

Crossbow Corner

Application to the County of Washoe for a:

Special Use Permit

Prepared by:



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Application Materials

- WC Development Application
- SUP Supplemental Information
- SUP application checklist (completed)
- Owner Affidavit
- Application Service Charges (Fee Sheet)
- Preliminary Title Report
- Assessor’s Parcel Map
- Proof of Property Tax Payments
- Traffic Study
- Architecture Plan Set (2 elevations and a Floor Plan)

Plan Set

- Preliminary Landscape Plan
- Civil Plan Set (2 sheets at 24” x 36”)
 - Site Plan
 - Grading & Utility Plan

Project Request - A Special Use Permit request to allow development of 12,000 sq. ft. Neighborhood Center on a 1.82-acre site known as Crossbow Corner.

Property Location

The site is located adjacent at the corner of Arrowcreek Parkway and Crossbow Court and will be accessed only from Crossbow. The site includes two parcels (APN's 152-921-01 and 02).

Project Description

Crossbow Corner is a neighborhood center concept with the idea to provide basic neighborhood oriented commercial and retail services as an alternative to the regional shopping centers located several miles from this location. The site is well suited for such uses given the extent of residential uses in the area that is underserved with basic services. Also, the site will have excellent connections to surrounding schools and good walking connections to the community in general



Figure -1 Location Map



Figure 2- Site Plan/Landscape Plan

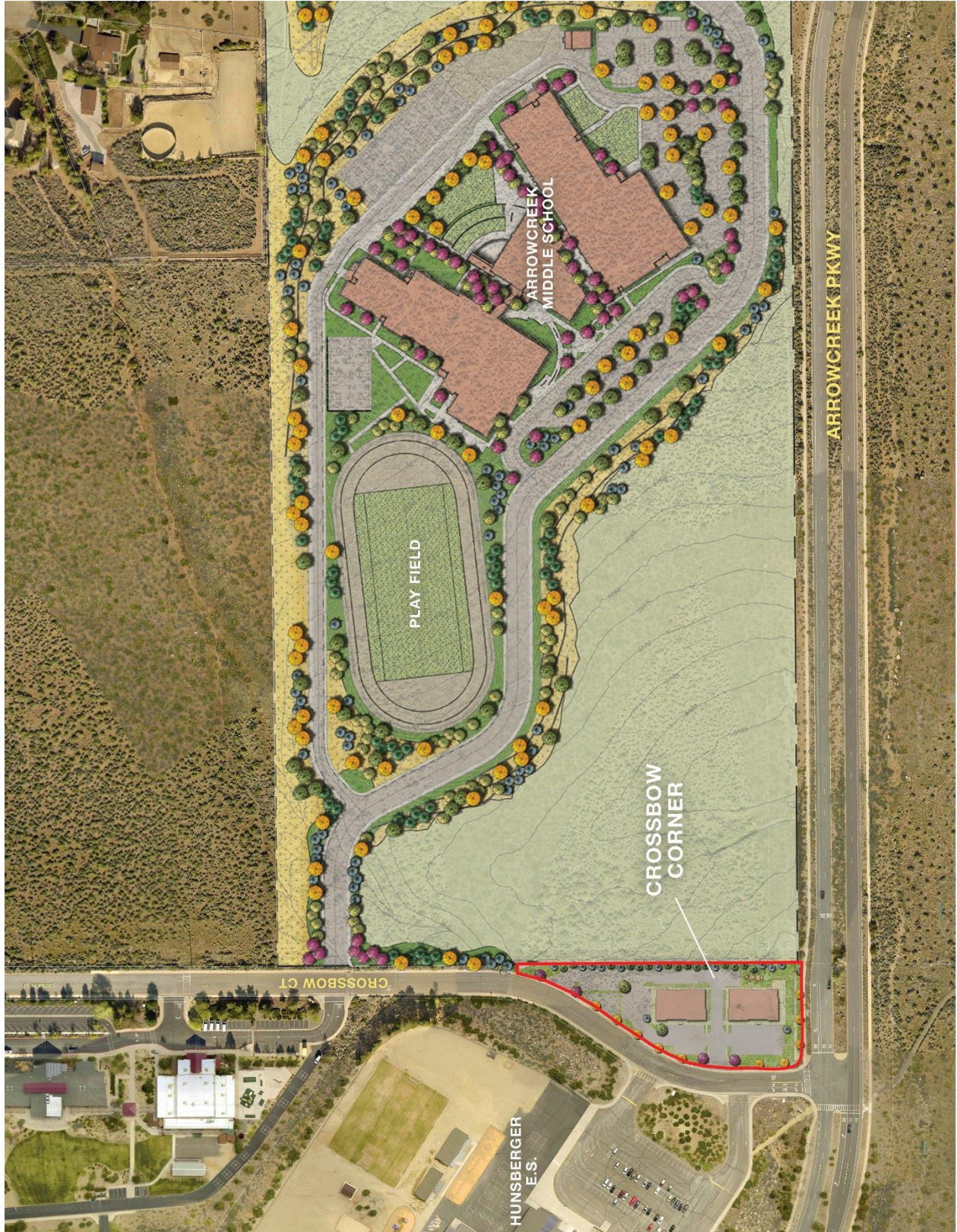
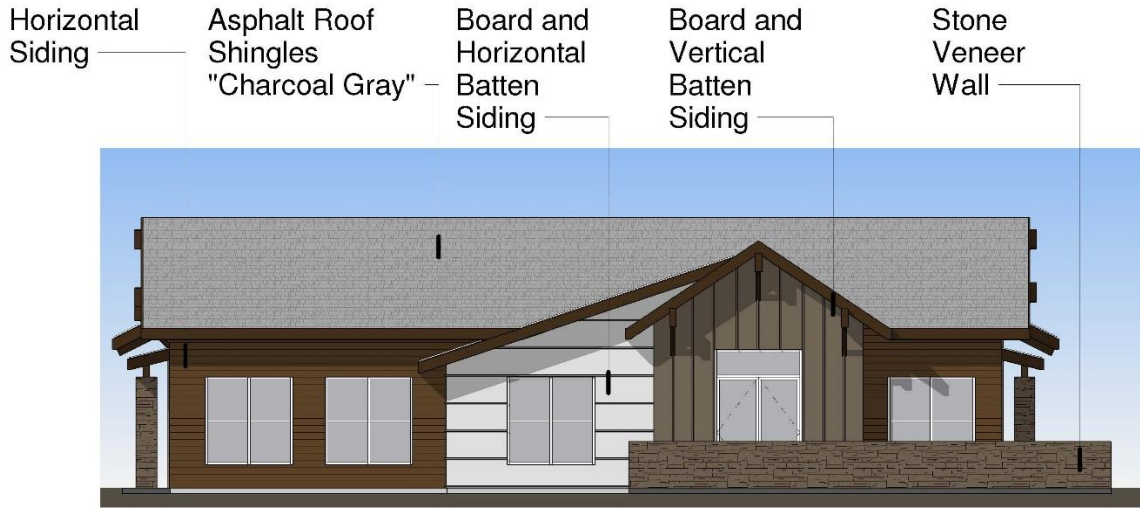


