particular property may be subject to high radon levels unless specific tests are conducted by experts in the area. Seller neither has nor claims any expertise in radon, and it does not provide advice to owners about the acceptable levels, measurement or possible health hazards of radon.

The United States Environmental Protection Agency, as well as state and local regulatory authorities, are best equipped to render advice regarding the risks which may exist in a particular area, the risks associated with radon exposure, the methods available to detect and measure radon levels, and whether remedial measures may be available to detect and measure radon levels, and whether remedial measures may be advisable in particular circumstances to reduce the risk of radon exposure. The United States Environmental Protection Agency has published two guides which are available to interested persons: "Home Buyer's and Seller's Guide to Radon " and "Consumer's Guide to Radon Reduction: How to Fix Your Home" which can be found at www.epa.gov/radon.

<u>Power Lines and Electric and Magnetic Fields:</u> Electric and Magnetic fields ("EMF") are invisible lines of force that surround anything carrying electricity. These fields are part of our everyday lives and are present in such things as appliances, computers, Lot wiring, and power lines. There have been scientific studies done on the effects of EMF, and many of these have been inconclusive or inconsistent. Some studies have reported an association between EMF and certain types of cancer for persons living or working near high current lines and related electrical facilities. Other scientific studies have reported no such relationship.

Exposure to EMF for most people comes from appliances and household or workplace wiring. Electrical transmission and distribution lines and substations can add to exposure for those who live or work close to them. The strength of a field depends on the voltage level and the amount of current flow. The amount of current flowing through a power line varies as the demand for electric power changes. The strength of a magnetic field falls off sharply as one moves away from its source, whether it is an electrical appliance or a power line. Not only is there concern among experts as to whether health risks are associated with EMF exposure, but also there may be consequences resulting from perceptions relating to EMF exposure. Others have worried about or experienced diminution of property values relating to EMF exposure, or the possibility of what may be discovered from further research on the subject. It is possible that future scientific research may lead to new conclusions on health risks associated with EMF that could dramatically affect people's lifestyle choices and property values.

In selecting and purchasing a Lot, Buyer should be aware of the location and capacity of nearby underground and overhead power lines, transformers, and other related electrical facilities. Buyer should also be aware of the electrical service, wiring, and application locations within the Lot itself. Buyer should make decisions relating to the purchase of a Lot on the basis of Buyer's research on the subject of EMF, Buyer's own assessment of risk, and Buyer's lifestyle choices. Seller makes no representations or warranties, express or implied, related to EMF.

Since the information provided here is only accurate as of the date this document was prepared, Buyer should make inquiries as to the current status of research on EMF. Below are some of the many sources of information on this subject.

Physical Sciences Library University of Nevada Chemistry Building, Room 316 Reno, NV 89507 (775) 784-6716

Carnegie Mellon University Department of Eng and Public Policy Pittsburgh, PA 15213 (412) 268-2670

NV Energy Environmental Affairs P.O. Box 10100 Reno, NV 89520 (775) 689-4754 Environmental Protection Agency 4220 S. Maryland Parkway Building C, Room 526 Las Vegas, NV 89119 (702) 798-2476

Electric Power Research Institute P.O. Box 10412 Palo Alto, CA 94303 (510) 934-4212

State of Nevada Environmental Protection 333 W. Nye Lane, Room 138 Carson City, NV 89710 (775) 687-4670

By signing this General Buyer Disclosure, Buyer acknowledges that his or her Lot is near the alignment of the power lines. Neither Seller nor NV Energy has any obligation to provide insurance, indemnity or other protection to owners and residents within Clear Creek Tahoe, or their guests and pets, from damage or injury associated with the power lines. Furthermore, Buyer acknowledges that no representations or warranties of any kind have been or are being made in this regard and that he or she is not relying on any statements or representations made by any sales agents or other representatives of Seller. Buyer hereby expressly assumes the risk of damage or injury from living in proximity to the power lines and electric and magnetic fields.

The undersigned Buyer hereby indemnifies and agrees to hold harmless Seller and its affiliated entities, members, officers, directors and employees, from and against any and all liability for all injury, accident, loss, disease, pollution or damage whatsoever to Buyer or Buyer's family, guests, property or pets arising out of or resulting from the power lines or electric and magnetic fields.

<u>Adequate Ventilation:</u> Some health authorities feel there may be a health risk associated with gases and pollutants emitted from construction materials, such as, carpets, paints, plywood, particle board, etc. It is a prudent practice to maintain adequate ventilation and fresh air in your home to minimize harmful effects. Buyers are cautioned against extreme conservation measures that prevent good ventilation.

<u>Salt and Chemical Damage:</u> Some chemicals may damage concrete. For example, the use of salt is very damaging to concrete. Use of salt or deicers on roads, curbs, gutter, driveway approaches, garage floors, sidewalks, and driveways may erode such surfaces at a faster rate than normal. If your vehicle travels on roads where salt or deicers have been used, these substances may collect on your tires as well as the underside of your vehicle. If allowed to remain and melt on your driveway or other concrete areas, these substances may cause some degree of erosion of concrete surfaces. This type of concrete deterioration is beyond the control of Seller and Seller will not be responsible for any repair or replacement to concrete necessitated by damage from salt or chemical erosion.

Another example is problems caused by using harsh or abrasive chemical cleaners inside the Lot or residence to be built thereon. Such cleaners can damage finishes on tile, fiberglass, paint, plumbing fixtures, countertops, and other surfaces. Buyer is cautioned to read manufacturer's instructions and exercise care in the use of any chemical, salt or deicers. Hazardous Materials: Except as disclosed in any environmental report delivered by Seller to Buyer prior to the date of Buyer's receipt of this Disclosure, to Seller's actual knowledge, the Lot is not in violation of any federal, state, local or administrative agency ordinance, law, rule, regulation, order or requirement relating to environmental conditions or Hazardous Material ("Environmental Laws"), and, except as disclosed in any environmental report delivered by Seller to Buyer prior to the date of Buyer's receipt of this Disclosure, neither Seller nor, to Seller's actual knowledge, any third party has installed, used or removed any storage tank on, from or in connection with the Lot, except in full compliance with all Environmental Laws, and, to Seller's actual knowledge, there are no storage tanks or wells (whether existing or abandoned) located on, under or about the Lot. For the purposes hereof, "Hazardous Material" shall mean any substance, chemical, waste or other material which is listed, defined or otherwise identified as "hazardous" or "toxic" under any federal, state, local or administrative agency ordinance or law, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. and the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., or any regulation, order, rule or requirement adopted thereunder, as well as any formaldehyde, urea, polychlorinated biphenyls, petroleum, petroleum product or byproduct, crude oil, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixture thereof, radon, and asbestos.

<u>Other Possible Environmental Hazards:</u> Some natural and manmade products that are used in the construction of a Lot, including but not limited to asbestos, fiberglass, gypsum, stucco, and plaster contain materials or substances that, if disturbed, cut, crushed or otherwise released as a dust, may become an irritant to the lungs or to the skin. Recent studies pertaining to some of these materials, such as fiberglass, for example, indicate some concern among experts as to whether a health risk exists if there is long-term exposure to these particles in the event that they become airborne by being disturbed. You may wish to inquire further of your local public health department or the state agencies that conduct or monitor this type of research.

<u>General Disclaimer:</u> Seller makes no warranties, express or implied, about the existing or future environmental conditions in or on the subdivision, including possible present or future pollution of the air, water, or soil from any sources, such as underground migration or seepage (including radon gas or electric and magnetic fields). Seller expressly disclaims any liability for any type of damages--whether direct, indirect, or consequential--which the subdivision, the Lot, or its inhabitants may suffer because of any existing or future environmental conditions.

ZONING AND SURROUNDING USE

<u>Zoning</u>: Prior to completing the purchase Buyer should be aware of surrounding land uses. For zoning information, Buyer should feel free to call the planning staffs at the Jurisdictional Agencies. Some existing surrounding uses may pose potential nuisances, hazards or risks. For example, some roads have heavy traffic, some land uses have unpleasant odors, some neighborhoods are noisier than others, and lands open to the public may allow activities that produce noise and odors. It is strongly recommended that Buyer acquaint himself with the area and satisfy himself as to the suitability of the neighborhood before completing the purchase. It is recommended that Buyer inspect the neighborhood at different hours of the day and different days of the week, and that inquiries be made of any questionable facilities or uses.

Seller reserves the right to sell property within Clear Creek Tahoe to other developers or individuals, or to make changes in the proposed land use, improvement plans, street pattern or type, style, or price of the Lots or other improvements to be built. No statement by Seller or its Sales Agent(s) as to a present or intended use of any portion of Clear Creek Tahoe or the surrounding area shall affect Seller's right to make changes in the future. Further, Buyer understands that Seller makes no representations as to how this property or nearby property not owned by Seller will be used or developed.

It is important for Buyer to be aware that there is no assurance that any public facility not in existence will ever be built. Parks and schools are under the control of governmental agencies that have the power to change their plans, including selling or exchanging sites. Seller does not have the power to fix sites for public facilities such as parks or schools or to stop sites from being moved from one location to another.

TAXES

Property tax information and current information about any special assessment district or similar benefit assessment district affecting Buyer's property can be obtained from the Douglas County Assessor's office and the Preliminary Title Report. Seller strongly advises each prospective purchaser to review the Preliminary Title Report and to contact the county tax assessor in order to identify the various taxes and assessments that will be (or are planned to be) imposed upon the Lot.

<u>Supplemental Tax Bill:</u> There is a possibility that a supplemental tax billing may be issued after the Close of Escrow. This billing would place real property improvements whose existence is ascertained after the assessment date in the current assessment year on the unsecured tax rolls. In other words, a tax bill may be issued for the value of construction work performed after the end of the normal assessment period.

In the event that such a bill is due and payable at the Close of Escrow, the Escrow Company shall prorate as is normal at closing. If a supplemental tax bill is not issued until after Close of Escrow, no proration shall be made and payment of the entire bill shall be the sole responsibility of Buyer. The Escrow Company and Seller will not be held responsible for the proration or payment of said bill after the Close of Escrow.

INSURANCE

Most people feel it is prudent to insure their property. It is Buyer's responsibility to understand the insurance coverages obtained by the Association under the CC&Rs, and to arrange for insurance after the Close of Escrow; Seller does not provide insurance. Lenders may require a standard policy of fire and/or property damage insurance prior to close of escrow and recordation of your loan. If there is no lender involved it is the Buyer's responsibility to see that coverage is in place at Close of Escrow.

PROPERTY INFORMATION AND DISCLOSURES

The items that follow are those which we feel are most relevant to Buyer; Buyer should be aware, however, that the Escrow Officer assigned to this transaction, the Title Company, the Jurisdictional Agencies, as well as many other public agencies, will be happy to provide additional information and answer questions which Buyer may feel are also important. There is generally no charge for such assistance--all Buyer needs to do is ask, and we encourage you to do so.

<u>CC&Rs</u>: Each Lot within Clear Creek Tahoe is subject to the CC&Rs and the Association governing documents. The provisions of these documents are intended to be, and in most cases are, enforceable by property owners and/or the Association, of which each owner within Clear Creek Tahoe is a member. The CC&Rs and the Association governing documents may include, but are not limited to, provisions regarding the keeping of animals, vehicles, signs, improvements, and assessments by the Association. In addition, the Board of Directors of the Association (the "Board") and the Design Review Committee may from time to time amend the Association governing documents and/or establish additional rules and regulations related to their areas of operation. It is strongly suggested that the Buyer thoroughly read and understand the CC&Rs, the Association governing documents, and any rules and regulations promulgated by the Association and/or Design Review Committee before obligating himself to purchase a Lot in Clear Creek Tahoe, as the provisions in these documents provide important information and disclosures

regarding the property being purchased; copies are available from Seller and may also be obtained from the Escrow Officer assigned to this transaction.

<u>Assessments:</u> Each Lot owner within Clear Creek Tahoe is, by virtue of such ownership, automatically a member of the Association. The Association's expenses, including those related to maintenance of common elements within Clear Creek Tahoe, are funded by assessments levied by the Association against Lot owners. These assessments are collected on a monthly basis. If the assessments are not paid, they become a lien against an owner's property. The assessments are subject to annual review and may increase or decrease based on many factors, such as the amount of common area landscaping, maintenance costs, and management costs.

<u>Easements</u>: Easements and other burdens and restrictions related to the entire subdivision, and the Lot in particular, are shown on the official plat and/or separate easement documents, including the CC&Rs, and the Preliminary Title Report for the Lot, and can be obtained from the Escrow Officer after escrow is opened. There are many types of easements, including easements for construction, encroachments, parking, and the placement of utility structures. Easements are often structured to be "reciprocal". This means that the Buyer would be granting an easement to his neighbors and his neighbors would be granting the Buyer the same easement; this technique is used sometimes for utilities, encroachments, and other common use features. Buyer should carefully study all easement documents, including the CC&Rs, as Buyer may be prohibited from engaging in certain acts or making certain improvements over the area covered by certain easements.

<u>Public Utility Easements:</u> Generally there are standard public utility easements in various portions of the common elements. In addition, other easements are or may be granted for such public utility uses as water, sewer, gas, electric, and cable television. These allow utility companies a path through which to carry their services and the right to maintain these services. Often easements are granted for possible future utility company needs.

The easement documents themselves, and often state law, regulate or prohibit interference with easements. Many easements prohibit the placement of trees, shrubs, or other improvements or landscaping which would interfere with its uses of access. If you have any questions regarding specific easements, call the entity to whom the easement has been granted.

