

**MOUNTAIN VIEW ESTATES**  
**(Unit 1A)**  
**A PLANNED COMMUNITY**

**PUBLIC OFFERING STATEMENT**

by

**Reno Quality Homes, Inc.,**  
**A Nevada Corporation**

**MOUNTAIN VIEW ESTATES**  
**(Unit 1A)**  
**A PLANNED COMMUNITY**

**PUBLIC OFFERING STATEMENT**

**1. Names and Addresses:**

**1.1 Name and Address of declarants:**

Reno Quality Homes, Inc., a Nevada corporation  
("Master Declarant")  
1180 West Peckham Lane,  
Reno, Nevada 89509  
Attention: Luke R. Fitzgerald  
Phone: 775-303-8492  
Fax: 775-201-0117

**1.2 Name and Address of Common Interest Community:**

Mountain View Estates Unit 1A  
Ferrari McLeod Boulevard and Gardella  
Reno, Nevada 89506

**2. Type of Common Interest Community:**

Mountain View Estates Unit 1A is a planned community.

**3. General Description of the Project:**

Mountain View Estates Unit 1A (the "Project") is a residential subdivision located in Reno, Washoe County, Nevada comprising up to fifty-one (51) single family residential lots. Construction of the subdivision improvements for the Project are partially completed. Master Declarant anticipates that the subdivision improvements will be fully completed by December of 2010. Construction of the residences has commenced and is estimated to be completed by September of 2015.

The Project is within a larger community known as Mountain View Estates.

**4. Estimated Number of Lots in the Project:**

It is estimated that the Project will consist of up to fifty-one (51) residential lots (each a "Lot").

**5. Governing Documents:**

Unless otherwise noted, the following described documents governing the Project are to be delivered to buyer(s) concurrently herewith and are hereby incorporated herein by this reference:

(i) Declaration of Covenants, Conditions and Restrictions for Mountain View Estates, and any amendments and supplements thereto (the "Declaration");

(ii) Articles of Incorporation of Mountain View Estates Community Association (the "Association");

(iii) Bylaws of the Association;

(iv) Rules and Regulations of Mountain View Estates Community Association (if any);

(v) The current financial statement of the Association, if any; and

(vii) The budget for common expenses ("Budget") for the Association.

The Association's present monthly assessment for common expenses per Lot is Thirty Five and No/100ths Dollars (\$35.00), payable monthly, which includes an amount of 56/100ths Dollars (\$00.56) for reserves for repairs, replacement and restoration of common elements in the Community.

**6. Services or Subsidies not reflected in the Budget:**

The Developer is not providing any services or paying any expenses with regard to the Community that it anticipates to be a Common Expense of the Association.

**7. Initial or Special Fees:**

An initial working capital contribution in an amount equal to the Association's regular assessments for one (1) month is payable by the Buyer to the Association at closing. This working capital contribution will become capital of the Association. It is not returned to the Unit owner at the time of resale or otherwise.

**8. Buyer's Right to Cancel:**

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

**9. Unsatisfied Judgments or Pending Suits Against the Association:**

Developer has no actual knowledge of any unsatisfied judgments or pending suits against the Association, or of any pending suits material to the Community.

**10. Fees or Charges for Use of Common Elements:**

There are no current or expected fees or charges to be paid by the Owners for use of the common elements within the Project.

**11. Developmental Rights:**

In order to comply with certain provisions of Nevada law regarding public offering statements for planned communities (specifically, NRS 116.4104), neither Master Declarant nor Seller make any representations or assurances regarding the development rights reserved by Master Declarant on the following matters:

- (a) restrictions on use;

(b) the extent to which any buildings or other improvements that may be erected pursuant to any development rights in any part of Mountain View Estates will be compatible with existing buildings and improvements in Mountain View Estates in terms of architectural style, quality of construction, and size;

(c) other improvements that may be made and limited common elements that may be created within any part of Mountain View Estates pursuant to any development right reserved by Master Declarant;

(d) any limitations as to the locations of any building or other improvement that may be constructed or made within any part of Mountain View Estates pursuant to a development right reserved by the Master Declarant;

(e) any limited common elements created pursuant to any developmental right reserved by Master Declarant of the same general types and sizes as the limited common elements within other parts of Mountain View Estates;

(f) the proportion of limited common elements to Lots created pursuant to any development right reserved by Master Declarant being approximately equal to the proportion existing within other parts of Mountain View Estates;

(g) all restrictions in the Declaration affecting use, occupancy and alienation of the Lots applying to any lots created pursuant to any developmental right reserved by Master Declarant; and

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

**12. Information Statement Set Forth in NRS 116.41095:**

STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
**REAL ESTATE DIVISION**

788 Fairview Drive, Suite 200 \* **Carson City**, NV 89701-5453 \* (775) 687-4280  
2501 East Sahara Avenue, Suite 102 \* **Las Vegas**, NV 89104-4137 \* (702) 486-4033

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

**1. YOU GENERALLY HAVE FIVE (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. For more information regarding your right to cancel, see Nevada Revised Statutes 116.4108, if you received a public offering statement, or Nevada Revised Statutes 116.4109, 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.

**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 ten percent (10%) 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:

2501 E. Sahara Ave., Suite 202  
Las Vegas, NV 89104-4137  
Voice: (702) 486-4480  
or toll free at (877) 829-9907  
Fax: (702) 486-4520

OR

788 Fairview Dr., Suite 200  
Carson City, NV 89701  
Voice: (775) 687-4280

**The below signed purchasers have received and had ample opportunity to review this information statement disclosing homeowners' rights and obligations under Nevada law. Buyers acknowledge receipt of this three (3) page disclosure statement.**

Buyer or prospective buyer's initials/signature: \_\_\_\_\_

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 PURCHASE AGREEMENT. ALL DISCLOSURE MATERIALS AND THE PURCHASE AGREEMENT ARE IMPORTANT DOCUMENTS AND IF NOT UNDERSTOOD, THE PROSPECTIVE PURCHASER SHOULD SEEK COMPETENT ADVICE.

THIS PUBLIC OFFERING STATEMENT IS CURRENT AS OF MARCH 31, 2009. RECENT DEVELOPMENTS REGARDING (I) THE GENERAL DESCRIPTION OF THE COMMON INTEREST COMMUNITY (NRS 116.4103(1)(b)), (II) GOVERNING DOCUMENTS OF THE COMMUNITY (NRS 116.4103(1)(D) AND (E)); (III) SERVICES OR SUBSIDIES OF DECLARANT NOT REFLECTED IN THE BUDGET (NRS 116.4103(1)(F)), AND (IV) PENDING SUITS AGAINST THE ASSOCIATION (NRS 116.4103(1)(j)), MAY NOT BE REFLECTED IN THIS STATEMENT. DECLARANT IS REQUIRED TO UPDATE THIS PUBLIC