Figure 3- Site Plan with Adjacent uses



South Elevation



West & East Elevation

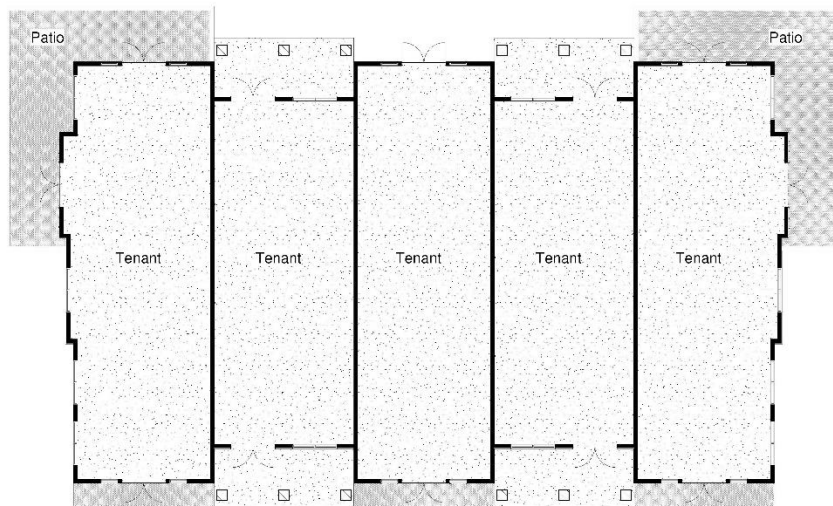


Figure 4 – Building Elevations & Floor Plan

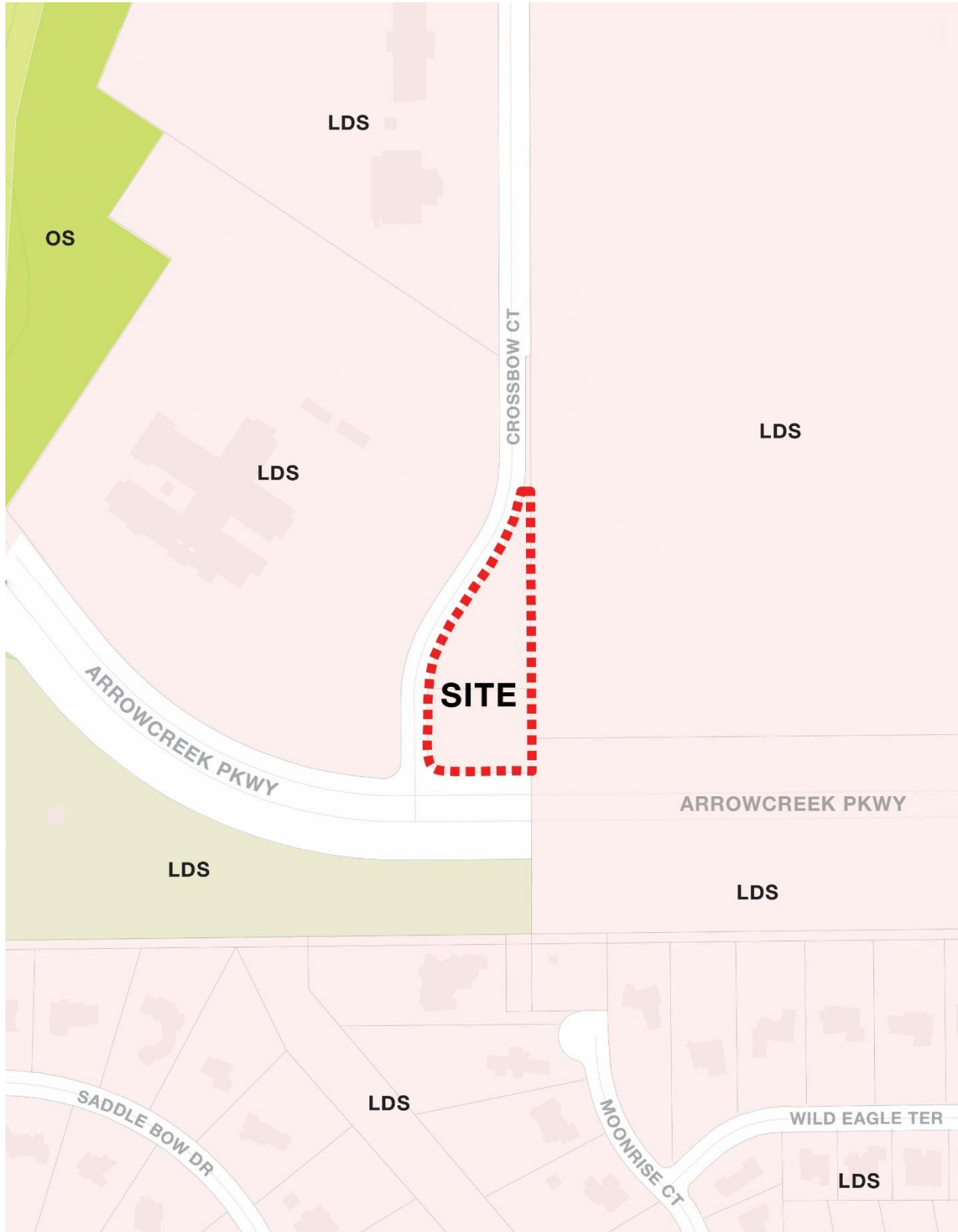


Figure 5 – Existing Zoning

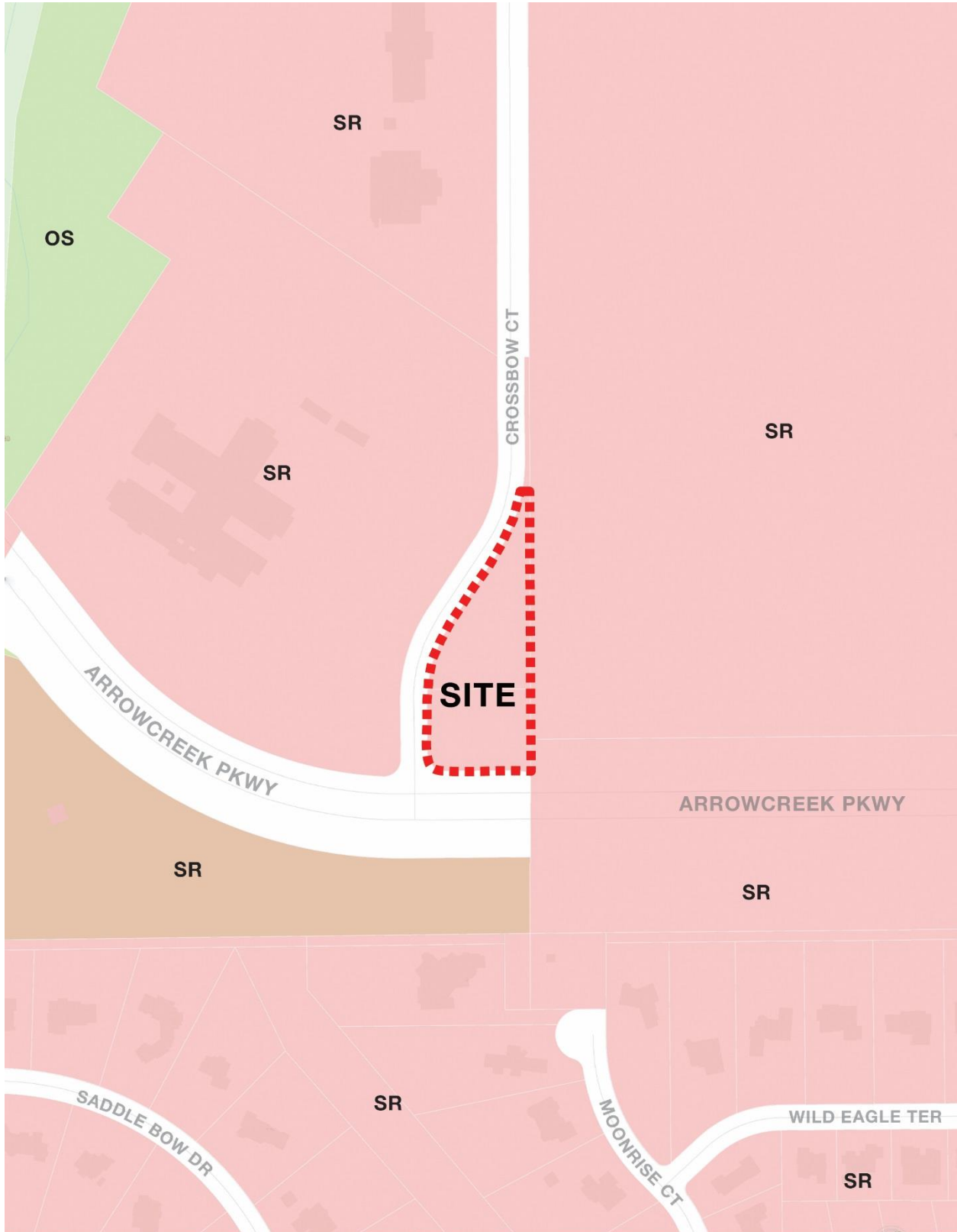


Figure 6 – Master Plan



Site Photo 1 – Facing NE from Arrowcreek Parkway (at site)



Site Photo 2 – Facing south from Crossbow Court (site on left)

Sign Program

A goal of this sign program is to insure the uniformity and consistency of the signage for the entire center. A copy of the sign construction drawings for individual tenants will be submitted to the Washoe County Planning staff for review and approval prior to issuance of sign permit.

