

WHEN RECORDED MAIL TO:
Ruby Hill Ranch, LLC
Attn: William A. Grane, Member
19 W. Hannum Blvd.
Saginaw, MI 48602

170855

RUBY HILL RANCH
DECLARATION OF PROTECTIVE COVENANTS
DATED SEPTEMBER 15, 1998

Ruby Hill Ranch LLC, the fee owner of record of land situated in the State of Nevada, County of Eureka, described as follows:

Parcel A3, as shown on that certain parcel Map for JOHN A. GOURLEY filed in the office of the County Recorder of Eureka County, State of Nevada, on November 6, 1996, as File No. 165021, being a portion of Lot 4, Section 21, TOWNSHIP 20 NORTH, RANGE 53 EAST, M.D.B.&M.

Lots 1, 2, 3 and 4, as shown on that certain Parcel Map for RUBY HILL RANCH, LLC, filed in the office of the County Recorder of Eureka County, State of Nevada, on December 19, 1997, as File No. 169298, being a portion of Lot 4, Section 21, TOWNSHIP 20 NORTH, RANGE 53 EAST, M.D.B.&M.

Lots 23, 24, 25 and 26, as shown on that certain Parcel Map for RUBY HILL RANCH, LLC, filed in the office of the County Recorder of Eureka County, State of Nevada, on December 19, 1997, as File No. 169299, being a portion of Lot 4, Section 21, TOWNSHIP 20 NORTH, RANGE 53 EAST, M.D.B.&M.
herein after described as Ruby Hill Ranch - Phase One hereby sets forth this Declaration of Protective Covenants.

WHEREAS, the undersigned fee owners of record, in order to provide for the sound development of the lots in Ruby Hill Ranch - Phase One, desire to provide an area primarily for rural or estate-type living, but allowing certain hobby and/or recreational agricultural pursuits to be maintained on land parcels as recorded, and

WHEREAS, the undersigned fee owners of record desire to maintain the present unique natural beauty and solitude for the present and subsequent owners thereof and perpetuate the present environment for what might be best described as private, rural, residential, or ranch estates, and

WHEREAS, the undersigned fee owners of record desire to provide for the sound development of lots in Ruby Hill Ranch - Phase One- as a residential ranch estate area and to maintain the value of the lots through the regulation of the type, size and placement of buildings, lot sizes, reservation of easements, maintenance of common roads and lands, and prohibition of nuisances and other land uses that might affect the desirability of the area.

NOW, THEREFORE, Declarant, owner in fee of all the lots of record of Ruby Hill Ranch - Phase One, does hereby certify and declare:

GENERAL PURPOSE DECLARATION

To establish a general plan for the protection, maintenance, development and improvement and mutual benefit of the following protective covenants covering Ruby Hill Ranch - Phase One, and all interests therein shall be held, leased, or sold and /or conveyed by the owners or users thereof, for their mutual benefit subject to these covenants.

PART A- FULLY PROTECTED LANDS AREA

All Parcels in RUBY HILL RANCH-Phase One shall comply with the requirements of the Eureka County ordinances including any zoning ordinance, subdivision ordinance, building ordinances and other governmental authority governing the use of the land and any structures thereon.

PART B- LAND USE AND BUILDING TYPE

Parcels in Ruby Hill Ranch-Phase One shall be improved, used, and occupied in accordance with the provisions set forth in this Declaration.

9/11/98

1. Land Use and Building Type.

The Lots subject hereto shall be used only for residential, home occupation and or recreational uses, and as the use of said Lots are further limited herein. Residence allowed is defined as any conventional, log, component or manufactured home. All homes shall have either a permanent foundation or skirting as approved by the architectural control committee.

2. Architectural Control.

No building, fence, wall, swimming pool, tennis court, barn yard, storage facility, grazing pen, or other recreational facility, septic facility, well facility, dwelling or other structure shall be erected, placed or altered on any Lot until the construction plans and site plans showing the location of the structure/facility have been approved by the Architectural Control Committee as to materials and site layout, harmony of external design with the existing structures, and as to location with respect to topography and finish grade elevation. The Architectural Control Committee shall have the unqualified right to refuse or approve any such plans or specifications or grading plan, which are not suitable or desirable in the opinion of the Architectural Control Committee for aesthetic or other reasons including less than 3 by 12 roof pitches. Approval shall be as provided in Part G hereof. If the Lot owner fails within six (6) months thereafter, to build, alter, or change, as the case may be, said plans and specifications must be resubmitted for re approval.