Major utility services may exist or be planned in areas surrounding the subdivision. For information on these, please contact the Jurisdictional Agency or the specific utility company.

<u>Utility Systems:</u> Utilities are installed according to the rules, plans, locations and capacities developed by each utility company. Buyer may contact each utility company as necessary to ask questions about service to each Lot. Service for all utilities is beyond the control of Seller, and Buyer must make arrangements directly with the appropriate utility company in order to establish service.

An individual Lot within Clear Creek Tahoe may have electric transformers, electric distribution boxes, fire hydrants, street lights and signs located within the common elements adjacent to such Lot or within the general vicinity of the Lot. Utility providers reserve the right to modify the placement of facilities. Some of these facilities may be installed after a Lot is purchased by a buyer. Buyers often ask where above ground and below ground utility facilities will be located. Upon request, Seller will attempt to make such information available to Buyer.

<u>Square Footages:</u> Representations of square footage are approximate only. Buyer may not and should not rely upon any written (brochures and other sales documents) or oral statements by Seller or its agents regarding the exact square footage of any Lot. The computation of square footage varies based upon the criteria used. Buyer by acceptance of a deed to a Lot to hold Seller harmless in any dispute arising over any representations concerning the square footage of the Lot.

<u>Common Metering</u>: Buyer is hereby advised that some of the utilities within Clear Creek Tahoe may be measured by common metering. This means that the utilities companies will check a limited number of meters that represent the consumption of a larger number of Lots with respect to commonly metered utilities. The Association may choose from a number of different options to establish billing for each Lot. For example, Lot owners may be charged an equal share of the utility cost divided among the number of Lots billed on each meter.

<u>Signs, Sales Complexes, and Construction Facilities:</u> Seller has the right to maintain a sales office, model complex, construction office and construction yard within the Clear Creek Tahoe development. On any Lots owned by the Seller within the Subdivision, the Seller has reserved the right to maintain signs, a sales office, model complex, construction office and construction yard.

<u>Seller's Right to Act in Its Own Best Interest and Future Value:</u> Even in instances where Seller's original intent was to sell Lots to individual buyers, Seller reserves the right to sell Lots to investors or to rent or lease Lots. With regard to other Lots, Seller may, in the absolute discretion of Seller, change prices, terms, features, floor plans or options, or offer concessions for Lots in any existing or proposed phases of this development or any other development. Seller may, before or after the close of escrow for the Lot being purchased by Buyer, lower sales prices for similar sites or offer sales incentives to other buyers in response to market conditions, all with no obligation to Buyer.

Seller makes no representations, guaranties, or warranties regarding future prices or values of any Lot within the subdivision. Furthermore, Seller makes no representations, guaranties, or warranties with respect to either the appreciation of Buyer's Lot or any return of Buyer's investment.

<u>Construction Nuisances and Hazards:</u> One of the pleasures of buying a Lot and building a new residence is that much of what is around you is also new. However, this newness is often the result of ongoing construction activities that can be a nuisance and pose hazards.

For an undetermined period of time, undeveloped portions of area in and surrounding Clear Creek Tahoe will be used for construction related activities, such as water storage, dirt screening, and equipment and material storage. Streets will be used for construction-related traffic. Construction activities may occur early in the morning, late into the evening, and on weekends or holidays. You should purchase a Lot with full knowledge that you will have to tolerate the problems associated with construction activity.

Dust will be a problem near a construction site; however, Seller will try to minimize the amount of dust leaving the construction sites under its control. It is difficult to control dust resulting from high winds, especially after working hours. Owners can help reduce potential dust problems by not walking, motoring, bike riding, or otherwise using undeveloped land. Often there is a fine crust of delicate plant material over undeveloped land that helps prevent dust from blowing. When this crust is broken it makes dust difficult to control.

Buyer is cautioned that children should be closely supervised and should not play in or near construction sites. Construction sites are dangerous places. Parents are responsible for the proper supervision of their children, as well as any damage caused by their children.

<u>Damage to Public Improvements:</u> Once you close escrow on your Lot, you are responsible for any damage you or your contractors cause to the common elements or street improvements including curb, gutter, sidewalk, paving, and utilities. Buyer may be held responsible for damage caused by him or his agents. For example, if your contractor or moving van damages the sidewalk, you will be responsible.

<u>Entry Monuments and/or Special Landscaping:</u> Seller may choose, at its discretion, to install some type of entry monument and/or special landscaping to enhance the entrance of the Clear Creek Tahoe community. Seller does not represent or guarantee that entry monuments and/or special

landscaping will remain or be maintained beyond Seller's involvement. They are installed for sales and marketing purposes only.

These improvements may be temporary and may: (1) eventually be totally removed; or (2) ownership and responsibility for these areas may be turned over to the Association. At such time, and at its sole discretion, Seller will have no further responsibility.

<u>Privacy:</u> Buyer is advised that his privacy may be affected by what is constructed on neighboring property. Structures may be located or have windows or decks in areas that may impact privacy, and plotting may change over time. Seller reserves the right to allow construction of any Lot without regard to its impact on privacy of nearby Lots.

<u>Views, Scenes, and Sources of Natural Light:</u> Many home sites in Clear Creek Tahoe have good views of the surrounding mountains, city landscapes, or other terrain. Depending on the location of the Lot, adjacent or nearby residential or other structures could potentially be constructed or modified in a manner which could block or impair all or part of the current view and/or diminish the location advantages of the Lot. Seller makes no representation or warranty of any kind that the view from Buyer's Lot will not be obstructed in the future by structures or vegetation. Buyer assumes the risk that a view obstruction will occur.

By signing below, Buyer acknowledges that neither Seller nor Seller's Sales Agents have made any representations, warranties, covenants or agreements to or with Buyer concerning the preservation or permanence of any specific view or location advantages of the property. Buyer hereby agrees that Seller will not be responsible for or liable for any changes to any view or location advantages or for any perceived or actual loss of value of the property resulting therefrom. Buyer acknowledges that he or she is solely responsible for analyzing and determining the current and future value and permanence of the view and location advantages of the Lot.

OPEN SPACE/TRAILS/LAND ACCESS

The Clear Creek Tahoe community is located in the vicinity of substantial public open space and recreation areas, many of which are owned and/or managed by public agencies. The location and total acreage of open space may increase or decrease as development progresses in the project. Certain improvements may be constructed in the open space (water tanks, wells, pipelines, access roads, etc.), which are necessary for development or access to surrounding real property. Lots near such open space, or near any access to public lands or private lands outside the Clear Creek Tahoe community, may experience increased noise, litter, and traffic due to individuals accessing and utilizing such lands. Seller shall not be responsible to Buyer for any such impacts.

WILDLIFE

The Clear Creek Tahoe community is near substantial Bureau of Land Management and/or U.S. Forest Service acreage and other open space. The presence of coyotes, snakes, rabbits, owls, deer, chukar, marmots, bears, mountain lions, rodents and other wildlife should be anticipated. Buyers should take precautions to protect themselves and their pets against natural predators.

FAULT ZONES

Like many places in the Truckee Meadows, fault lines may traverse the Clear Creek Tahoe community. Douglas County is a region prone to earthquakes, and areas around faults often experience more frequent or more severe earthquake activity. Information on faults may be found in local government offices. Each Buyer should decide for himself what earthquake risks are acceptable to him. For more information on homeowners earthquake safety in Nevada please refer to www.nbmg.unr.edu/dox/sp27.pdf

WIND

Very high winds can occur in the Douglas County and Lake Tahoe area, including Clear Creek Tahoe.

FREEZING TEMPERATURES

The Clear Creek Tahoe community is in an area which is subject to freezing temperatures. Buyer is aware of this situation and should take all precautionary measures to protect acquired property from damage due to freezing and below-freezing temperatures. Ice dams on roofs in winter are a common situation in this area.

NONPOTABLE IRRIGATION WATER

The Clear Creek Tahoe community may be designed to use either potable or non-potable water for irrigation of the common area landscaping. This water may be primarily untreated surface water, but may in the future include effluent from a sewer treatment plant.

All nonpotable water must pass federal, state and local laws and regulations in order to be used. Water for indoor use at Lots will be supplied from the community domestic water system operated by the Douglas County.

NATURAL LIGHT

The Lots within Clear Creek Tahoe subdivision are located in such a manner that certain of the Lots will likely be exposed to direct sunlight during certain hours of the day, and at certain times of the year, and may receive more direct sunlight than other Lots, based on the location and orientation thereof. This may result in increased need for cooling of a Lot and increased costs, as well as glare and related inconvenience. Buyer is encouraged to consider the location of the Lot for purchase and to take into consideration the likely sun exposure.

SEX OFFENDERS

State law requires all persons who plead guilty or have been found guilty of a sex crime must register with the Chief of Police in the city in which the person resides, or the Sheriff of the county, should no Chief of Police exist. To obtain further information regarding persons required by law to register as sexual offenders, contact the local Chief of Police or the County Sheriff.

BUYER'S INVESTIGATION

Seller's Broker and Sales Agents are not licensed contractors and are not trained or qualified to evaluate problems or defects in property, structures, geological areas, water and water rights or land-use capabilities and may not recognize significant problems. Buyer is advised to investigate the state of a water assessment due to the US Clean Water Act. Buyer should hire professionals to conduct his/her own thorough investigations in all areas. Neither Seller nor Seller's Broker or Sales Agent recommends specific companies for inspections, appraisals, repairs or land use advice and is not responsible for work performed. Names of such companies are provided for convenience only.

Seller recommends Buyer seek qualified advice from their own attorneys and accountants regarding tax or legal ramifications involved in this transaction. Buyer confirms that they have not relied on any representations of Broker or Sales Agent that are not expressly set forth in writing in the Real Estate Home Purchase Agreement and Escrow Instructions, including without limitation, legal or tax representations that might have been made by Broker or Sales Agent.

BUYER ACKNOWLEDGEMENT OF RECEIPT

Buyer hereby acknowledges receipt, review and approval of the foregoing General Buyer Disclosure for Clear Creek Tahoe.

Buyer Signature

Date:_____

Buyer Signature

Date:_____



CLEAR CREEK

ΤΑΗΟΕ

PUBLIC OFFERING

STATEMENT

THIS PUBLIC OFFERING STATEMENT IS CURRENT AS OF January 1, 2023. RECENT DEVELOPMENTS REGARDING NRS 116.4104 MAY NOT BE REFLECTED IN THIS STATEMENT.

Note to Sales Representatives: Obtain signature(s) of Buyer(s) on this document BEFORE he or she executes the Purchase Agreement. NRS 116.4103 requires that Seller update and revise the Public Offering Statement QUARTERLY. More frequent updating is required if the second to last paragraph in the Public Offering Statement (prominently advising the date as to which the statement is current and advisory as to recent developments) is removed or altered.

CLEAR CREEK TAHOE PUBLIC OFFERING STATEMENT by CLEAR CREEK RESIDENTIAL, LLC, a Delaware limited liability company

- 1. Names and Addresses:
 - 1.1 Name and Address of Declarant ("Declarant"):

Clear Creek Residential, LLC Attention: Leisha Ehlert 199 Old Clear Creek Road Carson City, Nevada 89705

1.2 Name and Address of Common-Interest Community:

Clear Creek Tahoe Community Association (the "Association") c/o Clear Creek Residential, LLC 199 Old Clear Creek Road Carson City, Nevada 89705

2. Type of Common-Interest Community:

The Clear Creek Tahoe community is a planned common interest community.

3. General Description of the Common-Interest Community:

Clear Creek Tahoe is located off of US Highway 50, between Carson City and Lake Tahoe, in Douglas County, Nevada. Declarant intends to develop Clear Creek Tahoe as a high-quality residential community, complete with residential neighborhoods, privately-owned recreation amenities, possible resort uses and commercial uses associated with golf course and resort projects.

Upon completion, Clear Creek Tahoe may consist of approximately 391 single-family residential lots at full build out and it is anticipated there will be a number of recreational amenities as more particularly set forth in the Property Report dated August 26, 2021, which are currently anticipated to include a golf course, hiking trails, clubhouse and fitness facility. The residential lots are currently planned to be sold as custom home sites, meaning a lot developed with utilities and streets, ready for the buyer to construct a custom home on the lot after issuance of a building permit and approval of the buyer's construction plans by the Clear Creek Tahoe design review committee; however, the Clear Creek Tahoe community may include custom lots, semicustom homes, and homes constructed on lots by merchant builders for sale to homebuyers. Declarant has reserved the right to expand the number of lots in Clear Creek Tahoe by annexation and development of additional land, subject to compliance with state and local laws and the Master Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements for Clear Creek Tahoe recorded September 27, 2016 as Document No. 2016-888265 in the Official Records of the Douglas County Recorder's Office (as amended and supplemented from time to time, the "CC&Rs").

A golf course, clubhouse, fitness center and other related recreational and social facilities have been or may be constructed in Clear Creek Tahoe. Such amenities are private, owned and operated by a different entity than Declarant. No owner of a Clear Creek Tahoe Unit has any play or membership rights except by virtue of a membership separately purchased by the owner or otherwise provided to owner pursuant to the terms and conditions of the CC&Rs. At the time this Public Offering Statement was prepared, each owner is obligated to accept a

Resident Membership in the Club and pay the requisite Club membership fees in accordance with the terms and conditions set forth in Section 11.7 of the CC&Rs. The CC&Rs currently allow for cancellation and termination by the Club Operator (as defined in the CC&Rs), at any time on or after January 1, 2034, of the Residential Membership rights and obligations on the terms and conditions set forth in Section 11.7 of the CC&Rs. The capitalized terms related to the private amenities that are not otherwise defined in this paragraph are as defined in the CC&Rs.