The following criteria will preserve and enhance the appearance of the neighborhood center development, safeguard and enhance property values, and will encourage the use of quality signage which is integrated with and is harmonious to the buildings and site that it occupies.

A. GENERAL REQUIREMENTS

1. Tenant shall submit, before fabrication, three (3) copies of the proposed signs, including one (1) copy which is to be colored, to the Landlord for approval. These drawings must include total number, location, size and style of lettering, material, type of illumination, installation details (including a scaled elevation drawing, if required by Landlord), color selection, logo design, and wall graphics, and must be approved by Washoe County.
2. All permits for signs shall be obtained and paid for by Tenant. Tenant shall pay for all signs and their installation and maintenance.
3. Tenant shall be responsible for the fulfillment of all requirements and specifications, and all actions or negligence of tenant's sign contractor.
4. The size, location, design, color, texture, lighting and materials of these signs shall in no way detract from the design of the shopping center and the surrounding properties.
5. All signs, permits, drawings and related expenses to be at tenant's sole cost and expense.
6. Tenant's sign(s) must fit within building area(s) determined and approved by landlord and shall be compatible with the building architecture, which may result in tenant signage that is less or different than otherwise allowed under this sign criteria. Landlord shall have the right to determine such fit and architectural compatibility in landlord's sole and absolute discretion.

B. COMMERCIAL/RETAIL IN-LINE SHOP TENANTS

1. Each in-line shop tenant shall be permitted two (2) wall signs; one in front of the tenant space and one in the rear of the tenant space, as allowed by Washoe County. A corner tenant shall be permitted three (3) wall signs provided such signs are located on different sides of the building and as approved by Washoe County.

C. WALL SIGNS

The location of the building mounted letters shall be integrated into the architectural design of the building to reveal lines and other architectural elements. Colors shall be compatible with the building palette. Nationally recognized and trademarked corporate logos and colors can be used. All exterior building mounted letters shall have a maximum letter height of 30" and shall be designed to fit flush to the wall. Letters shall be individual metal pan channel with internal LED illumination, and all letters shall be mechanically fastened to the wall. Can signs are prohibited. A logo cabinet that is designed as a corporate logo in conjunction with individual letters is allowed.

D. FREESTANDING SIGNS

One (1) freestanding double faced sign is permitted at the intersection of Arrowcreek Parkway and Crossbow Court The freestanding sign shall be architecturally compatible with the buildings within the center. Landlord may allocate the sign area dedicated to tenant copy and the name of shopping center at Landlord's discretion. Maximum height for freestanding signs shall be eight feet (8').

E. RESTRICTIONS (The provisions of this section shall apply to Major Tenants unless otherwise approved by Landlord in writing.)

1. Vertical copy or signs projecting perpendicular to the building are not permitted.
2. Logos or manufacturer's decals, hours of business, telephone numbers, etc., are limited to a total of 144 square inches per single door entrance. All "sale" signs, special announcements, etc. are not permitted on exterior of glass.
3. Advertising devices such as attraction boards, posters, banners and flags will not be permitted in, upon, or about the premises or elsewhere in the shopping center or sidewalks adjacent thereto.
4. Painted, flashing, animated, audible, revolving or other signs that create the illusion of animation are not permitted.
5. Exposed bulb signs are not permitted on or near storefront glass; however, landlord may at landlord's sole discretion approve a limited amount of exposed neon signage installed on interior of storefront.
6. No exposed junction boxes, lamps, tubing, conduits, raceways or neon crossovers of any type are permitted, unless approved in writing by the landlord.
7. There shall not be roof top signs, or signs which extend above the parapet wall of the roof-line of the building to which they are attached.

F. CONSTRUCTION REQUIREMENTS

1. Tenant is required to obtain from the Washoe County Building Department, any and all building and electrical permits.
2. Location of all openings for conduit in sign panels of building walls shall be indicated by the sign contractor on drawings submitted to the Landlord.
3. Each sign contractor must seal off and touch up all mounting holes and leave Premises free of debris after installation.
4. All signs must meet "U.L." specifications, and the installation must comply with requirements of the Washoe County Building Department.

G. MISCELLANEOUS REQUIREMENTS

1. Each tenant who has a non-customer door for receiving merchandise may have uniformly applied on said door in location, as directed by the Landlord, in three (3) inch high block letters, the tenant's name and address. Where more than one tenant uses the same door, each name and address shall be applied. Colors of letters shall reasonably match in color palette.
2. Contractors installing or repairing signs are to be state registered contractors and are to have a current city business license, if required.
3. Tenant shall have all exterior signage installed on the last to occur of: (a) thirty (30) days from the date landlord delivers possession of the premises to tenant, or (b) thirty (30) days from completion of the applicable building areas upon which tenant's sign(s) is/are to be installed.
4. Landlord shall cause tenant's signage to be removed and any damage repaired upon the expiration or earlier termination of the lease by a contractor of landlord's choice. Such work shall be done at tenant's sole expense and tenant shall reimburse landlord for same upon demand. In no event shall tenant remove or cause any under canopy sign(s) or bracket(s) to be removed at any time and same shall become the property of landlord upon the expiration or earlier termination of the lease.
5. Landlord reserves the right to waive or amend any of these provisions.