The architectural Control Committee may have plans and specifications reviewed by an independent architect and may require as a condition of its approval a reasonable fee be paid by the parcel owner for these services.

3. Size.

It is the purpose of this covenant to assure that all dwellings erected or placed on said Lots shall be of a size as herein provided. The ground floor living area, exclusive of open porches, unimproved in ground basements and garages, of any dwelling erected or placed on any Lot, shall not be less than:

1,350 square feet for a one story dwelling with a minimum width of 20 feet
1,050 square feet on the first floor for a two story dwelling

Rooms in split level dwellings below grade line or 350 square feet of improved basement living space shall be included in the determination of the ground floor area.

The buildings shall not exceed two above ground stories or be greater than 30 feet in height above the highest foundation level.

4. Building Location.

Foundation walls of all buildings, except open porches erected or placed upon Lots shall be located not nearer than sixty (60) feet for lots fronting Third Street and Forty (40) feet from other streets, forty (40) feet from any rear Lot line and not nearer than thirty (30) feet from the side lot line. In cases of practical difficulties or unusual circumstances, the Architectural Control Committee may grant a variance to the yard area setbacks.

5. Lot Division.

No lot may be further divided.

6. Existing Grade.

Notice is given that waterlines, power lines and telephone lines have been installed based on the existing grade. Removal of earth shall be at the sole risk of property owner.

7. Clear Vision Zone.

Any landscaping improvements or fences within 20 feet of any road intersection of a corner lot shall be in such a way as to provide for a good clear vision zone for traffic.

8. Temporary Structures.

No structure of a temporary character, trailer, basement, shack, garage, barn, or other outbuilding shall be used on any Lot at any time as a residence, either temporary or permanent unless the Architectural Control Committee permits them which shall not exceed six months.

9. Completion of Buildings.

No building may be used or occupied until the exterior of the same has been completed, and the exterior construction of all dwellings shall be completed within one (1) year from the date of commencement of the construction of the foundation. No excavation shall remain open and unfilled for more than one (1) month. Any building, either partially or totally destroyed by any means whatsoever, shall be fully repaired or removed from the premises within three (3) months following the occurrence of such destruction.

10. Final Grading and Landscaping and Ecological Control.

Upon completion of construction, the Lot owner will have four (4) months, unless weather does not permit, to final grade and plant with suitable ground cover and four trees and foundation plantings in front of each house which shall be kept alive or replaced if they die. Outside of the immediate construction area, under no circumstances shall the owner of any Lot or Parcel of land disturb the natural soil, trees, or grasses unless the owner immediately thereafter re-plants such disturbed area, with ground cover of similar type. It is agreed that the bushes and trees are an integral element to the overall attractiveness of the area and shall be maintained or improved, other than for construction and pasturing purposes, in its present or improved state.

It is especially understood that fires shall be restricted to containers designed therefor to avoid the hazard of a forest fire. Damage to the ground cover and trees from "off or on road" vehicles shall be minimized as much as reasonably possible to preserve the aesthetic view from other properties.

11. Building Material Waste.

During construction, property must be cleared monthly of all building materials and any other accumulation of undesirable substances so that none of the same shall be stored in the open, visible to the eye. Once construction is finished, the property must be cleared of all temporary structures.

12. Roadway Maintenance.

During construction, any and all undesirable substances deposited onto roadways or damage done to roadways by owners, contractors, or contractor's suppliers must be cleared away and repaired at owners' expense at the end of each week.

13. Vacant Lot.

Each Lot owner is responsible for maintaining his/her Lot prior to construction of any dwelling, building or other structure placed thereon. This maintenance shall minimally include keeping it in an aesthetically good condition, and free of debris and in good ecological condition. If any Lot owner shall fail to maintain his/her Lot as provided for above, then the Association of Ruby Home Ranch shall have the right to undertake such maintenance and bill the Lot owner directly for all maintenance charges incurred, which shall be assessed as part of the Association assessment charges.