Other than Golf Club Drive, which is a public road providing access to the subdivision, streets within Clear Creek Tahoe are planned to be private and will be constructed as needed for lot access. The Association's responsibilities are defined in the CC&Rs and include, among other activities: (A) maintenance and repair of the private streets and emergency vehicle access roads, (B) landscaping of common area areas and maintenance of such landscaping, (C) snow removal from private roads, (D) preservation of fuel modification and firebreak areas, (E) maintenance of drainage channels, detention basins and ponds and certain drainage ditches that will serve the subdivision, and (F) enforcement of restrictions as provided in the CC&Rs. The Association may provide private security, but the level of private security provided from time to time shall be determined by the Association Board of Directors. The owners of lots within Clear Creak Tahoe are responsible for the payment of assessments to the Association to ensure that proper maintenance is performed by the Association on those areas for which the Association is or may be made responsible pursuant to the terms of the CC&Rs and/or various governmental approvals for Clear Creek Tahoe.

It is estimated that substantial buildout of the entire Clear Creek Tahoe community will occur within the next five to ten years, though this estimate is subject to change. Construction of the golf course is complete. Construction of the clubhouse and fitness facility has commenced and it is estimated, but not guaranteed, with estimated completion in October of 2021.

4. Estimated Number of Units:

This Public Offering Statement currently applies to two hundred fifty-six (256) units, but it is anticipated that the Clear Creek Tahoe community will eventually contain approximately three hundred ninety one (391) residential units (each a "Unit"), each of which may be improved with a residence.

5. Documents:

Unless otherwise noted, the following documents are to be delivered to buyer(s) concurrently herewith by the escrow agent, the Association, or by Seller, and are hereby incorporated herein by reference:

- (a) Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Clear Creek Tahoe, and any amendments and supplements thereto, attached hereto as Exhibit "A".
- (b) Articles of Incorporation for Clear Creek Tahoe Community Association, attached hereto as Exhibit "B".
- (c) Bylaws for Clear Creek Tahoe Community Association, attached hereto as Exhibit "C".
- (d) The current budget and balance sheet, if any, for Clear Creek Tahoe Community Association ("Budget"), attached hereto as Exhibit "D".

i) The Budget was prepared by MKJ Co. and approved by the Board of Directors of Clear Creek Tahoe Community Association.

(ii) The Budget's assumptions regarding occupancy and inflation factors are as follows: No sales projections and no inflation factors were a part of the assumptions.

(iii) A budget reserve for repairs and replacements will be collected as set forth in the Budget.

(iv) The current assessment per Unit shall be \$285.00 per month, which is subject to change.

- (e) Rules and Regulations of Clear Creek Tahoe Community Association, attached hereto as Exhibit "E".
- (f) Clear Creek Tahoe Community Association Assessment Collection Manual, attached hereto as Exhibit "F".
- (g) Clear Creek Tahoe Design Guidelines, attached hereto as Exhibit "G".
- (h) Information Statement attached hereto as Section 16.
- 6. Services or Subsidies not reflected in the Budget:

Any services or subsidies being paid by Declarant are reflected in the Budget. In general, the Declarant covers deficiencies in the Association's operating income in lieu of paying regular assessments to the Association, all pursuant to a separate Subsidy Agreement by and between Declarant and the Association (the "Subsidy Agreement"). Eventually the Subsidy Agreement will terminate, and with-it Declarant's subsidy of the Association's operating income thereunder. Thereafter, the Association will need to look to its membership or other non-Declarant sources in order to raise sufficient income to cover its expenses.

7. Initial or Special Fees:

Developer will collect, on behalf of the Association, from each purchaser at closing, a transfer fee in the amount of one-tenth of one percent (0.10%) of the purchase price of the Unit on the terms and conditions set forth in the CC&Rs. The transfer fee will be held by the Association to provide capital for its operating funds. There are no other initial fees or special fees for the Association to be collected from the purchaser at closing.

In addition to the transfer fee, each owner, by accepting a deed to a Unit at Closing, is deemed to covenant and agree to pay the Club Membership Fees related to the Residential Membership as set forth in Section 11.7 of the CC&Rs.

8. Limited Warranties:

BY EXECUTING BELOW, THE UNDERSIGNED BUYER AGREES TO ACCEPT THE WARRANTIES MADE IN THE REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS ("PURCHASE AGREEMENT") AT CLOSING AS A MODIFICATION OF ANY IMPLIED WARRANTIES OF QUALITY ARISING UNDER NR 116.4114, AND IN LIEU OF ALL OTHER EXPRESS AND IMPLIED WARRANTIES (WHETHER FROM DECLARANT OR ANY EMPLOYEE, AGENT, OFFICER, DIRECTOR, MEMBER, MANAGER, REPRESENTATIVE, AFFILIATE, PARENT, SUBSIDIARY, CONTRACTOR, OR SUBCONTRACTOR OF DECLARANT (COLLECTIVELY, THE **"DECLARANT** PARTIES")), ANY PROVISION WHICH, OTHER HEREIN NOTWITHSTANDING, ARE DISCLAIMED AND EXCLUDED BY DECLARANT AND ALL DECLARANT PARTIES TO THE MAXIMUM EXTENT PERMITTED BY LAW. THE PERIOD OF LIMITATIONS FOR ANY WARRANTIES SHALL NOT EXCEED TWO YEARS. THIS REDUCTION OF THE PERIOD OF LIMITATION SHALL SURVIVE THE CLOSE OF THE

PURCHASE OF THE UNIT. NO PROMISES, WARRANTIES, REPRESENTATIVES OR COMMITMENTS WILL BE BINDING ON DECLARANT OR ANY DECLARANT PARTY OTHER THAN THOSE REDUCED TO WRITING AND INCLUDED IN THE PURCHASE AGREEMENT.

Subject to the foregoing, no express warranty is made by: (a) any affirmation of fact or promise that the Unit or any right or use related thereto will conform to the affirmation of fact or promise made; (b) the display of any model or the description of any physical characteristics of the common interest community, including plans and specifications of or for improvements will reasonably conform to the model or description of the common interest community; (c) any description of the quantity or extent of the real estate comprising the common interest communities, including plats or surveys will conform to the description subject to customary tolerances; and (d) any representation that a purchaser may put the Unit to only specified residential use and that use is lawful.

9. Buyer's Right to Cancel:

Unless the purchaser has personally inspected the Unit, the undersigned Buyer may cancel, by written notice, the contract for purchase of the Unit until midnight of the fifth calendar day following the date of execution of the contract for purchase of the Unit.

10. Unsatisfied Judgments or Pending Actions Against the Association:

There are no unsatisfied judgments or actions pending against the Association. There are no actions material to the community of which Declarant has actual knowledge.

11. Fees or Charges for Use of Common Elements:

There are no current or expected fees or charges to be paid by the owners of Units for use of common areas within the community. All current and expected fees for each Unit are included in the monthly assessments and association fees described in Sections 5 and 7.

12. All Current and Expected Fees or Charges for each Unit:

NRS 116.4103 requires that this Public Offering Statement include a statement describing all current and expected fees or charges for each Unit. In that regard, the current and expected monthly assessment is as set forth in Section 5 above, and the current and expected transfer fees and Club Membership Fees associated with conveyance of a Unit is as set forth in Section 7 above. As also noted above, there are presently no fees to be charged for use of common elements within the Project (other than assessments levied in the ordinary course pursuant to the CC&Rs), and, other than the aforementioned transfer fee, there are no special or initial fees to be paid by or collected from Buyer for the benefit of the Association at close of escrow. The CC&Rs expressly permits the Association to levy fines. In the event the Association does so, fines shall be levied in the manner and amounts as set forth in the applicable schedules and/or policies, copies of which shall be provided to each Unit owner. There are late charges and interest on delinquent assessments pursuant to the CC&Rs and Clear Creek Tahoe Community Association Assessment Collection Manual.

In addition to the above-referenced regular assessments (defined as "Annual Assessments" in the CC&Rs), transfer fees, and fines, the CC&Rs allows the Association to levy Special Assessments and Specific Assessments (each as set forth in Section 9 of the CC&Rs). Special Assessments, if levied, are generally intended to cover unanticipated shortfalls in the Association's annual income, and Specific Assessments, if levied, are generally intended to cover unanticipated shortfalls in the Association's annual income, and Specific Assessments, if levied, are generally intended to collect the individual expenses allocated to a specific Unit.

Finally, notice is hereby given that the Association has adopted an Assessment Collection Manual, as identified in Section 5 above. In accordance with the Assessment Collection Manual, as well as the CC&Rs and NRS Chapter 116, the Association may levy assessments, charge interest, and charge collection costs, including attorneys' fees, in connection with the processing and collecting of delinquent amounts owed to the Association. The amount of any cost and/or fee charged in connection with processing and collecting delinquent amounts, including, without limitation, late and interest charges, charges for preparation of delinquent notices or referral for collection, postage and copies, and attorneys' fees and costs, shall be as set forth in the Assessment Collection Manual, as provided under the Act (including, without limitation, as provided in NRS 116.3115), or as set forth in the CC&Rs, and if not otherwise set forth in any of the foregoing, then in such amount as may be reasonable determined by third party consultants and attorneys retained by the Association for the purpose of processing and collecting delinquent amounts.

13. Restraints on Alienation:

The Project's common elements are subject to restraints on alienation and encumbrance as set forth in the CC&Rs and NRS Chapter 116, which restraints generally consist of a requirement that the Association's membership grant its approval before the conveyance or encumbrance of any common elements. Furthermore, the transferee of any interest in the Project's common elements will take title thereto subject to all matters of record or apparent.

The Governing Documents (as defined in the CC&Rs) do not contain any restraints on alienation of a Unit, except that a Unit may not be further subdivided except as provided in Section 4.3 of the CC&Rs, and the purchaser of any Unit shall take title to such Unit subject to all the terms and conditions of the CC&Rs, as well as all other matters of record or apparent.

The Governing Documents do not contain any restrictions on the leasing of any Unit, except as set forth in Section 3.4(g) of the CC&Rs.

The Governing Documents do not contain any restrictions on the amount for which a Unit may be sold, or on the amount that may be received by a Unit's owner on the sale or condemnation of or casualty loss to the Unit or to the community, or on termination of the community, provided the Unit's owner is otherwise legally entitled to any such amount.

14. Description of NRS 116.1209 Arrangements Binding on Association:

There are no arrangements described in NRS 116.1209 binding on the Association.

15. Disclosures Related to Developmental Rights:

In order to comply with certain provisions of Nevada law regarding public offering statements (specifically, NRS 116.4104 to the extent applicable), Declarant: (a) confirms that the maximum number of Units that may be created in Clear Creek Tahoe is currently four hundred fifty (450), and (b) makes no representations or assurances regarding the development rights reserved by Declarant on the following matters:

(i) restrictions on use;

(ii) the extent to which any buildings or other improvements that may be erected pursuant to any development rights in any part of Clear Creek Tahoe will be compatible with existing buildings and improvements in Clear Creek Tahoe in terms of architectural style, quality of construction, and size; (iii) other improvements that may be made and limited common elements that may be created within any part of Clear Creek Tahoe pursuant to any development right reserved by Declarant or any other party;

(iv) any limitations as to the locations of any building or other improvement that may be constructed or made within any part of Clear Creek Tahoe pursuant to a development right reserved by Declarant or any other party;

(v) any limited common elements created pursuant to any developmental right reserved by Declarant or any other party of the same general types and sizes as the limited common elements within other parts of Clear Creek Tahoe;

(vi) the proportion of limited common elements to units created pursuant to any development right reserved by Declarant or any other party being approximately equal to the proportion existing within other parts of Clear Creek Tahoe;

(vii) all restrictions in the declaration affecting use, occupancy and alienation of units applying to any units created pursuant to any developmental right reserved by Declarant or any other party; and

(viii) the extent to which any assurances pursuant to this section apply or do not apply if any development right is not exercised by Declarant or any other party.

16. Information Statement Set Forth in NRS 116.41095:

BEFORE YOU PURCHASE PROPERTY IN A COMMON-INTEREST COMMUNITY...DID YOU KNOW . . .

1. YOU GENERALLY HAVE 5 DAYS TO CANCEL THE PURCHASE AGREEMENT? When you enter into a purchase agreement to buy a home or unit in a common-interest

community, in most cases you should receive either a public offering statement, if you are the original purchaser of the home or unit, or a resale package, if you are not the original purchaser. The law generally provides for a 5-day period in which you have the right to cancel the purchase agreement. The 5-day period begins on different starting dates, depending on whether you receive a public offering statement or a resale package. Upon receiving a public offering statement or a resale package, you should make sure you are informed of the deadline for exercising your right to cancel. In order to exercise your right to cancel, the law generally requires that you hand deliver the notice of cancellation to the seller within the 5-day period, or mail the notice of cancellation to the seller by prepaid United States mail within the 5-day period. Alternatively, if you are not the original purchaser and received a resale package, you may deliver the notice of cancellation by electronic transmission to the seller within the 5-day period in order to exercise your right to cancel. For more information regarding your right to cancel, see Nevada Revised Statutes 116.4108, if you received a resale package.