Lighting Program

A. GENERAL REQUIREMENTS

All lights, both building mounted and pole mounted must be Dark Sky certified and fully shielded to prevent light from being cast into the nighttime sky or onto neighboring

properties. All lights must be architecturally compatible with the buildings within the center. Colors shall be compatible with the building palette.

B. WALL MOUNTED LIGHTS

Wall mounted lights shall have a powder coated finish in either Bronze or Black and shall have the same finish as the pole mounted lights. Maximum wattage shall be Lamps shall be Metal Halide, High Pressure Sodium, or Energy Efficient Lamps that have similar lighting qualities to Metal Halide or High Pressure Sodium.

C. POLE MOUNTED LIGHTS

Pole mounted lights shall have a powder coated finish in either Bronze or Black and shall have the same finish as the wall mounted lights. Maximum wattage shall be Lamps shall be Metal Halide, High Pressure Sodium, or Energy Efficient Lamps that have similar lighting qualities to Metal Halide or High Pressure Sodium. Maximum pole height shall be 25' above the base.

D. EMERGENCY EXITING LIGHTS

Emergency Exiting lighting shall comply with Washoe County code and the Uniform fire and building codes. Where possible, colors and architectural style shall match the building color palette and building architecture.

Appendix

Application Materials

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SUP Supplemental Information
SUP application Checklist (completed)
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Assessor's Parcel Map
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Preliminary Landscape Plan
Civil Plan Set (2 sheets)

- Site Plan
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Washoe County Development Application

Project Information			
Project Name (commercial/industrial projects only): Crossbow Corner			
Project Description: Construction of a new 12,000 square foot Neighborhood Center on two parcels equaling 1.82 acres located on Arrowcreek & Crossbow. A Special Use Permit is required for the neighborhood center as the property is zoned LDS.			
Project Address: 2500 and 2540 Crossbow Court, Reno			
Project Area (acres or square feet): 1.82 acres or 79,160 sq. ft.			
Location Information			
Project Location (with point of reference to major cross streets AND area locator): Northeast corner of Arrowcreek Pkwy and Crossbow Court.			
Assessor's Parcel No(s):	Parcel Acreage:	Assessor's Parcel No(s):	Parcel Acreage:
152-921-01	0.74 acres	152-921-02	1.08 acres
Section(s)/Township/Range: PORTION OF SW 1/4 SECTION 24 T18N - R19E			
Indicate any previous Washoe County approvals associated with this application: Case Nos. SB14-013			
Applicant Information			
Property Owner:		Professional Consultant:	
Name: Helvetica CTV Crossbow, LLC		Name: KLS Planning & Design	
Address: 5927 Balfour Court; Suite 208		Address: 1 East 1st St, Suite 1400	
Carlsbad, CA 92008-7377		Reno, NV 89501	
Phone: 310-575-3301 Fax: 310-496-0498		Phone: 775-852-7606 Fax: 775-852-7609	
Email: cmestler@helveticagroup.com		Email: johnk@klsdesignngroup.com	
Cell: N/A Other: N/A		Cell: 775-857-7710 Other: N/A	
Contact Person: Chad Mestler		Contact Person: John F. Krmpotic, AICP	
Applicant/Developer:		Other Persons to be Contacted:	
Name: Alignment Real Estate		Name: Alignment Real Estate	
Address: 248 Bret Harte Avenue		Address: 248 Bret Harte Avenue	
Reno, NV 89509		Reno, NV 89509	
Phone: 775-250-2779 Fax: 775-996-5231		Phone: 775-250-2779 Fax: 775-996-5231	
Email: sbeggs@AlignmentRE.com		Email: sbeggs@alignmentRE.com	
Cell: 775 250-2779 Other: N/A		Cell: 775-250-2779 Other: N/A	
Contact Person: Scott Beggs		Contact Person: Scott Beggs	
For Office Use Only			
Date Received: _____ Initial: _____		Planning Area:	
County Commission District: _____			
CAB(s): _____		Land Use Designation(s): _____	

Special Use Permit Application Supplemental Information

(All required information may be separately attached)

Chapter 110 of the Washoe County Code is commonly known as the Development Code. Specific references to special use permits may be found in Article 810, Special Use Permits.

1. What is the type of project being requested?

A 12,000 sq. ft. Neighborhood Commercial Center (No Drive Through) contained in two separate 6,000 sq. ft. buildings.

2. What currently developed portions of the property or existing structures are going to be used with this permit?

N/A – Vacant Land

3. What improvements (e.g. new structures, roadway improvements, utilities, sanitation, water supply, drainage, parking, signs, etc.) will have to be constructed or installed and what is the projected time frame for the completion of each?

Improvements will include connection to existing water and sanitary sewer systems, development of a storm drain system, parking lots, lighting, landscaping, fencing, and construction of a monument sign at the intersection of Arrowcreek Parkway and Crossbow. Note that this parcel is located at the NE corner of the intersection of Arrowcreek Parkway and Crossbow Court. Construction should take approximately 5 to 9 months.

4. What is the intended phasing schedule for the construction and completion of the project?

The site infrastructure will be completed as a single phase and the buildings will be completed in either a single phase or two phases (one building at a time) depending on the level of pre-leasing activity.

5. What physical characteristics of your location and/or premises are especially suited to deal with the impacts and the intensity of your proposed use?