14. Fences.

Other than within the front and side yards adjoining roads, fences may be erected up to five feet high of materials approved by rules approved by the Architectural Control Committee provided they shall be maintained in good condition. If they are not so maintained, they shall be removed.

15. Signs.

No sign of any kind shall be displayed to the public view on any Lot, except one (1) sign of not larger than five (5) square feet for only purposes of advertising the property for sale or within 30 days prior to election for a political candidate; provided, however, that the proprietor of Ruby Hill Ranch may erect larger signs to promote the sale of Lots, and contractors may erect a sign two and one-half (2 1/2) feet by four (4) feet during construction.

16. Livestock and Poultry.

Three horses and such other temporary livestock used for home use such as 4-H projects specifically allowed by the Architectural Control Committee are allowed subject to the rules and regulations of the Architectural Control Committee including fencing and area within the parcel permitted. Domestic animals not exceeding two of each kind of such animals as dogs, cats, or other household pets, and other temporary livestock and three horses may be kept provided they are not kept, bred, or maintained for any commercial purposes and are not kept in quantities or in a manner which create an annoyance or nuisance to the neighborhood. Owners shall confine domestic animals and livestock to the limits of their property. No poisonous or dangerous or vicious animals, snakes or reptiles shall be kept. No "stables" or "stable yards" or similar facilities which emit odors (other than general pasturing) shall be located closer than 50 feet from adjoining property, and in no event shall be allowed to create, through noise, odors or otherwise, a nuisance.

No animal shall be kept, harbored or maintained that habitually howls, barks, whines, yelps, or in any other manner disturbs the peace and quietude of Ruby Home Ranch.

17. Nuisances.

No nuisance or offensive activity shall be conducted on any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No commercial use shall be made of the property other than home occupations. Excessively noisy vehicles of any kind shall not be used anywhere in Ruby Home Ranch.

18. Waste Materials.

No part of the above described property shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste and shall not be kept except in sanitary containers. All incinerators for disposal of waste and refuse, building materials, wood products or similar materials of any kind must be kept inside of buildings or visually screened areas. No garbage receptacle shall be otherwise placed above ground. Non-household refuse, rubbish, trash, garbage or waste, other than dead leaves and fallen limbs, shall not be permitted to remain exposed on the Lot, except 12 hours before pickup at the street on regular collection days. Storage of junk, old non-licensed or unsightly cars and trailers and other unsightly objects on any lot or parcel is expressly prohibited.

19. Vehicle Parking.

Any vehicle or recreational vehicle, whether self-propelled or not, permitted to remain on any Lot shall be kept in a licensed and operable condition. Any vehicle or recreational equipment, whether self propelled or not, shall not be parked or stored within the front, side, or rear yard area set back at any time and shall be housed in a structure or screened by fencing or other means approved by the Architectural Control Committee from the view of the neighbors.

Recreational vehicles shall include vehicles, boats, trailers, buses, snowmobiles, motorcycles, all terrain vehicles, trucks larger than a one ton and similar sorts of items.

20. All Terrain or Motorcycle Use.

No property owner, agent, servant or employee shall allow any all terrain vehicle, or motorcycle to be driven upon the aforesaid described property or elsewhere in Ruby Home Ranch except at a speed not to exceed the posted limit on designated driveways or roadways during the hours from 8:00 A.M. to 8:00 P.M.

21. Easements and Drainage.

Easements for the installation and maintenance of utilities and drainage facilities, whether man-made or natural, shall not be obstructed, diverted or hindered in any fashion by plantings, excavation or otherwise.

22. Roof Top Units.

No air conditioning unit, evaporative cooler, satellite dish, antenna, solar heating shields or other object shall be placed upon or above the roof of any dwelling or other building except and unless the same is architecturally concealed from view or otherwise approved by the Architectural Control Committee.

23. Electrical Energy And Other Utility Services And Exterior Lighting

No source of electrical energy or other utility services shall be brought to the property or used upon the property including exterior lighting until the Committee has approved plans and specifications for the erection of approved improvements upon any Lot. No cuts of the blacktop road shall be permitted and any work within the road right of way shall meet the standards, terms and conditions contained in the most recent edition of the "standard specifications for public works construction" (commonly known and referred to as the "orange book"). The parcel owner shall be responsible for any damage done to lands or improvements within the road right of way or common areas. No "barn yard" lights, flood lights or other exterior lights that spill onto other property shall be allowed. Power shall be run underground within the property outside of utility easements when and where feasible.