2. YOU ARE AGREEING TO RESTRICTIONS ON HOW YOU CAN USE YOUR PROPERTY? These restrictions are contained in a document known as the Declaration of Covenants, Conditions and Restrictions. The CC&Rs become a part of the title to your property. They bind you and every future owner of the property whether or not you have read them or had them explained to you. The CC&Rs, together with other "governing documents" (such as association bylaws and rules and regulations), are intended to preserve the character and value of properties in the community, but may also restrict what you can do to improve or change your property and limit how you use and enjoy your property. By purchasing a property encumbered by CC&Rs, you are agreeing to limitations that could affect your lifestyle and freedom of choice. You should review the CC&Rs, and other governing

documents before purchasing to make sure that these limitations and controls are acceptable to you. Certain provisions in the CC&Rs and other governing documents may be superseded by contrary provisions of chapter 116 of the Nevada Revised Statutes. The Nevada Revised Statutes are available at the Internet address http://www.leg.state.nv.us/nrs/.

3. YOU WILL HAVE TO PAY OWNERS' ASSESSMENTS FOR AS LONG AS YOU OWN YOUR PROPERTY?

As an owner in a common-interest community, you are responsible for paying your share of expenses relating to the common elements, such as landscaping, shared amenities and the operation of any homeowners' association. The obligation to pay these assessments binds you and every future owner of the property. Owners' fees are usually assessed by the homeowners' association and due monthly. You have to pay dues whether or not you agree with the way the association is managing the property or spending the assessments. The executive board of the association may have the power to change and increase the amount of the assessment and to levy special assessments against your property to meet extraordinary expenses. In some communities, major components of the common elements of the community such as roofs and private roads must be maintained and replaced by the association. If the association is not well managed or fails to provide adequate funding for reserves to repair, replace and restore common elements, you may be required to pay large, special assessments to accomplish these tasks.

- 4. IF YOU FAIL TO PAY OWNERS' ASSESSMENTS, YOU COULD LOSE YOUR HOME? If you do not pay these assessments when due, the association usually has the power to collect them by selling your property in a nonjudicial foreclosure sale. If fees become delinquent, you may also be required to pay penalties and the association's costs and attorney's fees to become current. If you dispute the obligation or its amount, your only remedy to avoid the loss of your home may be to file a lawsuit and ask a court to intervene in the dispute.
- 5. YOU MAY BECOME A MEMBER OF A HOMEOWNERS' ASSOCIATION THAT HAS THE POWER TO AFFECT HOW YOU USE AND ENJOY YOUR PROPERTY? Many common-interest communities have a homeowners' association. In a new development, the association will usually be controlled by the developer until a certain number of units have been sold. After the period of developer control, the association may be controlled by property owners like yourself who are elected by homeowners to sit on an executive board and other boards and committees formed by the association. The association, and its executive board, are responsible for assessing homeowners for the cost of operating the association and the common or shared elements of the community and for the day to day operation and management of the community. Because homeowners sitting on the executive board and other boards and committees of the association may not have the experience or professional background required to understand and carry out the responsibilities of the association properly, the association may hire professional community managers to carry out these responsibilities.

Homeowners' associations operate on democratic principles. Some decisions require all homeowners to vote, some decisions are made by the executive board or other boards or committees established by the association or governing documents. Although the actions of the association and its executive board are governed by state laws, the CC&Rs and other documents that govern the common-interest community, decisions made by these persons will affect your use and enjoyment of your property, your lifestyle and freedom of choice, and your cost of living in the community. You may not agree with decisions made by the association or its governing bodies even though the decisions are ones which the association is authorized to make. Decisions may be made by a few persons on the executive board or governing bodies that do not necessarily reflect the view of the majority of homeowners in the community. If you do not agree with decisions made by the

association, its executive board or other governing bodies, your remedy is typically to attempt to use the democratic processes of the association to seek the election of members of the executive board or other governing bodies that are more responsive to your needs. If you have a dispute with the association, its executive board or other governing bodies, you may be able to resolve the dispute through the complaint, investigation and intervention process administered by the Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels, the Nevada Real Estate Division and the Commission for Common-Interest Communities and Condominium Hotels. However, to resolve some disputes, you may have to mediate or arbitrate the dispute and, if mediation or arbitration is unsuccessful, you may have to file a lawsuit and ask a court to resolve the dispute. In addition to your personal cost in mediation or arbitration, or to prosecute a lawsuit, you may be responsible for paying your share of the association's cost in defending against your claim.

6. YOU ARE REQUIRED TO PROVIDE PROSPECTIVE PURCHASERS OF YOUR PROPERTY WITH INFORMATION ABOUT LIVING IN YOUR COMMON-INTEREST COMMUNITY?

The law requires you to provide a prospective purchaser of your property with a copy of the community's governing documents, including the CC&Rs, association bylaws, and rules and regulations, as well as a copy of this document. You are also required to provide a copy of the association's current year-to-date financial statement, including, without limitation, the most recent audited or reviewed financial statement, a copy of the association's operating budget and information regarding the amount of the monthly assessment for common expenses, including the amount set aside as reserves for the repair, replacement and restoration of common elements. You are also required to inform prospective purchasers of any outstanding judgments or lawsuits pending against the association of which you are aware. For more information regarding these requirements, see Nevada Revised Statutes 116.4109.

- 7. YOU HAVE CERTAIN RIGHTS REGARDING OWNERSHIP IN A COMMON-INTEREST COMMUNITY THAT ARE GUARANTEED YOU BY THE STATE? Pursuant to provisions of chapter 116 of Nevada Revised Statutes, you have the right:
 - a) To be notified of all meetings of the association and its executive board, except in cases of emergency.
 - b) To attend and speak at all meetings of the association and its executive board, except in some cases where the executive board is authorized to meet in closed, executive session.
 - c) To request a special meeting of the association upon petition of at least 10 percent of the homeowners.
 - d) To inspect, examine, photocopy and audit financial and other records of the association.
 - e) To be notified of all changes in the community's rules and regulations and other actions by the association or board that affect you.
- 8. QUESTIONS?

Although they may be voluminous, you should take the time to read and understand the documents that will control your ownership of a property in a common-interest community. You may wish to ask your real estate professional, lawyer or other person with experience to explain anything you do not understand. You may also request assistance from the Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels, Nevada Real Estate Division, at (702) 486-4480 or (877) 829-9907.

Buyer or prospective buyer's initials: ____/ Date: _____

THE STATEMENTS SET FORTH ABOVE ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO THE ENTIRE SET OF DISCLOSURE MATERIALS AND THE SALES CONTRACT. THIS PUBLIC OFFERING STATEMENT, ALL DISCLOSURE MATERIALS AND CONTRACTS ARE IMPORTANT DOCUMENTS AND IF NOT UNDERSTOOD, THE PROSPECTIVE PURCHASER SHOULD SEEK COMPETENT ADVICE.

Buyer is hereby expressly informed, and Buyer hereby expressly acknowledges, that the failure of Buyer to deliver written notice to Seller (by prepaid U.S. mail or by recognized overnight courier addressed to Seller's address set forth on the signature page of the Purchase Agreement, or by personal service to Seller) of Buyer's disapproval of any matter disclosed in or any agreement required as part of this Public Offering Statement, by no later than midnight of the fifth (5th) calendar day following the date of Seller's acceptance of the offer set forth in Purchase Agreement, then such failure shall be deemed conclusively to evidence that Buyer: (i) has read and understands the contents of this Public Offering Statement and the exhibits to this Public Offering Statement, and their relevance to Buyer's purchase of the Property; and (ii) approves this Public Offering Statement and the exhibits to this Public Offering Statement. In the event Buyer delivers timely notice of its disapproval of this Public Offering Statement, such notice shall: (a) state specifically what the basis of such objection is, and why it is material to Buyer's purchase of the Property; and (b) whether or not as a result of such objection Buyer elects to terminate the Purchase Agreement. Provided Buyer timely delivers Buyer's disapproval notice, and Buyer elects by such notice to terminate the Purchase Agreement, then the Purchase Agreement shall terminate, and neither party shall have any further obligation to the other hereunder.

Receipt	of	this	Public	Offering	Statement,	with	all	attached	exhibits,	is	hereby
acknowledged this			S	_day of			_, 2	0			

BUYER

BUYER

(See attached.)

<u>Note to Sales Representatives</u>: Obtain signature(s) of Buyer(s) on this document BEFORE he or she executes the Purchase Agreement.

<u>Note to Seller</u>: The law requires that the Seller shall: (a) retain a copy of the disclosure document that has been signed by the purchaser acknowledging the time and date of receipt by the purchaser of the original document; (b) provide a copy of the signed disclosure document to the purchaser; and (c) record, in the office of the county recorder in the county where the property is located, the original disclosure document that has been signed by the purchaser.

<u>Prior to recording</u>, attach the legal description of the Property as Exhibit A to the Open Range Disclosure. Do not include this page.



CLEAR CREEK

ΤΑΗΟΕ

OPEN RANGE

DISCLOSURE

WHEN RECORDED, MAIL TO:

Clear Creek Residential, LLC 199 Old Clear Creek Road Carson City, Nevada 89705 Attn: Sales Office

The undersigned hereby affirms that this document, including any exhibits, submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030)

OPEN RANGE DISCLOSURE

"Open Range" Defined: "Open Range" means all unenclosed land outside of cities and towns upon which cattle, sheep or other domestic animals by custom, license, lease or permit are grazed or permitted to roam.

"Fence" Defined: "Fence" means a fence with not less than four horizontal barriers, consisting of wires, boards, poles or other fence material in common use in the neighborhood, with posts set not more than 20 feet apart. The lower barrier must be not more than 12 inches from the ground and the space between any two barriers must be not more than 12 inches and the height of top barrier must be at least 48 inches above the ground. Every post must be so set as to withstand a horizontal strain of 250 pounds at a point 4 feet from the ground, and each barrier must be capable of withstanding a horizontal strain of 250 pounds at any point midway between the posts.

Disclosures: The property you are purchasing, as described in **Exhibit "A"** attached hereto and incorporated herein by reference, may be adjacent to open range on which livestock are permitted to graze or roam. Unless you construct a fence that will prevent livestock from entering your property, livestock may enter your property and you will not be entitled to collect damages because the livestock entered your property. *Regardless of whether you construct a fence, it is unlawful to kill, maim or injure livestock that have entered your property.*

The parcel may be subject to claims made by a county or the State of Nevada of rights-of-way granted by Congress over public lands of the United States not reserved for public uses in chapter 262, section 8, 14 Statutes 253 (former 43 U.S.C. §932, commonly referred to as R.S. 2477), and accepted by general public use and enjoyment before, on or after July 1, 1979, or other rights-of-way. Such rights-of-way may be: (1) unrecorded, undocumented or unsurveyed; and (2) used by persons, including, without limitation, miners, ranchers or hunters, for access or recreational use, in a manner which interferes with the use and enjoyment of the parcel.

I, the below signed Buyer, acknowledge that I have received this disclosure and understand it.

Buyer's Signature

Buyer's Signature

Time and Date:_____

Time and Date:_____

EXHIBIT "A" TO OPEN RANGE DISCLOSURE

Legal Description of Property

That certain real property situates in the County of Douglas, State of Nevada, described as follows:

[<u>USE FOR COTTAGES:</u> Lot ______ of the Final Map for CLEAR CREEK TAHOE – UNIT 2, Subdivision Map No. 904626, recorded in the Office of the Douglas County Recorder on September 26, 2017, as Document No. 2017-904626]

[OR USE FOR ESTATES: Lot ______ of the one of the following: Final Map PD 03-004-7 for CLEARCREEK TAHOE

PHASE 1A & 1B, recorded in the Office of the Douglas County Recorder on November 18, 2 016, as Document No. 2016-890939, the Final Map for CLEAR CREEK TAHOE – UNIT 2, Subdivision Map No. 904626, recorded in the Office of the Douglas County Recorder on September 26, 2017, as Document No. 2017-904626, the Final Map as modified by DP 04-19-0479 for CLEAR CREEK TAHOE – UNIT 3A, recorded in the Office of the Douglas County Recorder on March 23, 2020, as Document No. 2020-943845, the Final Map PD 03-004 as modified under DP 19-0477 for CLEAR CREEK TAHOE UNIT 3C, recorded in the Office of the Douglas County Recorder on March 4, 2021, as Document No. 2021-962948 and amended July 30, 2021, as Document No. 2021-971782, and the Final Map PD 03-004 as modified under DP 19-0477 for Clear Creek Tahoe Unit 4, recorded in the Office of the Douglas County Recorder on July 30, 2021, as Document No. 2021-971781, and further modified under DP 21-0210 for the merger and subdivision of Lots 369 through 383 of Clear Creek Tahoe Unit 4, recorded in the Office of the Douglas County Recorder on October 11, 2022, as Document No. 2022-990725, the Final Map PD 03-004 as modified under DP 19-0477 for CLEAR CREEK TAHOE UNIT 6, recorded in the Office of the Douglas County Recorder on November 21, 2021, as Document No. 2021-977643.

APN: _____



CLEAR CREEK

ΤΑΗΟΕ

AFFILIATED BUSINESS ARRANGEMENT

DISCLOSURE STATEMENT



AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

Property Address:

Date: _	
To:	
	(Buyer)
From:	
	(Agent)

The following documentation is required by law and is to give you notice of certain business relationships. The principal owner of Chase International has an ownership interest in New West Title Ventures, LLC which is an owner of Signature Title Company, LLC. Because of these relationships, the use of services from this provider may provide the principal owner of Chase International a financial or other benefit.