The site is in a developed area with direct access to an arterial street and all utilities. A 12,000 sq. ft. Neighborhood Commercial Center will be a complimentary use with nominal traffic volumes (see trip generation information). Significant landscaping will help screen the project from nearby uses including an existing median on Arrowcreek Parkway, a landscape parkway on Arrowcreek Parkway and site landscaping. The nearest home is 350 feet away from the property. The neighborhood center is across from Hunsberger Elementary School. However, the commercial center will be over 450' minimum away from the actual school and will have different peak hours than the school (along with Sage Ridge School further north on Crossbow) and the proposed Arrowcreek Middle School adjacent to the east.

6. What are the anticipated beneficial aspects or effects your project will have on adjacent properties and the community?

A small neighborhood shopping center will provide retail and commercial services for nearby residents without having to travel three extra miles to retail centers on S. Virginia Street and Damonte Ranch Parkway or the Mt. Rose Highway and Wedge Parkway. The center will provide a convenient dining and offer sundry services for Hunsberger School and Sage Ridge School parents and faculty. This small 12,000 sq. ft. neighborhood center will serve local residents. Splitting the center into two buildings will reduce the impact of the project and make it more pedestrian friendly.

7. What will you do to minimize the anticipated negative impacts or effects your project will have on adjacent properties?

Good site design, landscaping, access and site circulation; attractive and vibrant architecture that ties in with the new fire station and makes it clear the buildings are commercial in nature. Business hours for restaurants will be limited to 6:00 am to 10:00 pm Monday through Thursday, 6:00 am to 12:00 pm Friday and Saturday, and 8:00 am to 10:00 pm on Sunday. All other shops will have business hours from 8:00 am to 10:00 pm seven days a week. Loading areas are on the east side of the buildings and screened from residential uses. Adequate trash and recycle enclosures are provided, also located on the east side of the buildings.

8. Please describe operational parameters and/or voluntary conditions of approval to be imposed on the project special use permit to address community impacts:

Hours of operation as noted above (Business hours for restaurants will be limited to 6:00 am to 10:00 pm Monday through Thursday, 6:00 am to 12:00 pm Friday and Saturday, and 8:00 am to 10:00 pm on Sunday. All other shops will have business hours from 8:00 am to 10:00 pm seven days a week). No drive through businesses allowed. No Truck Idling signs will be placed adjacent to the loading area per Health Dept. regulations and to reduce noise. No taverns will be allowed.

9. How many improved parking spaces, both on-site and off-site, are available or will be provided? (Please indicate on site plan.)

Code requires 60 parking spaces. 57 regular parking spaces are provided along with three van accessible spaces for 60 spaces total. All parking spaces are on site.

10. What types of landscaping (e.g. shrubs, trees, fencing, painting scheme, etc.) are proposed? (Please indicate location on site plan.)

Landscaping that meets county code will be residential in nature for a desert landscape environment with minimal turf, deciduous and evergreen trees, shrubs, perennials, and ground cover. Only turf will use surface irrigation. All other landscape areas will use drip irrigation. A separate landscape plan is attached as part of this application.

11. What type of signs and lighting will be provided? On a separate sheet, show a depiction (height, width, construction materials, colors, illumination methods, lighting intensity, base landscaping, etc.) of each sign and the typical lighting standards. (Please indicate location of signs and lights on site plan.)

Wall Signs - Building signs will have a maximum letter height of 30" and colors shall be compatible with the building palette. Nationally recognized and trademarked corporate logos and colors can be used. Letters shall be individually channelized with internal LED illumination. Can signs are prohibited. Monument sign - An 8' tall monument sign meeting county code requirements will be placed at the SW corner of the site. Lights - all lights will be dark sky certified and fully shielded. See attached signage and lighting information.

12. Are there any restrictive covenants, recorded conditions, or deed restrictions (CC&Rs) that apply to the area subject to the special use permit request? (If so, please attach a copy.)

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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13. Utilities:

a. Sewer Service	Washoe County
b. Electrical Service	NV Energy
c. Telephone Service	ATT
d. LPG or Natural Gas Service	NV Energy
e. Solid Waste Disposal Service	Waste Management
f. Cable Television Service	Charter Communications
g. Water Service	TMWA

For most uses, the Washoe County Code, Chapter 110, Article 422, Water and Sewer Resource Requirements, requires the dedication of water rights to Washoe County. Please indicate the type and quantity of water rights you have available should dedication be required:

h. Permit #	None	acre-feet per year	
i. Certificate #	None	acre-feet per year	
j. Surface Claim #	None	acre-feet per year	
k. Other #	None	acre-feet per year	

- l. Title of those rights (as filed with the State Engineer in the Division of Water Resources of the Department of Conservation and Natural Resources):

N/A

14. Community Services (provided and nearest facility):

a. Fire Station	<i>New Fire Station to be located at Arrowcreek Parkway & Thomas Creek Parkway</i>
b. Health Care Facility	<i>Renown Medial Group in South Towne Center on Damonte Ranch Parkway</i>
c. Elementary School	<i>Hunsberger E.S. (WCSD)</i>
d. Middle School	<i>Proposed Arrowcreek M.S. adjacent to the site (WCSD)</i>
e. High School	<i>Galena HS near Mt Rose Highway (WCSD)</i>
f. Parks	<i>Ellen's Park on Creek Crest to the east of the site</i>
g. Library	<i>South Valleys Library on Wedge Parkway</i>
h. Citifare Bus Stop	<i>Route 56 on S Virginia Street at Damonte Ranch Parkway</i>