24. Fire Protection.

Wells shall have separate wiring to the well with its own main disconnect switch. Wiring in and about the structures shall be separate from the well. Combustible vegetation within fifty feet of all structures shall not be permitted. However, foundation landscaping and lawns shall be permitted and a minimum of three 15 gallon evergreen trees shall be planted and maintained by each parcel owner in the front yard area.

25. Use of Premises.

A person shall not use any premises for any other purpose than those expressly permitted herein.

Part C- HOMEOWNERS ASSOCIATION
MAINTENANCE DUTIES AND RIGHTS OF THE ASSOCIATION AND ITS MEMBERS

To carry out the intent and purposes of these covenants, there shall be created the Ruby Home Ranch Homeowners Association, hereinafter referred to as the "Association".

26. Maintenance Obligations and Other Association Functions.

The Association, for the benefit of the Lot owners, if the Association so elects, may provide for the maintenance, repair and improvement of any street, street lighting, entrance areas, and utility easement area whether on public right of ways or on private lands (inclusive of, but not limited to, plantings, sprinkling systems, signs and gates) which are part of the Ruby Home Ranch and any other property for which the Association is given responsibility by its members. The Association may engage in any activity permitted by its Bylaws and not prohibited or limited by these Restrictions.

It is also anticipated that an entrance area will be maintained where Cheyenne Drive enters 3rd Street and at any future entrances upon Highway 278 which will include certain landscaping and improvements as determined

by the Association. This may include the construction and operation of existing and new irrigation systems to water trees and land along the roads and improved and unimproved parts of lots.

27. Authority and Rule Making.

The extent and frequency of the activities of the Association in carrying out the duties, maintenance and management shall be determined by its Board of Directors, as provided in the Association Bylaws, and the Board of Directors may delegate its authority as provided in the Association Bylaws. The Board of Directors of the Association may also promulgate rules and regulations to assist in carrying out the duties and obligations of the Association, and may amend said rules and regulations from time to time.

28. Membership and Voting.

Each Lot owner in Ruby Hill Ranch shall automatically be a member of the Association upon acquiring legal title to the Lot and shall be entitled to one vote. A member may delegate his rights and responsibilities to the party in possession of a Lot, provided such designated representative is duly registered and entered in the books and records of the Association in the manner prescribed in these Restrictions and in the Association Bylaws. Membership is limited to Lot owners and membership cannot be assigned, pledged or transferred in any manner except in connection with the transfer of a Lot.

(a) Designated Representative.

The owners of each Lot shall file a written notice with the Association designating the "Designated Representative" who shall be entitled to vote at meetings of the Association and receive all notices and other communications from the Association in behalf of the Lot owners of a particular Lot. The notice shall state the name and address of the Designated Representative of the Lot number(s) for which the Designated Representative is entitled to vote, and the name and address of each person, firm, or corporation, limited liability company, partnership, association, trust or other entity owning an interest in the Lot. The notice shall be signed by each person or entity having an interest in the Lot. The Designated Representative may be changed by the Lot owners of the Lot by filing a new notice of Designated Representative, or his or her duly appointed proxy, who shall be entitled to vote at any meeting of the Association.

(b) Annual Meeting.

There shall be an annual meeting of the members of the Association. Other meetings of the Association may be held as provided in the Bylaws of the Association. Notice of the time, place, location and subject matter of the meetings shall be given to the Lot owners by mailing the same to the Designated Representative for each Lot. The Notice of the annual meeting shall be sent at least ten (10) days prior to the meeting, but not more than sixty (60) days prior to the meeting.

(c) Association Quorum.

The presence in person or by proxy of Thirty-five (35%) percent or more of the Designated Representatives shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions which specifically require a greater quorum as provided in the Association ByLaws.

(d) Relationship to Association Bylaws.

Provisions as to voting, or matters relating to meetings of the Association or governance of the Association, which are not inconsistent with the provisions contained in these Restrictions, may be set forth in the Association Bylaws. In the event of a conflict between these Restrictions and the Association Bylaws, these Restrictions shall be controlling.