Set forth below are estimated charges or a range of charges for the settlement service listed. You are NOT required to use the listed providers as a condition for purchase of the subject property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

PROVIDER:	SETTLEMENT SERVICES OFFERED:	ESTIMATED CHARGES
SIGNATURE TITLE COMPANY, LLC	Title Insurance and Escrow Services	Title Insurance: "\$2 - \$10 per \$1,000 based on number loans if any, type of coverage and sales price. (minimum \$510.00)." Escrow Fee: "\$650 - \$1,600 depending on sales price up to \$1MM (over \$1MM may significantly exceed the range based on total sales price)".

Actual charges may vary according to the particular circumstances underlying the transaction, including the home value, coverage and limits, other requested terms and services, unusual market conditions, government regulations, property location and features, and other similar factors. Rates may not be the lowest available and are subject to change.

The undersigned acknowledges the disclosure of the above-described interests and agree that if they make the decision to utilize the referred service providers, they do so independent of any representations of Chase International and sign this disclosure with the understanding that if there are questions or concerns, they should consult with a professional of their choice.

ACKNOWLEDGMENT

I/We have read this disclosure and understand that Chase International may be referring me/us to purchase the above-described settlement service and a financial or other benefit may result as provided herein.

Printed Name

Printed Name

Seller Signature

Date

Buyer Signature

Date



CLEAR CREEK

ΤΑΗΟΕ

WIRE FRAUD SCAM

ALERT DISCLOSURE

15

Wire Fraud Scam Alert

This important notice is not intended to provide legal advice. If you have questions please consult with a lawyer.

There have been instances where criminals have hacked email accounts of various parties involved in real estate transaction (e.g., lawyers, title agents, mortgage brokers, real estate agents) to divert funds to the criminal's bank account. A common method used by these criminals is to send, via email, fraudulent wiring instructions. Unfortunately, these emails may appear legitimate – and that is just part of the problem. Based upon this recent criminal activity, we strongly recommend that, as a client to our company, you avoid transmitting any sensitive information such as Social Security numbers, bank account and credit card numbers or wiring instructions, you should *only* provide that information in person, by telephone, overnight mail, or secure fax. As an important reminder, the following precautions should be taken related to bank wire transfers.

• OBTAIN THE PHONE NUMBER OF THE ESCROW OFFICER AT THE BEGINNING OF THE

TRANSACTION. Always personally verify wire instructions by calling the party who sent the instructions to you. *Use only phone numbers that you have called before or you can otherwise verify.* DO NOT use the number provided in the sender's email. The hacker may have inserted a fraudulent telephone number in the email. DO NOT send an email to verify instructions because the sender's listed email address may be false or a hacker may intercept your email to the sender.

- VERBALLY ASK the party who sent the instructions to you to confirm the ABA routing number or SWIFT code and the credit account number. Simply asking the sender whether wire instructions were sent is not sufficient because the hacker may have altered the attachment containing the wire instructions.
- **DO NOT AGREE** to requests to forward wire instructions to other parties (or their brokers) unless you have personally, verbally confirmed the instructions.
- **BE VERY SUSPICIOUS** of emails with purportedly updated, revised, or corrected wiring instructions. It is extremely rare that a title agent will change wiring instructions during the course of the transaction.
- MAKE SURE you are not sending or requesting sensitive financial information in emails (e.g., Social Security numbers, bank accounts, credit card numbers, wiring instructions). Also, make sure to use strong passwords (e.g., 8 characters including both letters and numbers and nothing obvious) and FREQUENTLY CHANGE YOUR PASSWORDS.
- **DON'T** open attachments or click on links from unfamiliar sources because they could contain malware or be a phishing scheme, which once opened could allow a hacker the same access that you have to your computer and accounts.
- **PLEASE** feel free to speak directly with an office manager for Chase International regarding any questions you may have regarding wire instructions. All Earnest Money Deposits will be returned to buyer-clients in accordance with the terms of the purchase contract, and via check rather than wire transfer.
- IF YOU BELIEVE YOU HAVE RECEIVED QUESTIONABLE OR SUSPICIOUS WIRE INSTRUCTIONS, IMMEDIATELY NOTIFY YOUR BANK, THE ESCROW OFFICER AND YOUR REAL ESTATE AGENT.

For more information on wire fraud scams or to report an incident, please refer to the following links:

Federal Bureau of Investigation: <u>http://www.fbi.gov</u> Internal Crime Complain Center: <u>http://www.ic3.gov</u>

National White Collar Crime Center: http://www.nw3c.org On Guard Online: http://www.onguardonline.gov

REVISED 3/8/18 JNTERNATIONAL

ACKNOWLEDGEMENT OF RECEIPT

Your signature below acknowledges receipt of a copy of this Wire Fraud Scam Alert

Buyer	Buyer	Date	6
Seller	Seller	Date:	Đ
		CHA9	SE

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CLEAR CREEK

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VACANT LAND

RESOURCE GUIDE



Vacant Land Due Diligence Resource Guide



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VLDDRG1/1

The following is a list of resources for a BUYER of vacant land in Northern Nevada, along with the names and phone numbers of agencies which may provide more detailed information. This is not a comprehensive list and you are strongly encouraged to investigate and obtain expert advice on all issues which may be of particular concern.

1 Air Quality and Airport Noise Flood Plain Mold and Fungus Washoe County District Health Dept. 2 City of Reno Community Dev. Dept. Nevada Health Division 3 (775) 328-2400 (775) 334-2350 (775) 684-4200 4 www.washoecounty.us/health www.reno.gov www.epa.gov/mold 5 Carson Health & Human Services City of Sparks, Engineering Dept. Noxious Weeds 6 (775) 887-219 (775) 353-2300 or (775) 353-2371 **UNR** Cooperative Extension 7 www.gethealthycarsoncity.org www.cityofsparks.us (775) 784-4848 Reno-Tahoe International Airport 8 Washoe County Dept. of Public Works www.unce.unr.edu 9 (775) 328-6967 (775) 328-2041 Nevada Department of Agriculture 10 www.renoairport.com www.washoecounty.us (775) 353-3600 11 Asbestos Carson City Engineering Division www.agri.nv.gov Washoe County District Health Dept. (775) 887-2300 12 Pesticides 13 (775) 784-7200 www.carson.org Nevada Department of Agriculture www.washoecounty.us/health Federal Emergency Management Agency 14 (775) 353-3600 15 Carson Health & Human Services (800) 621-3362 www.agri.nv.gov/pest-control (775) 887-2190 16 www.fema.gov Radon 17 www.gethealthycarsoncity.org **General Environmental Issues** UNR Cooperative Extension 18 **Assessors Office** Nevada Dept. of Conservation & Natural Nevada Radon Education Department 19 Washoe County Resources Division of Enviro. Protection (888) Radon10 or (888) 723-6610 20 (775) 328-2000 (775) 684-2700 www.unce.unr.edu/programs/sites/radon 21 www.washoecounty.us/assessor www.dcnr.nv.gov Septic Systems 22 Storey County **Geotechnical and Soil Engineers** Washoe County District Health Dept. 23 www.storeycounty.org Nevada Dept. of Transportation (775) 328-2400 24 (775) 847-0961 (775) 888-7000 www.washoecounty.us/health 25 Carson City www.nevdadot.com Carson Health & Human Services (775) 887-2130 26 **Groundwater Contamination** (775) 887-2190 Washoe County District Health Dept. 27 www.carson.org www.gethealthycarsoncity.org 28 Community Development and Zoning (775) 328-2400 **Underground Fuel Storage Tanks** 29 City of Reno www.washoecounty.us/health Nevada Div. Environmental Protection 30 (775) 334-3805 Carson Health & Human Services (775) 687-9368 31 www.reno.gov (775) 887-2190 www.ndep.nv.gov 32 City of Sparks www.gethealthycarsoncity.org (775) 328-2434 33 (775) 353-2340 State of Nevada Div. of Water Resources www.washoecounty.us/health 34 www.cityofsparks.us (775) 684-2800 Water Rights, Quality & Quantity 35 Carson City www.water.nv.gov Washoe County District Health Dept. (775) 887-2180 36 Land Surveyors and Engineers (775) 328-2400 37 www.carson.org State Board of Engineers and Profess. www.washoecounty.us/health **38 Earthquakes** Land Surveyor Carson Health & Human Services 39 Nevada Seismological Laboratory (775) 688-1231 (775) 887-2190 University of Nevada, Reno 40 www.nvboe.org www.gethealthycarsoncity.org (775) 784-4975 41 Lead-Based Paint State of Nevada Div. of Water Resources www.seismo.unr.edu 42 U.S. Department of EPA, Region 9 (775) 684-2800 43 Electromagnetic Fields (EMF's) (800) 424-LEAD or (415) 947-4280 www.water.nv.gov EPA-National Technical Infor. Svc. 44 www.2.epa.gov/lead Wildfire and Defensible Space 45 (415) 947-4280 U.S. Dept. of Housing and Urban Dev. **UNR** Cooperative Extension 46 www.2.epa.gov/aboutepa/epa-nevada (775) 824-3700 (775) 336-0271 47 NV Energy www.hud.gov www.livingwithfire.info 48 (775) 834-4581 - Kuldip Sandhu Mining Carson City Fire Department 49 www.nvenergy.com Nevada Bureau of Mines and Geology (775) 887-2210 50 (775) 784-6691 www.carson.org 51 www.nbmg.org.edu Acknowledgment of Receipt Dated 52 53 54 BUYER BUYER 55 56 BUYER BUYER

Page 1 of 1

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CLEAR CREEK

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PRELIMINARY

TITLE REPORT



CLEAR CREEK

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ELECTRONIC DOCUMENTS

AGREEMENT REGARDING RECEIPT OF ELECTRONIC DOCUMENTS

This Agreement & Acknowledgement Regarding Receipt of Electronic Documents (this "Agreement") is entered into by and between Clear Creek Residential, LLC, a Delaware limited liability company ("Seller"), and ("Buyer"), with reference to the following facts and is as follows:

Seller and Buyer have entered into that certain Real Property Purchase and Sale Agreement and A. Joint Escrow Instructions (the "Purchase Agreement"), pursuant to which Seller has agreed to sell, and Buyer has agreed to buy, certain real property located in the County of Douglas, State of Nevada, described as follows: [USE of the Final Map for CLEAR CREEK TAHOE - UNIT 2, Subdivision Map No. FOR COTTAGES: Lot 904626, recorded in the Office of the Douglas County Recorder on September 26, 2017, as Document No. 2017-904626] [OR USE FOR ESTATE: Lot of the one of the following: Final Map PD 03-004-7 for CLEAR CREEK TAHOE PHASE 1A & 1B, recorded in the Office of the Douglas County Recorder on November 18, 2016, as Document No. 2016-890939, the Final Map for CLEAR CREEK TAHOE - UNIT 2, Subdivision Map No. 904626, recorded in the Office of the Douglas County Recorder on September 26, 2017, as Document No. 2017-904626, the Final Map as modified by DP 04-19-0479 for CLEAR CREEK TAHOE - UNIT 3A, recorded in the Office of the Douglas County Recorder on March 23, 2020, as Document No. 2020-943845, the Final Map PD 03-004 as modified under DP 19-0477 for CLEAR CREEK TAHOE UNIT 3C, recorded in the Office of the Douglas County Recorder on March 4, 2021, as Document No. 2021-962948 and amended July 30, 2021, as Document No. 2021-971782, and the Final Map PD 03-004 as modified under DP 19-0477 for Clear Creek Tahoe Unit 4, recorded in the Office of the Douglas County Recorder on July 30, 2021, as Document No. 2021-971781, and further modified under DP 21-0210 for the merger and subdivision of Lots 369 through 383 of Clear Creek Tahoe Unit 4, recorded in the Office of the Douglas County Recorder on October 11, 2022, as Document No. 2022-990725, the Final Map PD 03-004 as modified under DP 19-0477 for CLEAR CREEK TAHOE UNIT 6, recorded in the Office of the Douglas County Recorder on November 21, 2021, as Document No. 2021-977643.

B. Buyer and Seller wish to utilize electronic means and electronic records in order to facilitate the transactions contemplated by the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

1. Seller and Buyer hereby agree to conduct the purchase and sale of the Property, and the transactions contemplated by the Purchase Agreement, by electronic means under NRS Section 719.220. Without limiting the foregoing, Seller may deliver to Buyer various disclosures and documents required under Nevada law or the Purchase Agreement in electronic form, including, without limitation, in the form of electronic files saved onto a flash drive.

2. Each of Buyer and Seller hereby represent and warrant to the other that it possesses the means for accessing, reviewing, retaining, and reproducing electronic files provided on a flash drive in Adobe Systems Portable Document Format ("pdf").

3. Buyer acknowledges and agrees that, as of the date of its signature(s) below, Seller has delivered to Buyer, and Buyer has received from Seller, a flash drive containing pdf files of the documents identified on Schedule 1 attached hereto and incorporated herein by this reference (the "Drive").

4. Buyer hereby covenants that, within one (1) day of the date of its signature(s) below, Buyer shall verify its ability to access, review, retain, and reproduce the electronic files contained on the Drive. In the event that, during such verification, Buyer encounters any error or defect that prevents Buyer from accessing, reviewing, retaining, and reproducing the electronic files on the Drive, Buyer agrees that Buyer's sole right and remedy shall be to request from Seller a paper copy of the document(s) to which the error or defect relates (which Seller hereby agrees to promptly provide), all other rights and remedies related to such error or defect, or the related failure to deliver such document, being hereby waived by Buyer to the maximum extent permitted by law.

5. This Agreement shall be governed by and construed in accordance with NRS Chapter 719 (Uniform Electronic Transactions Act).

IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement as of the date set forth with their respective signatures.

SELLER:	BUYER:
Clear Creek Residential, LLC, a Delaware limited liability company	
By:	Date:
Date:	
	Date:

SCHEDULE 1

то

AGREEMENT REGARDING RECEIPT OF ELECTRONIC DOCUMENTS

LIST OF DOCUMENTS DELIVERED ELECTRONICALLY

- Property Report
- Affirmation Form: Buyer On-the-Lot Inspection
- General Buyer Disclosure
- Clear Creek Tahoe Public Offering Statement
- Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Clear Creek Tahoe, and any Unanimous Written Consents, Supplemental Declaration and amendments thereto
- Articles of Incorporation
- Bylaws of Association
- Budget for Association
- Association Assessment Collection Manual
- Design Guidelines
- Open Range Disclosure
- Affiliated Business Arrangement Disclosure Statement
- Vacant Land Resource Guide
- Preliminary Title Report
- Agreement and Acknowledgement Regarding Receipt of Electronic Documents
- Membership Plan and Club Rules & Regulations
- Low Pressure Sewer/Residential Grinder Pumps Disclosure for Impacted Lots

Low Pressure Sewer and

Residential Grinder Pump

Disclosure Information

[Date]

Re: Low pressure sewer/residential grinder pumps

Dear _____,

Clear Creek Tahoe has revised and updated the information related to those lots and potential lots that will or may require an onsite grinder pump to serve your residence. Depending on the lot, your sewer will 1-flow into a gravity sanitary line and no individual grinder pump is necessary, or 2-will be pumped to a gravity sanitary line or 3-will be pumped into a low-pressure force main sanitary line; both 2 or 3 circumstances will require a grinder pump. The original memo and site plan by Manhard Engineering was provided at closing but the revised and updated memo is attached.

Given that Douglas County does not review the design or inspect the installation of the residential grinder pumps, CCT has implemented the requirement for Kimley Horn Engineering to provide this inspection at the homeowner or builders expense. It is your option for KHE to also design your system.

The lots impacted are color coded on the attached as well as the application forms for either inspection or design plus inspection. Note that the design should be reviewed prior to installation and the inspection should occur prior to final inspection by Douglas County and Clear Creek Tahoe. Failure to provide this information could result in an inadequate system being installed and will require replacement.

Please discuss with your builder or engineer and if you have any questions, direct them to me.

Sincerely,

Kimley *Whorn*

Memo

To: Clear Creek Tahoe Site Developers/Owners/Builders

From: Clear Creek Tahoe

Date: March 16, 2021

RE: Low Pressure Sewer (LPS) Notification and System Review Requirements for Certain Lots within Clear Creek Tahoe

Topographic site conditions prevent the use of "conventional" gravity sanitary sewer service at certain lots within Units 1A, 1B, 2, 3B, 4, and 6 as well as all lots within Units 3A and 3C of Clear Creek Tahoe. Development of homes that cannot utilize a conventional gravity sanitary sewer system will require an individual Low-Pressure Sewer (LPS) grinder pump system. LPS will be required in locations where homes must connect to a low-pressure force main in the street as well as where gravity flow from the house to the street gravity main is not feasible. Please see the list below and attached Figures 1A, 1B, 2, 3A, 3B, 3C, 4, and 6 for lots that connect to the LPS main as well as lots that connect to gravity sewer main but are also anticipated require LPS. Home builders shall be responsible for ultimately determining if their design will utilize conventional gravity sanitary sewer service or if an LPS system will be required.

Lots that connect to the low-pressure force main must be designed to work with the overall Clear Creek Tahoe sewerage system as well as meet the requirements specific to each home site, including the planned pump location, elevation, and anticipated living space area. To ensure compliance with the Clear Creek sewerage system, all LPS systems that tie into the low-pressure force main must be reviewed by Clear Creek Tahoe's site civil engineer, Kimley-Horn.

Home builders may either have their project engineer specify an LPS system as part of the site improvement plans or home builders may utilize Kimley-Horn to provide a recommended system.

Home builder's engineer specifies LPS system:

Home builders shall submit a completed LPS System Review Application (Attachment A), completed services agreement (Attachment C), and applicable fee to Kimley-Horn. A copy of the LPS System Review Application shall be emailed to Keith Franke with Clear Creek Tahoe at keithf@clearcreektahoe.com and to Christian Heinbaugh, PE with Kimley-Horn at christian.heinbaugh@kimley-horn.com.

Kimley-Horn specifies LPS system:

If preferred by the home builder, Kimley-Horn will provide a site specific LPS system recommendation and shop drawings that can be incorporated into site plans. If this approach is preferred, home builders shall submit a completed LPS System Recommendation Application (Attachment B), completed services agreement (Attachment C), and applicable fee to Kimley-Horn. A copy of the application shall be emailed to Keith Franke with Clear Creek Tahoe at <u>keithf@clearcreektahoe.com</u> and to Christian Heinbaugh, PE with Kimley-Horn at <u>christian.heinbaugh@kimley-horn.com</u>.

Sites that connect to the LPS sewer main and will require LPS/individual grinder pumps along with system conformance review by Kimley-Horn are:

- Unit 1A: 123-124, 185-189, 198-207, and 257-262
- Unit 1B: 14-19
- Unit 2: There are no LPS sewer mains within this unit of development
- Unit 3A: 26-50, and 52-72 (All lots within Unit 3A)
- Unit 3B: 343-346, and 391-392
- Unit 3C: 73-78, 80-85, 108-122, and 125-130 (All lots within Unit 3C)
- Unit 4: 365-378, and 382-383
- Unit 6: 86-107, 131-135, and 152

Sites that connect to gravity sewer main but have been identified as likely requiring LPS/individual grinder pumps due to site layout in relation to the sewer main:

- Unit 1A: 181-184, 190-197, 209, 212-215, 218-222, 230, 238-246, 248-251, 263-265 and 268
- Unit 1B: 1, 4-6, 10-13, 20-25, and 51
- Unit 2: 287-290, 295, 308-322, 325, 333-334, and 337
- Unit 3A: There are no gravity sewer mains within this unit of development
- Unit 3B: 137, 140-144, 149-151, 174-175, 347-353, and 388
- Unit 3C: There are no gravity sewer mains within this unit of development
- Unit 4: 354-359 and 380-381
- Unit 6: 136, 145-148, 153, 157-158, and 168-170

Note: These sites connect to a gravity sewer main and therefore do not require system conformance review by Kimley-Horn.

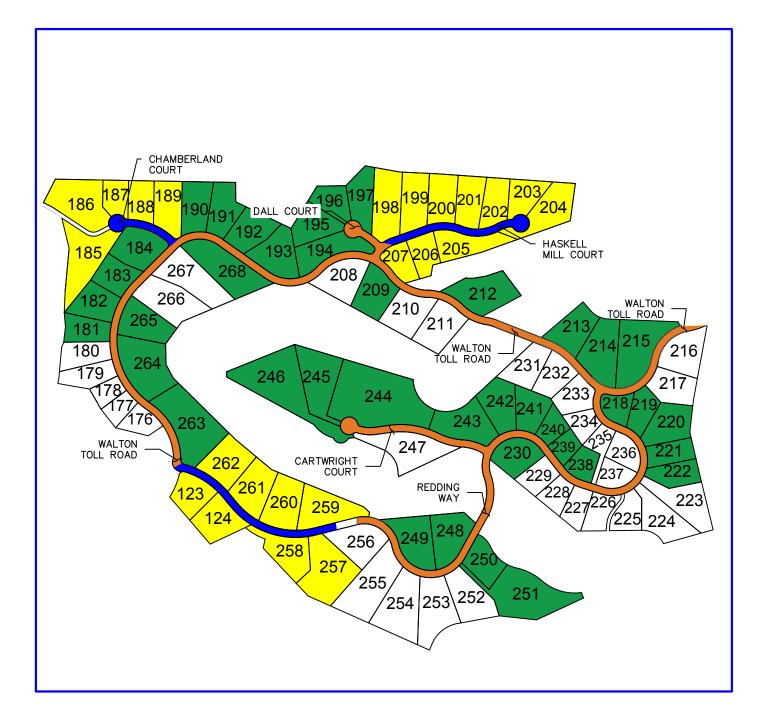
Please complete all sections with a gray highlight on either Attachment A *or* Attachment B and provide requested information associated with those applications. Please also complete all sections with a gray highlight on Attachment C. Once a complete application and payment has been received, Kimley-Horn will perform a LPS system performance review and LPS package recommendation (Attachment B only).

The application (Attachment A or B) and services agreement (Attachment C) may be submitted Kimley-Horn and Associates electronically: <u>christian.heinbaugh@kimley-horn.com</u>

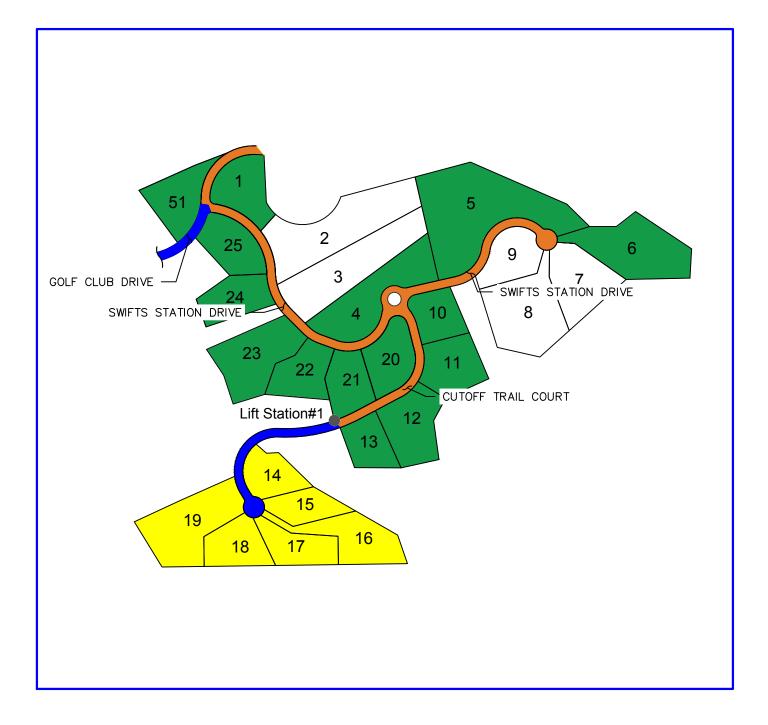
Please make checks payable to:

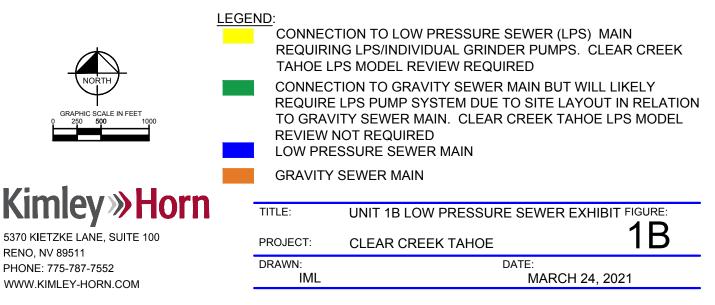
Kimley-Horn and Associates Attn: Clear Creek Tahoe LPS Review PO Box 913221 Denver, CO 80291

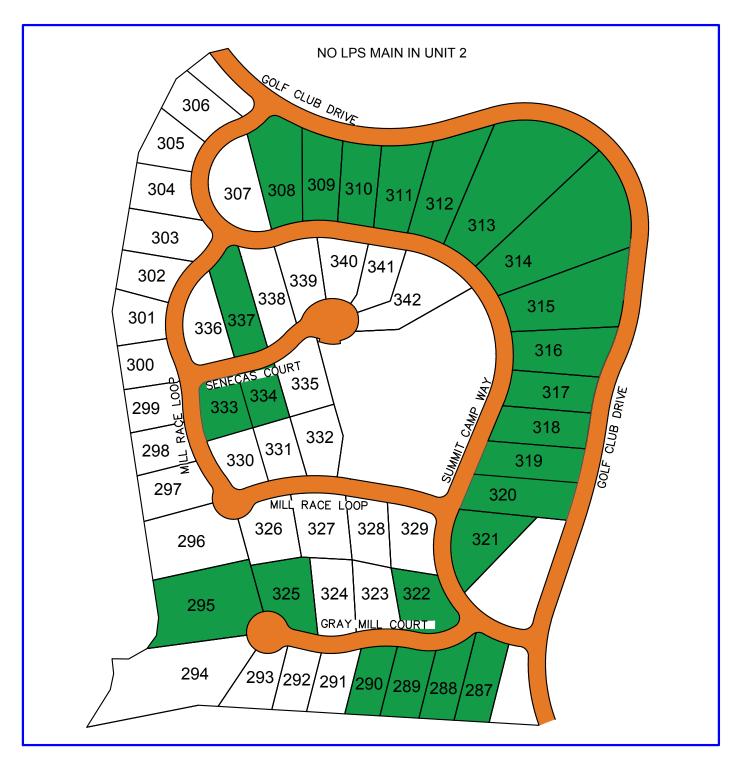
Please contact Christian Heinbaugh, PE of Kimley-Horn at 775.200.1967 or <u>christian.heinbaugh@kimley-horn.com</u> should you have any questions regarding the sewer system.