Special Use Permits Development Application Submittal Requirements


- ✓ 1. **Fees:** See Master Fee Schedule. **Bring payment with your application to Community Service Department (CSD). Make check payable to Washoe County.**
- ✓ 2. **Development Application:** A completed Washoe County Development Application form.
- ✓ 3. **Owner Affidavit:** The Owner Affidavit must be signed and notarized by all owners of the property subject to the application request.
- ✓ 4. **Proof of Property Tax Payment:** The applicant must provide a written statement from the Washoe County Treasurer's Office indicating all property taxes for the current quarter of the fiscal year on the land have been paid.
- ✓ 5. **Application Materials:** The completed Special Use Permit Application materials.
- ✓ 6. **Title Report:** A preliminary title report, with an effective date of no more than one hundred twenty (120) days of the submittal date, by a title company which provides the following information:
 - Name and address of property owners.
 - Legal description of property.
 - Description of all easements and/or deed restrictions.
 - Description of all liens against property.
 - Any covenants, conditions and restrictions (CC&Rs) that apply.

Submit Title Report with "Original Packet" only. You may be requested to provide additional copies, but do not include Title Report in other copies of the packet.
- ✓ 7. **Proposed Site Plan Specifications (Special Use Permit and Stables):**
 - a. Lot size with dimensions drawn using standard engineering scales (e.g. scale 1" = 100', 1" = 200', or 1" = 500') showing all streets and ingress/egress to the property.
 - b. Show the location and configuration of all proposed buildings (with distances from the property lines and from each other), all existing buildings that will remain (with distances from the property lines and from each other), all existing buildings that will be removed, and site improvements on a base map with existing and proposed topography expressed in intervals of no more than five (5) feet.
 - c. Show the location and configuration of wells and well houses, septic systems and leach fields, overhead utilities, water and sewer lines, and all easements.
 - d. Show locations of parking, landscaping, signage and lighting.
 - e. The cross sections of all rights-of-way, streets, alleys or private access ways within the proposed development, proposed name and approximate grade of each, and approximate radius of all curves and diameter of each cul-de-sac.
- ✓ 8. **Existing Site Specifications (Special Use Permit and Stables):**
 - a. Map to be drawn using engineering scales (e.g. scale 1" = 20', 1" = 40', or 1" = 100') showing all streets and ingress/egress to the property.
 - b. Property boundary lines, distances and bearings.
 - c. Contours at five (5) foot intervals or two (2) foot intervals where, in the opinion of the County Engineer, topography is a major factor in the development.
 - d. Indication of prominent landmarks, rock outcroppings, and natural foliage which will be deciding considerations in the design of the development.

- e. The width and approximate location of all existing or proposed easements, whether public or private, for roads, drainage, sewers, irrigation, or public utility purposes.
- f. Location and size of any land to be reserved or dedicated for parks, recreation areas, common open space areas, schools or other public uses.
- g. If any portion of the land within the boundary of the development is subject to inundation or storm water overflow, as shown on the adopted Federal Emergency Management Agency's Flood Boundary and Floodway Maps, that fact and the land so affected shall be clearly shown on the map by a prominent note on each sheet, as well as width and direction of flow of each water course within the boundaries of the development.
- h. The location and outline to scale of each existing building or structure to remain in the development.
- i. Existing roads, trails or rights-of-way within the development shall be designated on the map. Topography and existing developments within three hundred (300) feet must also be shown on the map.
- j. Vicinity map showing the proposed development in relation to Interstate 80, Highway 395, I-580, or a major arterial. The vicinity map shall also include a north arrow.
- k. Date, scale, and number of each sheet in relation to the total number of sheets, and the name of the person preparing the plans.
- l. Location of snow storage areas sufficient to handle snow removed from public and private street, if above 5,500 feet.
- m. All known areas of potential hazard (and the basis for delineation) including, but not limited to, earth slide areas, avalanche areas or otherwise hazardous slopes, shall be clearly designated on the map. Additionally, active fault lines (post-Holocene) shall be delineated on the map.
- n. Location of areas with slopes greater than fifteen percent (15%) and thirty percent (30%).
- o. Boundary of any wetland areas and/or floodplains within the project site.
- p. Note by the project engineer or design professional indicating compliance with all applicable provisions of the Washoe County Development Code.
- q. Significant Hydrological Resources. Indicate the critical and sensitive buffer zones according to Article 418 of the Washoe County Development Code.

✓ 9. **Site Plan Specifications (Grading):**

- a. Vicinity map showing the proposed project in relation to Interstate 80, Highway 395, I-580, or a major arterial. The vicinity map may be part of the site plan.
- b. Date, north arrow, scale, and number of each sheet in relation to the total number of sheets, and the name of person preparing the plans.
- c. Location and limits of all work to be done.
- d. Existing contours and proposed contours.
- e. Location of all proposed and existing structures.
- f. Location of any structures on adjacent parcels that are within fifteen (15) feet of the work site's parcel boundary.
- g. Existing draining (natural and man-made) and proposed drainage patterns.
- h. Sufficient elevation data to show the drainage will work as proposed.
- i. Quantities of excavation, fill and disturbed surface area shall be calculated and shown on the site plan. **Areas under buildings and pavement need not be included in these calculations.**


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- j. Quantities of material proposed to be removed from the site must be shown. The proposed disposal area and the disposition of fill must be noted on the plan.
 - k. Limiting dimensions of cut and fill.
 - l. Proposed BMPs (Best Management Practices) for controlling water and wind erosion if a disturbed area is left undeveloped for more than thirty (30) days.
 - m. Cut and fill slopes setback from the property boundary.
 - n. Structure setbacks from a slope.
 - o. Location of areas with existing slopes greater than fifteen percent (15%) and thirty percent (30%).
 - p. Boundary of any wetland areas and/or floodplains within the project site.
 - q. Significant Hydrologic Resources. Indicate the critical and sensitive buffer zones according to Article 418 of the Washoe County Development Code.

