

Dayton Valley Community Association

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November 17, 2009

Dear Dayton Valley Property Owners:

As you should be aware, the Board recently provided you with the proposed Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association ("Second Amended CC&Rs"). The Board has requested that you vote upon whether to adopt the Second Amended CC&Rs.

Please be advised, that the provisions of Paragraph 6.5, as previously provided to you in the Second Amended CC&Rs must be modified. Paragraph 6.5 has to do with the allocation and payment of Regular Assessments. For your convenience please find attached a Correction to Paragraph 6.5 of the proposed Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association setting out the modification.

In casting your vote after today's date, please understand you are voting in favor, or against, the Second Amended CC&Rs including the corrected version of Paragraph 6.5 provided for herein. Thus, should the Second Amended CC&Rs be approved, the recorded version will include the enclosed corrected version of the Paragraph 6.5. If you have already submitted your ballot and the inclusion of the corrected version of Paragraph 6.5 would change your vote, please contact us immediately so that we can allow you to change your vote.

Additionally, you should be advised that any typographical or formatting issues will be corrected prior to recording, if the Second Amended CC&Rs are approved. Following recording, a recorded copy of the Second Amended CC&Rs will be provided to you for your files.

We apologize for any inconvenience the modification has caused. We look forward to receiving your ballot on or before April 14, 2010.

Sincerely,
Dayton Valley Community Association

The Board of Directors

Encls.

**CORRECTION TO PARAGRAPH 6.5 OF THE PROPOSED
SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
DAYTON VALLEY COMMUNITY ASSOCIATION**

The provisions of Paragraph 6.5 in the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association will be modified to provide as follows:

“6.5 Regular Assessment.

(a) Calculation of Estimated Requirement. The budget shall provide for the net funds required by the Association for the fiscal year (including a reasonable amount allocated to contingencies and to a reserve fund for restoration, repair, and/or replacement of those components for which the Association is responsible and which must be repaired or replaced on a periodic basis) to manage, administer, operate, and maintain the Development, to pay the costs, fees and expenses related to providing bulk services, including, common area maintenance and road maintenance; to conduct the affairs of the Association and to perform all of the Association’s duties in accordance with this Declaration (“budget expenses”). The funds required by the Association pursuant to this subsection shall be assessed among the Owners of Lots and other properties within the Development as Regular Assessments as further provided in this Section 6.5.

(b) Assessments All assessments shall be levied and collected in accordance with the Act.

(c) Regular Assessment . Regular Assessments shall consist of the budgeted expenses of the Association divided annually among the Lots as herein provided.

(d) Allocation of Regular Assessment.

(i) When there are no longer any unimproved Lots, and, thereafter, the Regular Assessments shall each be allocated and assessed equally among the Lots within the Development by dividing the amount by the number of Lots, so that each Lot bears an equal share of each component.

(ii) When there are improved Lots and Lots which have never been improved, the Board shall establish assessments for improved and unimproved Lots. The formula for calculating the assessments for an unimproved Lot shall be the sum of: (1) an equal share with all Lots of the “reserve” component of the budgeted expenses; (2) the charge for managing an unimproved Lot charged by the management company; and, (3) the number which represents fifteen percent (15%) of the assessment charged to an improved Lot in the prior fiscal year minus the amounts charged for reserves and management fees. Improved Lots shall share equally the balance of the budgeted expenses.

(e) Payment of Regular Assessments. Unless the Board shall designate otherwise, Regular Assessments shall be levied on an annual basis and shall be paid in four (4) quarterly installments during the fiscal year, and each installment shall be due and payable on the first day of that quarter.

(f) Commencement of Regular Assessments. Regular Assessments shall commence as to each Lot within the Development immediately upon Annexation The first annual Regular Assessment shall be prorated, if necessary after annexation, according to the number of months remaining in the fiscal year.”

The draft of Paragraph 6.5 in the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dayton Valley Community Association provided to homeowners provided as follows:

“6.5 Regular Assessment.

(a) Calculation of Estimated Requirement. The budget shall provide for the net funds required by the Association for the fiscal year (including a reasonable amount allocated to contingencies and to a reserve fund for restoration, repair, and/or replacement of those components for which the Association is responsible and which must be repaired or replaced on a periodic basis) to manage, administer, operate, and maintain the Development, to pay the costs, fees and expenses related to providing bulk services, including, common area maintenance and road maintenance; to conduct the affairs of the Association and to perform all of the Association’s duties in accordance with this Declaration. The funds required by the Association pursuant to this subsection shall be assessed among the Owners of Lots and other properties within the Development as Regular Assessments as further provided in this Section 6.5.

(b) Assessments All assessments are levied and collected in accordance with the Act.

(c) Regular Assessment . Regular Assessments shall consist of the budgeted expenses of the Association.

(d) Allocation of Regular Assessment.

(i) Assessments for Lots. The Regular Assessments shall each be allocated and assessed equally among the Lots within the Development by dividing the amount by the number of Lots, so that each Lot bears an equal share of each component. Except that the Board may from time to time establish unequal assessments for improved and unimproved Lots based on the adoption of a reasonable formula for allocating fixed and variable expenses. In all events the “reserve” portion of the budget and all expenses related to reserves shall be allocated equally between improved and unimproved Lots.

(e) Payment of Regular Assessments. Unless the Board shall designate otherwise, Regular Assessments shall be levied on an annual basis and shall be paid in four (4) quarterly installments during the fiscal year, and each installment shall be due and payable on the first day of that quarter.

(f) Commencement of Regular Assessments. Regular Assessments shall commence as to each Lot within the Development immediately upon Annexation. The first annual Regular Assessment shall be prorated, if necessary after annexation, according to the number of months remaining in the fiscal year.”