Part D- MAINTENANCE ASSESSMENTS

29. Creation of Lien and Personal Obligation of Assessments.

Each Lot owner, by accepting a deed or by entering into possession of a Lot pursuant to a valid purchase instrument, covenants and agrees for his or her self, heirs, personal representatives, executors, executrixes, successors and assigns, to pay to the Association any amounts assessed by the Board of Directors of the Association to pay for the cost of the maintenance, repair and improvement as determined by the Board of Directors of the Association, of any street, street lighting, entrance areas or road right of way areas (inclusive of, but not limited to plantings, sprinkling systems, signs and gates), berm or other fencing or barriers (other than privately owned) which are part of Ruby Hill Ranch or any other property which the Association has, or may hereafter have, the right to improve or the obligation to maintain, repair, restore, or replace. These assessments may be payable in annual, quarterly, monthly, or on any other periodic basis as may be designated by the Board of Directors of the Association.

Any assessment so established, together with such interest thereon and costs of collection thereof as herein provided shall be a charge against each of the Lots in Ruby Hill Ranch, based upon their voting rights in the Association, on an equal basis regardless of the size of the Lot, and shall be a continuing lien upon the Lot against which such assessment is made until it is paid. Each such assessment, together with such interest thereon and costs of collection thereof as herein provided, shall be the personal obligation of the Lot owner(s) of the Lot at the time when the assessment becomes due and owing.

30. Due Date and Default.

Assessments shall be due and payable at such times as the Association's Board of Directors shall determine. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for the payment. The Association may impose a late charge in an amount determined by its Board of Directors in the event the payment of an assessment is in default. In addition, assessments in default shall bear interest at the rate of twelve percent (12%) per annum until paid in full.

31. Liability for Assessments.

No Lot owner may exempt him or her self from liability for assessments by waiver of the use or enjoyment of any property or areas for which the Association is responsible to maintain or has the right to improve.

32. Collection of Delinquent Assessments.

In the event a Lot owner fails to pay an assessment when due, the Association's Board of Directors may enforce the collection of the assessment by bringing an action in the name of the Association and against the Lot owner(s) at law for a money judgment. Further they may file a affidavit setting forth the amount due with the recorder's office which shall thereafter constitute a lien against the lot and may be foreclosed upon under the same procedure as provided by Nevada law for a mechanic's lien.

33. Notice of Delinquency.

A suit at law for money judgment shall not be commenced until the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the last known address of the Designated Representative for the Lot on which the assessment is delinquent, of a written notice that the assessments levied against the Lot is delinquent and that the Association may invoke its remedies provided under these Restrictions if the default is not cured within ten (10) days after the date of the mailing. Such written notice shall be accompanied by a written affidavit of the authorized representative the Board of Directors of the Association that sets forth (1) the affiant's capacity to make the affidavit, (2) the amount outstanding (exclusive of interest, costs, attorneys fees and future assessments), (3) the legal description of the Lot, and (4) the name(s) of the Lot owners of record for the Lot on which the assessments are delinquent. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it under these Restrictions, or under Nevada law, or the may seek to have the dispute arbitrated in accordance with the rules of the American Arbitration Association.

34. Expenses in Collecting Delinquent Assessments.

The expenses incurred by the Association in collecting unpaid assessments, including late charges, interest, costs, actual attorneys fees (not limited to statutory fees) shall be charged to the Lot owner in default and shall be secured by a lien on any Lot owned by the Lot owner in Ruby Hill Ranch.

35. Acceleration of Assessments.

In the event of default by a Lot owner in the payment of any installment of an assessment levied against a Lot, the Board of Directors of the Association shall have the right to declare all unpaid installments for assessments which have been levied by the Board to be immediately due and payable in full.

36. Notification to Tenants.

If a Lot owner is in default in the payment of maintenance assessments to the Association, the Association may give written notice of such default to any tenant occupying a dwelling on a Lot owned by the Lot owner in default and the tenant, after receiving the notice, shall deduct from the rental payments due to the Lot owner the amount of any maintenance assessments then in default and pay the same to the Association. By deducting the amount of such delinquent assessments, the tenant shall not be considered to have breached any lease agreement with the Lot owner and the amount of such delinquent assessment shall be credited to the tenant's obligations to the Lot owner under the lease.