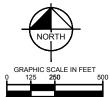


	REQUIRI TAHOE L CONNEC	TION TO LOW PRESSURE SEWER NG LPS/INDIVIDUAL GRINDER PUN PS MODEL REVIEW REQUIRED TION TO GRAVITY SEWER MAIN B	IPS. CLEAR CREEK
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PHONE: 775-787-7552 WWW.KIMLEY-HORN.COM	DRAWN: IML	DATE: MAR	CH 24, 2021











5370 KIETZKE LANE, SUITE 100 RENO, NV 89511 PHONE: 775-787-7552 WWW.KIMLEY-HORN.COM

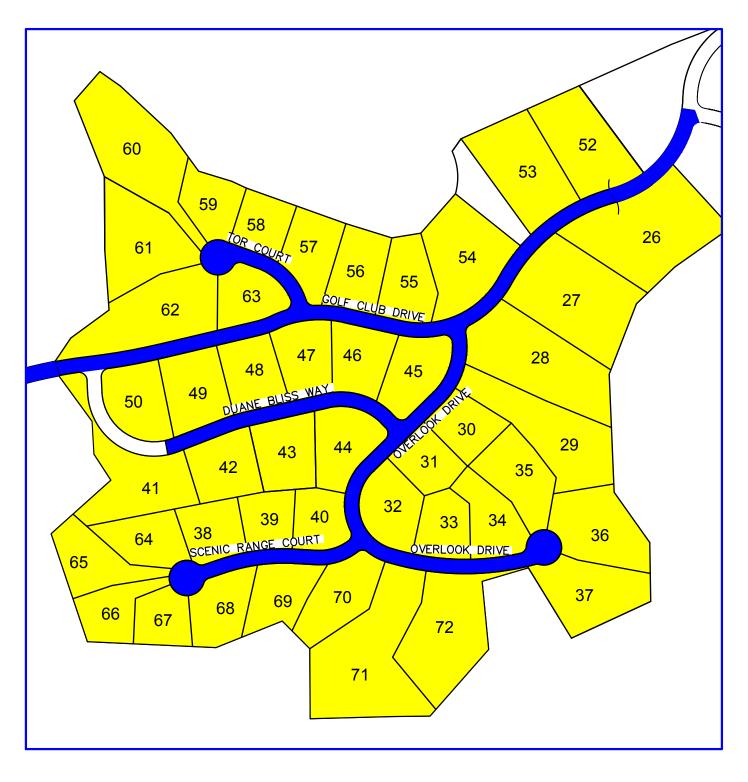
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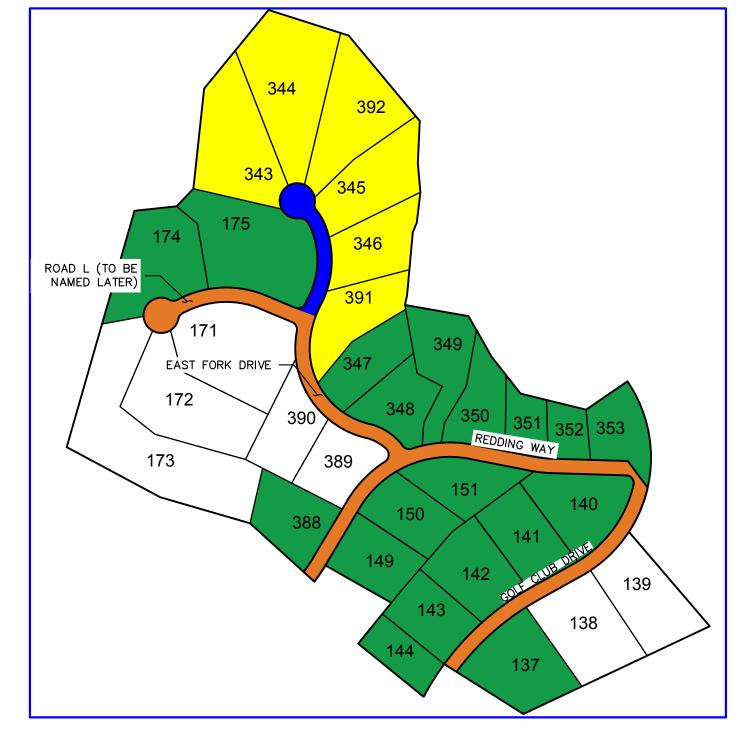
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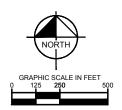
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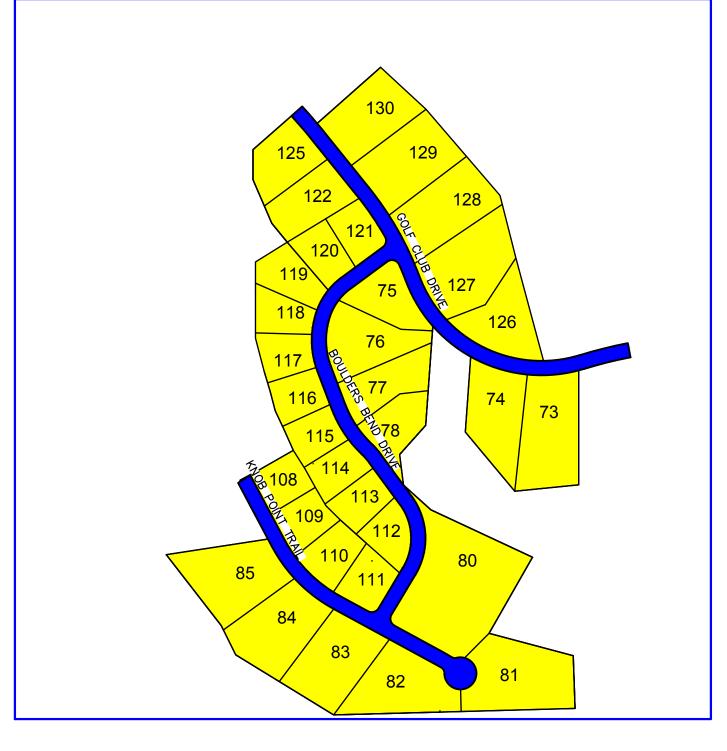




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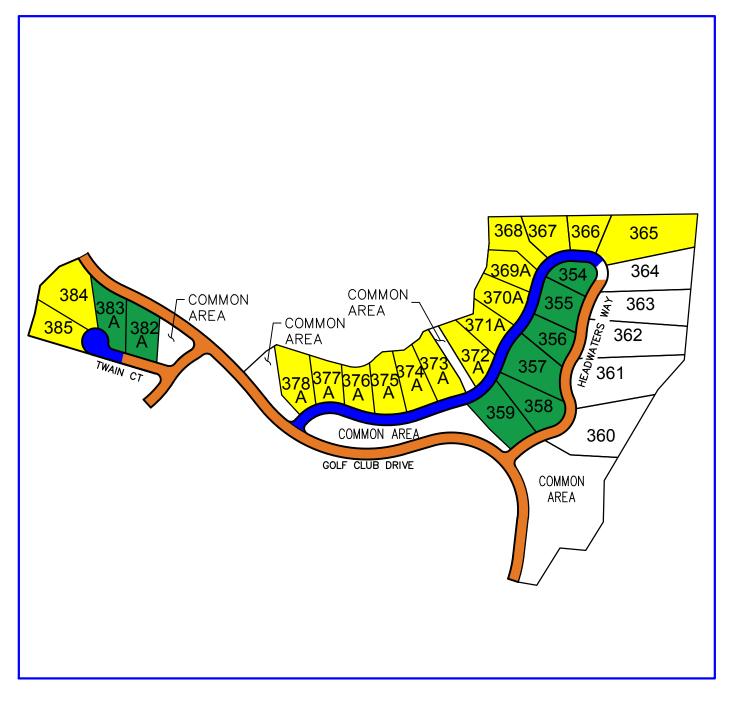
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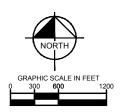
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LOW PRESSURE SEWER MAIN

TITLE:	UNIT 3C LOW PRESSURE SEWE	ER EXHIBIT FIGURE:
PROJECT:	CLEAR CREEK TAHOE	3C
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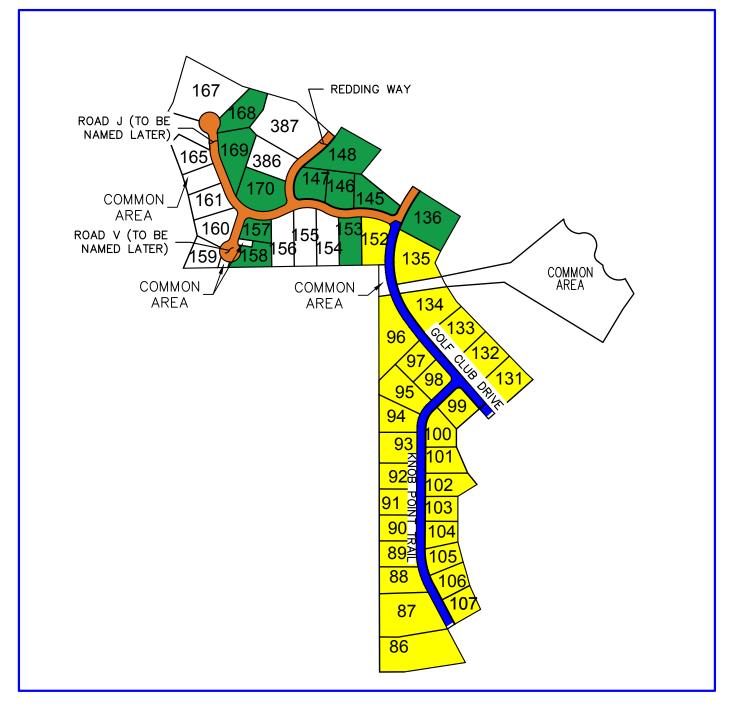
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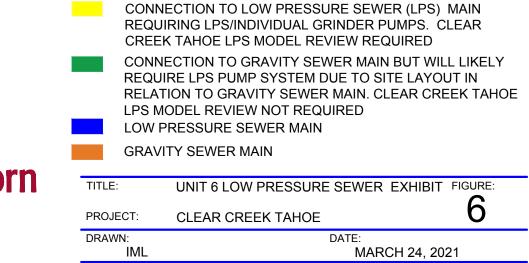
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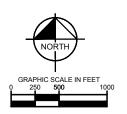
GRAVITY SEWER MAIN

TITLE:	UNIT 4 LOW PRESSURE SEWER EXHIBIT FIGURE:	
PROJECT:	CLEAR CREEK TAHOE 4	
DRAWN:	DATE:	
IML	October 12, 2022	



LEGEND:





Kimley »Horn

5370 KIETZKE LANE, SUITE 100 RENO, NV 89511 PHONE: 775-787-7552 WWW.KIMLEY-HORN.COM

ATTACHMENT A -

Clear Creek Tahoe LPS System Review Application

Application Fee: \$1,800*; payment must be submitted at time of application

Site Number:

Proposed LPS Basin Pump Elevation:

In addition to the above, home builders shall provide proposed LPS System design details including a site plan showing LPS Basin location and shop drawings that detail all proposed LPS system components with a pump curve.

Kimley-Horn will review the submitted plans and shop drawings for conformance with the overall Clear Creek Tahoe LPS main system.

Please contact Christian Heinbaugh, PE of Kimley-Horn at 775.200.1967 or <u>christian.heinbaugh@kimley-horn.com</u> should you have any questions regarding the LPS system preparation application.

* Price as of date of memorandum; subject to change.

ATTACHMENT B – Clear Creek Tahoe LPS System Recommendation Application

Application Fee: <u>\$2,500*; payment must be submitted at time of application</u>

This application shall be used if the site builder prefers that Kimley-Horn prepare an LPS system recommendation (no design services are included) suitable for the specific house and site conditions. Kimley-Horn will provide a pre-packaged duplex grinder pump sewage lift station recommendation and shop drawings that detail the basin, pumps, control panel, alarm, and float switch.

Site Number:

Proposed House Size (SF living space):

Proposed Bury Depth of Sewer Lateral Into LPS Basin:

In addition to the above, home builders shall provide a map detailing the preferred location of the LPS basin and preferred routing of LPS pipe to connection at property line.

Kimley-Horn will perform a review of the site plans and develop a recommendation for an LPS system that is suitable for the specific site conditions and conform to the overall Clear Creek Tahoe sewerage system. Specific LPS system component recommendations will be provided by Kimley-Horn which can be used for inclusion in the house design plans. Kimley-Horn will also provide a site visit to observe startup and testing of the LPS system when it is brought online by the home builder.

Please contact Christian Heinbaugh, PE of Kimley-Horn at 775.200.1967 or <u>christian.heinbaugh@kimley-horn.com</u> should you have any questions regarding the LPS system preparation application.

* Price as of date of memorandum; subject to change.

ATTACHMENT C – Professional Services Agreement

Date:

Re: Professional Services Agreement for LPS System Review and/or Recommendation

Dear Client:

Kimley-Horn and Associates, Inc. ("Kimley-Horn" or "Consultant") is pleased to submit this letter agreement (the "Agreement") to __________ ("Client") for providing review and/or recommendation of Low Pressure Sewer (LPS) systems for individual sites at Clear Creek Tahoe.

Scope of Services

Kimley-Horn will provide the services specifically set forth below.

Perform LPS system review and/or recommendation per Kimley-Horn Memo titled "Low Pressure Sewer (LPS) Grinder Pump System Requirements for Certain Lots within Units 1A, 1B, 2, 3A, and 3C" (the "Memo") dated November 23, 2020.

