

18 March 2015

Board of Directors  
ArrowCreek Homeowners' Association (ACHOA)  
Secretary Charles Dickinson  
Reno, Nevada 89511

**Re: Resident Owner Proposed Amendment to Declaration of Covenants, Conditions and Restrictions Article III Section 4 and 5 – ASSESSMENTS**

Dear Mr. Dickinson:

Pursuant to the ARROWCREEK DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, Article XIII, Section 4 and the BY-LAWS FOR THE ARROWCREEK HOMEOWNERS ASSOCIATION, Article 5 Section 5.04, the undersigned owners in good standing of lots in ArrowCreek, hereby submit this proposed amendment to the Declaration of Covenants, Conditions and Restrictions (CC&R's) for approval on the next available community ballot. The proposed change is in consonance with and the spirit of NRS 116.

**Current CC&R Article III, Section 4. Annual Assessments:** Not less than sixty (60) days before the beginning of each calendar year of the Association, the Board shall meet for the purpose of preparing the proposed operating statement or budget for the forthcoming calendar year (the calendar year shall be the fiscal year unless the Board specifies otherwise), and establishing the annual assessment for the forthcoming calendar year subject to the power of disapproval of the lot owners, as specified in section 6 of Article II, provided, however, the Board may not establish an annual assessment per lot or equivalent lot per calendar year which increases by more than fifteen (15) percent over the annual assessment per lot or equivalent lot of the prior year (except for the first such year if it should be less than twelve (12) months), without the approval by vote or written consent of Owners holding a majority of the voting rights.

**Proposed CC&R Article III, Section 4. Annual Assessments:** Not less than sixty (60) days before the beginning of each calendar year of the Association, the Board shall meet for the purpose of preparing the proposed operating statement or budget for the forthcoming calendar year (the calendar year shall be the fiscal year unless the Board specifies otherwise), and establishing the annual assessment for the forthcoming calendar year subject to the power of disapproval of the lot owners, as specified in section 6 of Article II, provided, however, the Board may not establish an annual assessment per lot or equivalent lot per calendar year which increases by more than ~~fifteen~~ **the most recent Consumer Price Index (CPI) plus two (± 2)** percent over the annual assessment per lot or equivalent lot of the prior year (~~except for the first such year if it should be less than twelve (12) months~~), without the **affirmative approval of sixty (60) percent** by vote or written consent, **to be captured in meeting minutes**, of **all lot Owner's** ~~holding a majority of the voting rights~~.

**Current CC&R Article III, Section 5. Special Assessments:** If the Board of Directors determines that the estimated total amount of funds necessary to defray the common expenses of the Association for a given fiscal year is or will become inadequate to meet expenses for any reason, including but not limited to delinquencies in the payment of assessments, then the Board shall determine the approximate amount to defray such expenses, and if the amount is approved by a majority of the Board, it shall become a special assessment; provided, however, the Board may not approve one or more special assessments in a calendar year which in the aggregate exceed fifteen (15) percent of the annual assessment per lot for the calendar year, without the approval by vote or written consent of Owner's holding a majority of the voting rights. The Board may, in its discretion, prorate such special assessment over the remaining months of the fiscal year or levy the assessment immediately against each lot owner. Additionally, the Association shall have the power to incur expenses for maintenance and repair of the improvements on any Lot and for other costs remedying violations of provisions

of this Declaration, when an owner is in violation of the provisions of this Declaration, provided the Lot Owner has failed or refused to cure the violation within thirty (30) days after written notice of the necessity of such cure has been delivered by the Board to such Lot Owner, or to commence to cure the violation within such thirty (30) day period, and diligently pursue the same to completion within a reasonable time thereafter, if more than thirty (30) days is required to cure. The Board shall levy a special assessment against an Owner to pay all costs the Association incurs to enforce provisions of the Declaration caused by the conduct of an Owner in violation thereof.

**Proposed CC&R Article III, Section 5. Special Assessments:** If the Board of Directors determines that the estimated total amount of funds necessary to defray the common expenses of the Association for a given fiscal year is or will become inadequate to meet expenses **due to acts of 'God' for any reason**, including but not limited to delinquencies in the payment of assessments, then the Board shall determine the approximate amount to defray such expenses. **The Board shall then call for an emergency Board meeting and provide at least 5 business day's notice to allow for public comment and input.** ~~and if~~ If the amount is **then** approved by a majority of the Board, it shall become a special assessment; provided, however, the Board may not approve one or more special assessments in a calendar year which in the aggregate exceed ~~fifteen~~ **ten** (15 **10**) percent of the annual assessment per lot for the calendar year, without the **affirmative approval of sixty (60) percent** by vote or written consent, **to be captured in meeting minutes**, of **all lot** Owner's ~~holding a majority of the voting rights~~. The Board may, in its discretion, prorate such special assessment over the remaining months of the fiscal year or levy the assessment immediately against each lot owner. Additionally, the Association shall have the power to incur expenses for maintenance and repair of the improvements on any Lot and for other costs remedying violations of provisions of this Declaration, when an owner is in violation of the provisions of this Declaration, provided the Lot Owner has failed or refused to cure the violation within thirty (30) days after written notice of the necessity of such cure has been delivered by the Board to such Lot Owner, or to commence to cure the violation within such thirty (30) day period, and diligently pursue the same to completion within a reasonable time thereafter, if more than thirty (30) days is required to cure. The Board shall levy a special assessment against an Owner to pay all costs the Association incurs to enforce provisions of the Declaration caused by the conduct of an Owner in violation thereof.

Sincerely,

Ronald & Susan Duncan	3363 Nambe Dr.	Reno, NV 89511
Wayne & Sandra Krachen	3458 Forest View Dr.	Reno, NV 89511
Forrest Patin	5764 Indigo Run Dr.	Reno, NV 89511
Rick Hsu	573 Echo Ridge Ct.	Reno, NV 89511
Dave & Eleanor Lee	534 Echo Ridge Ct.	Reno, NV 89511
Don & Lois Smaltz	1398 Amado Ct.	Reno, NV 89511
Peter Linstroth	10753 Harbottle Dr.	Reno, NV 89511 (6212 Interlachen Blvd., Minneapolis, WI 55436)
John Lambert	2770 Shadow Dancer Trail	Reno, NV 89511
Betsy Haines	548 Echo Ridge Ct.	Reno, NV 89511
Don & Margaret McConnell	2754 Shadow Dancer Trail	Reno, NV 89511
Steven & Betsy Card	5775 Flowering Sage Trail	Reno, NV 89511
Norm Ziomek	531 Echo Ridge Court	Reno, NV 89511
Joe Healy	10292 Morning Song Trail	Reno, NV 89511
Carolyn Stone	10402 Copper Cloud Dr.	Reno, NV 89511