37. Subordination to Lien of Deed of Trust

Notwithstanding anything to the contrary, the holder of any first deed of trust covering any Lot in Ruby Hill Ranch - Phase One which comes into possession of the Lot pursuant to the remedies provided in the first deed for trust, or by deed (or assignment) in lieu of foreclosure, shall take the Lot free of any claims for unpaid assessments or charges against the trust deed Lot which are delinquent prior to the time the first trust deed holder comes into possession of the Lot.

38. Liability for Unpaid Assessments Upon Sale.

Upon sale or conveyance of a Lot, all unpaid assessments shall be paid out of the proceeds from the closing on the sale of the Lot, or by the purchaser, in preference over any other assessment or charges of any nature, except: (1) amounts due the state, or any subdivision thereof, or any municipality for taxes and special assessments due and unpaid which constitute a lien against the Lot; (2) amounts due under a valid first trust deed having priority over assessments.

A purchaser or grantee is entitled to a statement from the Association setting forth the amount of unpaid assessments against the lot(s) being purchased. The purchaser or grantee shall not be liable for, nor is the Lot conveyed or granted subject to, a lien for any unpaid assessments against the Lot in excess of the amount set forth in the written statement from the Association. Unless the purchaser or grantee requests a written statement from the Association at least five (5) days before the closing of the sale, the purchaser or grantee shall be liable for any unpaid assessments which are a lien on the Lot being purchased together with the late charges, interests, costs and attorneys fees incurred in the collection thereof.

39. Written request by Purchaser for Unpaid Assessment Information.

The purchaser of any Lot may request in writing a statement from the Association as to the amount of any outstanding and unpaid maintenance assessments relating to the Lot being purchased, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Lot in Ruby Hill Ranch, the Association shall provide a written statement of the amount of any outstanding unpaid assessments relating to the Lot being purchased, which statement shall be binding upon the Association for the period stated therein. Upon payment of the amount stated in the Association's notice, the Association's lien for the unpaid assessments shall be deemed satisfied.

PART E- INSURANCE

40. Purchase of Insurance Coverage.

The Association may obtain insurance coverage, if available, insuring the property to be maintained and/or improved by the Association including public streets and insuring the Association and the individual Lot owners against liability for injuries to persons and property occurring on any property including public streets within Ruby Hill Ranch for which the Association may maintain and/or improve. The amount of such insurance coverage shall be determined by the Board of Directors of the Association.

41. Expense of Administration.

The premiums for such insurance coverage shall be paid by the Association and shall be used by the Board of Directors of the Association in determining the amount of the maintenance assessments to be charged to the Lots.

42. Distribution of Proceeds.

All proceeds of any insurance policy owned by the Association shall be received by the Association, held in a separate account, and used or distributed in the manner determined by the Board of Directors of the Association.

43. Association as Attorney-in-Fact for Lot Owners.

Each Lot owner, by acquiring an interest in a Lot in Ruby Hill Ranch -Phase One-, shall be deemed to have irrevocably appointed the Association as his or her true and lawful attorney-in-fact to act on his or her behalf in connection with all matters relating to any insurance policy in which the Association is the named insured party. Without limiting the foregoing, the Association shall have the full power and authority to purchase and maintain said insurance, to collect and remit the premiums therefor, to collect proceeds and to use and distribute the proceeds in the manner the Board of Directors of the Association deems appropriate, and to execute any and all releases of liability and other documents that may be necessary or desirable in order to accomplish the foregoing.

PART F- ENFORCEMENT PROVISIONS

Ruby Hill Ranch LLC, the Association and each of the Lot owners shall have the right to enforce these Restrictions or any written rules and regulations established by the Association, by a proceeding at law or in equity in a court of competent jurisdiction. Each Lot owner agrees that Eureka County is the proper venue for any such proceedings.

Further, any dispute may be submitted for arbitration in accordance with the rules of the American Arbitration Association as such location as they may determine. The failure of Ruby Hill Ranch LLC, the Association or any Lot owner to enforce these Restrictions shall not be deemed a waiver of any right to enforce any subsequent violation of the same or similar nature.