Services Not Included

Any other services, including but not limited to the following, are not included in this Agreement:

- Site design plans
- Permits/approvals

Additional Services

Any services not specifically provided for in the above scope will be billed as additional services and performed at our then current hourly rates.

Information Provided By Client

We shall be entitled to rely on the completeness and accuracy of all information provided by the Client or the Client's consultants or representatives. The Client shall provide all information requested by Kimley-Horn during the project, including but not limited to information identified as required in the Memo.

Schedule

We will provide our services as expeditiously as practicable.

Fee and Expenses

Kimley-Horn will perform these services for the total lump sum fee below.

Attachment A – LPS System Review Application:

\$<u>1,800 Lump Sum</u>

Kimley *Whorn*

Or

Attachment B – LPS System Recommendation Application:

All fees shall be paid up front at time of application submittal.

Closure

In addition to the matters set forth herein, our Agreement shall include and be subject to, and only to, the attached Standard Provisions, which are incorporated by reference. As used in the Standard Provisions, "Consultant" shall refer to Kimley-Horn and Associates, Inc., and "Client" shall refer to client identified in this agreement.

If you concur in all the foregoing and wish to direct us to proceed with the services, please have authorized persons execute this Agreement in the spaces provided below, retain one copy, and return one copy to us with full applicable payment. We will commence services only after we have received a fully-executed agreement and payment.

To ensure proper set up of your projects so that we can get started, please complete and return with the signed copy of this Agreement the attached Request for Information. Failure to supply this information could result in delay in starting work on your project.

We appreciate the opportunity to provide these services to you. Please contact me if you have any questions.

Very truly yours,

KIMLEY-HORN AND ASSOCIATES, INC.

Christian Heinbaugh, PE Project Manager

NAME OF CLIENT An Individual

(Signature)

(Date)

(Print or Type Name)

Attachment – Request for Information Attachment – Standard Provisions

\$2,500 Lump Sum

Gabe Krell Vice President

Request for Information

Please return this information with your signed contract; failure to provide this information could result in delay in starting your project

Client Identification

Client's Name	
Client's Mailing Address	
Client's Phone Number	
Client's Email Address	

Property Identification

Clear Creek Tahoe Lot #	
Tax Assessor's Parcel Number (APN)	
Street Address	

KIMLEY-HORN AND ASSOCIATES, INC. STANDARD PROVISIONS

(1) **Consultant's Scope of Services and Additional Services.** The Consultant will perform only the services specifically described in this Agreement. If requested by the Client and agreed to by the Consultant, the Consultant will perform Additional Services, which shall be governed by these provisions. Unless otherwise agreed to in writing, the Client shall pay the Consultant for any Additional Services an amount based upon the Consultant's then-current hourly rates plus an amount to cover certain direct expenses including telecommunications, in-house reproduction, postage, supplies, project related computer time, and local mileage. Other direct expenses will be billed at 1.15 times cost.

(2) Client's Responsibilities. In addition to other responsibilities herein or imposed by law, the Client shall:

(a) Designate in writing a person to act as its representative, such person having complete authority to transmit instructions, receive information, and make or interpret the Client's decisions.

(b) Provide all information and criteria as to the Client's requirements, objectives, and expectations for the project and all standards of development, design, or construction.

(c) Provide the Consultant all available studies, plans, or other documents pertaining to the project, such as surveys, engineering data, environmental information, etc., all of which the Consultant may rely upon.

(d) Arrange for access to the site and other property as required for the Consultant to provide its services.

(e) Review all documents or reports presented by the Consultant and communicate decisions pertaining thereto within a reasonable time so as not to delay the Consultant.

(f) Furnish approvals and permits from governmental authorities having jurisdiction over the project and approvals and consents from other parties as may be necessary.

(g) Obtain any independent accounting, legal, insurance, cost estimating and feasibility services required by Client.

(h) Give prompt written notice to the Consultant whenever the Client becomes aware of any development that

affects the Consultant's services or any defect or noncompliance in any aspect of the project.

(3) **Period of Services.** Unless otherwise stated herein, the Consultant will begin work after receipt of a properly executed copy of this Agreement. This Agreement assumes conditions permitting continuous and orderly progress through completion of the services. Times for performance shall be extended as necessary for delays or suspensions due to circumstances that the Consultant does not control. If such delay or suspension extends for more than six months, Consultant's compensation shall be renegotiated.

(4) Method of Payment. Client shall pay Consultant as follows:

(a) Invoices will be submitted periodically for services performed and expenses incurred. Payment of each invoice will be due within 25 days of receipt. The Client shall also pay any applicable sales tax. All retainers will be held by the Consultant and applied against the final invoice. Interest will be added to accounts not paid within 25 days at the maximum rate allowed by law. If the Client fails to make any payment due under this or any other agreement within 30 days after the Consultant's transmittal of its invoice, the Consultant may, after giving notice to the Client, suspend services and withhold deliverables until all amounts due are paid.

(b) If the Client relies on payment or proceeds from a third party to pay Consultant and Client does not pay Consultant's invoice within 60 days of receipt, Consultant may communicate directly with such third party to secure payment.

(c) If the Client objects to an invoice, it must advise the Consultant in writing giving its reasons within 14 days of receipt of the invoice or the Client's objections will be waived, and the invoice shall conclusively be deemed due and owing. If the Client objects to only a portion of the invoice, payment for all other portions remains due within 25 days of receipt.

(d) If the Consultant initiates legal proceedings to collect payment, it may recover, in addition to all amounts due, its reasonable attorneys' fees, reasonable experts' fees, and other expenses related to the proceedings. Such expenses shall include the cost, at the Consultant's normal hourly billing rates, of the time devoted to such proceedings by its employees.

(e) The Client agrees that the payment to the Consultant is not subject to any contingency or condition. The Consultant may negotiate payment of any check tendered by the Client, even if the words "in full satisfaction" or words intended to have similar effect appear on the check without such negotiation being an accord and satisfaction of any disputed debt and without prejudicing any right of the Consultant to collect additional amounts from the Client.

(5) **Use of Documents.** All documents and data prepared by the Consultant are related exclusively to the services described in this Agreement, and may be used only if the Client has satisfied all of its obligations under this Agreement. They are not intended or represented to be suitable for use or reuse by the Client or others on extensions of this project or on any other project. Any modifications by the Client to any of the Consultant's documents, or any reuse of the documents without written authorization by the Consultant will be at the Client's sole risk and without liability to the Consultant, and the Client shall indemnify, defend and hold the Consultant harmless from all claims, damages, losses and expenses, including but not limited to attorneys' fees, resulting therefrom. The Consultant's electronic files and source code remain the property of the Consultant and shall be provided to the Client only if expressly provided for in this Agreement. Any electronic files not containing an electronic seal are provided only for the convenience of the Client, and use of them is at the Client's sole risk. In the case of any defects in the electronic files or any discrepancies between them and the hardcopy of the documents prepared by the Consultant, the hardcopy shall govern.

(6) **Opinions of Cost.** Because the Consultant does not control the cost of labor, materials, equipment or services furnished by others, methods of determining prices, or competitive bidding or market conditions, any opinions rendered as to costs, including but not limited to the costs of construction and materials, are made solely based on its judgment as a professional familiar with the industry. The Consultant cannot and does not guarantee that proposals, bids or actual costs will not vary from its opinions of cost. If the Client wishes greater assurance as to the amount of any cost, it shall employ an independent cost estimator. Consultant's services required to bring costs within any limitation established by the Client will be paid for as Additional Services.

(7) **Termination.** The obligation to provide further services under this Agreement may be terminated by either party upon seven days' written notice in the event of substantial failure by the other party to perform in accordance

with the terms hereof, or upon thirty days' written notice for the convenience of the terminating party. The Consultant shall be paid for all services rendered and expenses incurred to the effective date of termination, and other reasonable expenses incurred by the Consultant as a result of such termination.

(8) **Standard of Care.** The standard of care applicable to Consultant's services will be the degree of care and skill ordinarily exercised by consultants performing the same or similar services in the same locality at the time the services are provided. No warranty, express or implied, is made or intended by the Consultant's performance of services, and it is agreed that the Consultant is not a fiduciary with respect to the Client.

(9) **LIMITATION OF LIABILITY.** In recognition of the relative risks and benefits of the Project to the Client and the Consultant, the risks are allocated such that, to the fullest extent allowed by law, and notwithstanding any other provisions of this Agreement or the existence of applicable insurance coverage, that the total liability, in the aggregate, of the Consultant and the Consultant's officers, directors, employees, agents, and subconsultants to the Client or to anyone claiming by, through or under the Client, for any and all claims, losses, costs or damages whatsoever arising out of or in any way related to the services under this Agreement from any causes, including but not limited to, the negligence, professional errors or omissions, strict liability or breach of contract or any warranty, express or implied, of the Consultant or the Consultant's officers, directors, employees, agents, and subconsultants, shall not exceed twice the total compensation received by the Consultant under this Agreement or \$50,000, whichever is greater. Higher limits of liability may be negotiated for additional fee. This Section 9 is intended solely to limit the remedies available to the Client or those claiming by or through the Client, and nothing in this Section 9 shall require the Client to indemnify the Consultant.

(10) **Mutual Waiver of Consequential Damages.** In no event shall either party be liable to the other for any consequential, incidental, punitive, or indirect damages including but not limited to loss of income or loss of profits.

(11) **Construction Costs.** Under no circumstances shall the Consultant be liable for extra costs or other consequences due to unknown conditions or related to the failure of contractors to perform work in accordance with the plans and specifications. Consultant shall have no liability whatsoever for any costs arising out of the Client's decision to obtain bids or proceed with construction before the Consultant has issued final, fully-approved plans and specifications. The Client acknowledges that all preliminary plans are subject to substantial revision until plans are fully approved and all permits obtained.

(12) **Certifications.** The Consultant shall not be required to execute certifications or third-party reliance letters that are inaccurate, that relate to facts of which the Consultant does not have actual knowledge, or that would cause the Consultant to violate applicable rules of professional responsibility.

(13) **Dispute Resolution.** All claims by the Client arising out of this Agreement or its breach shall be submitted first to mediation in accordance with the American Arbitration Association as a condition precedent to litigation. Any mediation or civil action by Client must be commenced within one year of the accrual of the cause of action asserted but in no event later than allowed by applicable statutes.

(14) **Hazardous Substances and Conditions.** Consultant shall not be a custodian, transporter, handler, arranger, contractor, or remediator with respect to hazardous substances and conditions. Consultant's services will be limited to analysis, recommendations, and reporting, including, when agreed to, plans and specifications for isolation, removal, or remediation. The Consultant will notify the Client of unanticipated hazardous substances or conditions of which the Consultant actually becomes aware. The Consultant may stop affected portions of its services until the hazardous substance or condition is eliminated.

(15) Construction Phase Services.

(a) If the Consultant prepares construction documents and the Consultant is not retained to make periodic site visits, the Client assumes all responsibility for interpretation of the documents and for construction observation, and the Client waives any claims against the Consultant in any way connected thereto.

(b) The Consultant shall have no responsibility for any contractor's means, methods, techniques, equipment choice and usage, sequence, schedule, safety programs, or safety practices, nor shall Consultant have any authority or responsibility to stop or direct the work of any contractor. The Consultant's visits will be for the purpose of

endeavoring to provide the Client a greater degree of confidence that the completed work of its contractors will generally conform to the construction documents prepared by the Consultant. Consultant neither guarantees the performance of contractors, nor assumes responsibility for any contractor's failure to perform its work in accordance with the contract documents.

(c) The Consultant is not responsible for any duties assigned to it in the construction contract that are not expressly provided for in this Agreement. The Client agrees that each contract with any contractor shall state that the contractor shall be solely responsible for job site safety and its means and methods; that the contractor shall indemnify the Client and the Consultant for all claims and liability arising out of job site accidents; and that the Client and the Consultant shall be made additional insureds under the contractor's general liability insurance policy.

(16) **No Third-Party Beneficiaries; Assignment and Subcontracting.** This Agreement gives no rights or benefits to anyone other than the Client and the Consultant, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole benefit of the Client and the Consultant. The Client shall not assign or transfer any rights under or interest in this Agreement, or any claim arising out of the performance of services by Consultant, without the written consent of the Consultant. The Consultant reserves the right to augment its staff with subconsultants as it deems appropriate due to project logistics, schedules, or market conditions. If the Consultant exercises this right, the Consultant will maintain the agreed-upon billing rates for services identified in the contract, regardless of whether the services are provided by in-house employees, contract employees, or independent subconsultants.

(17) **Confidentiality.** The Client consents to the use and dissemination by the Consultant of photographs of the project and to the use by the Consultant of facts, data and information obtained by the Consultant in the performance of its services. If, however, any facts, data or information are specifically identified in writing by the Client as confidential, the Consultant shall use reasonable care to maintain the confidentiality of that material.

(18) **Miscellaneous Provisions.** This Agreement is to be governed by the law of the State where the Project is located. This Agreement contains the entire and fully integrated agreement between the parties and supersedes all prior and contemporaneous negotiations, representations, agreements or understandings, whether written or oral. Except as provided in Section 1, this Agreement can be supplemented or amended only by a written document executed by both parties. Any conflicting or additional terms on any purchase order issued by the Client shall be void and are hereby expressly rejected by the Consultant. Any provision in this Agreement that is unenforceable shall be ineffective to the extent of such unenforceability without invalidating the remaining provisions. The non-enforcement of any provision by either party shall not constitute a waiver of that provision nor shall it affect the enforceability of that provision or of the remainder of this Agreement.