PART G- ARCHITECTURAL CONTROL COMMITTEE

44. Membership of the Architectural Control Committee.

The Architectural Control Committee is composed of three persons appointed and serving at the pleasure of Ruby Hill Ranch LLC. A majority of the committee may designate a representative to act for it. In the event of death or resignation or termination of any member of the committee, Ruby Hill Ranch LLC shall appoint a successor who have the same authority as the other members of the committee. Until the appointment is made, the remaining members shall have full authority to act. At any time after seventy-five (75%) of the lots of Ruby Hill Ranch - Phase One and further phases to be developed pursuant to the master plan for Ruby Hill Ranch on file with Eureka County have been sold and such sales recorded, the Board of Directors of the Association shall appoint any successors to the Architectural Control Committee. A majority of the Committee may designate a representative to act for it. Neither the members of the Committee, nor its designated representative, shall be entitled to any compensation for services performed pursuant to the covenant. Each Committee member shall serve until replaced.

2. Procedures and Purpose.

It shall be the general purpose of this Committee to provide for the maintenance and enforcement of a high standard of architecture, construction, maintenance and cleanliness in such manner as to enhance the aesthetic properties and structural soundness of the development in Ruby Hill Ranch.

The Committee shall be guided by and, except when in their sole discretion good planning would dictate to the contrary, be controlled by these Restrictions. The Committee shall make available a copy of these Restrictions to any and all parcel owners upon request.

The Committee may adopt reasonable rules and regulations in order to carry out its duties. The Committee shall fix a time and place for its regular meetings and for such extraordinary meetings as may be necessary and shall keep written minutes of its meetings, which shall be open for inspection to any Parcel owner upon the consent of any one of the members of the Committee. The Committee shall, by a majority of vote, elect one of its members as chairman and one as secretary who shall perform the duties incident thereto.

The Committee's approval or disapproval required in these covenants shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required and the related covenants shall be deemed to have been complied with.

PART H- MISCELLANEOUS

45. Term.

These covenants are hereby declared to be permanent covenants running with the land and shall be binding upon these parties and all persons claiming under them; provided however, that these covenants may be amended at any time by an instrument in writing signed by the then fee owners of record of sixty (60%) percent of the votes held by owners of Lots in the Association. No amendment, however, shall become effective until the same shall have been recorded in the Office of the Recorder of Eureka County, Nevada.

46. Enforcement.

Enforcement shall be by proceedings at law or in equity or by arbitration in accordance with the rules of the American Arbitration Association either to restrain violation or to recover damages against any person or persons violating or attempting to violate any covenant.

47. Severability.

Invalidation of any one of these covenants by Judgment or Court Order shall in no way affect any of the other provisions which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Declarant, constituting all of the fee owners of record of all of the lots and parcels of RUBY HILL RANCH - PHASE I, have hereunder set their hands to this instrument this _____ day of September, 1998, at the County of Eureka, State of Nevada.

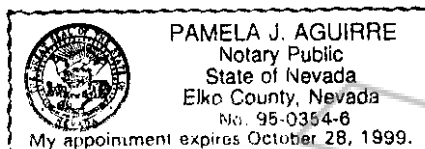
**RUBY HILL RANCH LLC, a Nevada
limited liability company**

By: William A. Crane
WILLIAM A. CRANE
John Gourley
By: JOHN GOURLEY

STATE OF NEVADA)
COUNTY OF ~~EUREKA~~ ^{ELKO})SS.

On ~~September~~ ^{October} 9 1998, personally appeared before me, a Notary Public, JOHN GOURLEY, personally known to me to be the person whose name is subscribed to the above instrument who acknowledged that he executed said instrument.

Pamela J. Aguirre
NOTARY PUBLIC



STATE OF MICHIGAN)
COUNTY OF SAGINAW)SS.

On September 17, 1998, personally appeared before me, a Notary Public, WILLIAM A. CRANE, personally known to me to be the person whose name is subscribed to the above instrument who acknowledged that he executed said instrument.

Sheila E. Gardella
SHEILA E. GARDELLA
NOTARY PUBLIC

Gratiot County, Michigan;
Acting in Saginaw County, Michigan
My Commission Expires: March 11, 1999

BOOK 322 PAGE 064
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Stewart Title
98 OCT 20 PM 2:24
EUREKA COUNTY NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEES \$9.00

170855