✓ 10 **Grading:** In accordance with the grading provisions of Washoe County Code, Article 438, if the thresholds for a grading permit are met or exceeded, the grading plans shall indicate the existing and proposed grades, slope treatments (i.e. rip rap, erosion control, etc.) and drainage channels and the direction of flow. **Cross sections must be provided at a minimum of two key locations.**

✓ 11. **Traffic Impact Report (Special Use Permit and Stables):** Traffic impact reports are required whenever the proposed development project will generate 80 or more weekday peak hour trips as determined using the latest edition Institute of Transportation Engineers (ITE) trip generation rates or other such sources as may be accepted by Engineering and Capital Projects with less than 200 peak hour trips may not need to perform an impact analysis for future years. Traffic consultants are encouraged to contact Engineering and Capital Projects staff prior to preparing a traffic impact report.

✓ 12. **Landscaping:** Landscape plans may be required, for **stables**. Landscape plans may include: a soils evaluation; color and type of building material, such as fencing material; type of plant material; location of plant material and proposed maintenance schedule; size of plant material at planting and size of plant material at full maturation; type and amount of mulch material; and an irrigation plan.

✓ a. **Planting Plan Specifications:** The planting plan must include all necessary information to satisfy Washoe County Code Section 110.412.60, Planting Standards.

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- Proposed Tree Locations. Individual trees shall be graphically depicted in the proposed locations; trees shall be identified as either evergreen or deciduous; trees shall be individually labeled or coded and cross referenced to the proposed plant species in the plant legend.
 - Proposed Plant Material. The preliminary plan must identify where, and a square footage amount for, one or all of the following items: trees, mulch (rock, DG or bark), seeded areas, etc.
 - Existing On-Site Vegetation. In the case of large strands of trees and shrubs, individual locations may be identified with a revision cloud symbol. Smaller numbers or strands of trees (six (6) inch caliper and greater) shall be identified individually. Shrub areas and other forms of vegetation such as grasses shall be identified with a revision cloud symbol.
 - Plant Legend. Legend shall include all proposed plant material, including the following: common name, botanical name, size at planting, spacing and quantity (of trees only).
 - Landscape Area Legend. A summary of proposed areas and their square footages shall include: lawn, existing and or proposed paving, existing trees to be preserved, existing trees to be removed and the amount of proposed shrubs.

✓ b. **Irrigation Plan Specifications:** The irrigation plan must include all necessary information to satisfy Washoe County Code Section 110.412.65, Irrigation Standards.

- Location, size, and specifications of water source(s), water mains, meter(s), valves, and the controller.
- Temporary or permanent water irrigation systems.
- Specifications of irrigation equipment identified by manufacturer's name and equipment identification number.
- An approved backflow prevention device is required on all landscape irrigation systems.

✓ 13. **Signage Plan:** The signage plans shall include sign elevations and delineate location, height, style, dimensions, intensity of sign lighting and finish of any proposed signage:

✓ 14. **Lighting Plan:** Show the location and configuration of all proposed exterior lighting including a detail of the parking lot light fixtures, pole heights, security lighting, and wall mounted illumination fixtures. Parking lot areas shall be depicted showing lumen isolines demonstrating compliance with the provisions of the Washoe County Development Code.

✓ 15. **Building Elevations:** All buildings and structures including fences, walls, poles and monument signs proposed for construction within the project shall be clearly depicted in vertical architectural drawings provided in accurate architectural scale. All architectural elevations from all building faces shall be presented.

✓ 16. **Packets:** Six (6) packets and a flash drive or DVD. One (1) packet must be labeled "Original" and must include the fee schedule (including the appropriate fees) and the original signed and notarized Owner Affidavit. Each packet shall include an 8.5" x 11" reduction of any applicable site plan, development plan, and/or application map. These materials must be readable. Labeling on these reproductions should be no smaller than 8 point on the 8½ x 11" display. Four (4) of the application packets shall include large format maps; the rest of the packets shall include either 8.5" x 11" or 11" x 17" maps. Large format sheets should be included in a slide pocket(s). Any specialized reports identified above shall be included as attachments or appendices and be annotated as such.

- Notes:
- (i) Application and map submittals must comply with all specific criteria as established in the Washoe County Development Code and/or the Nevada Revised Statutes.
 - (ii) Appropriate map engineering and building architectural scales are subject to the approval of Planning and Building and/or Engineering and Capital Projects.
 - (iii) All oversized maps and plans must be folded to a 9" x 12" size.
 - (iv) **Labels:** The applicant is required to submit three (3) sets of mailing labels for every tenant residing in a mobile home park that is within five hundred (500) feet of the proposed project (or within seven hundred fifty (750) feet of the proposed project if the proposed project is a project of regional significance).
 - (v) Based on the specific nature of the development request, Washoe County reserves the right to specify additional submittal packets, additional information and/or specialized studies to clarify the potential impacts and potential conditions of development to minimize or mitigate impacts resulting from the project. **No application shall be processed until the information necessary to review and evaluate the proposed project is deemed complete by the Director of Planning and Building.**
 - (vi) Please be advised that the Washoe County Director of Planning and Building or his designee, Washoe County Board of Adjustment, and/or Washoe County Planning Commission have the ability to determine an application incomplete if they cannot ascertain what the applicant is requesting, or if there is insufficient information to determine a favorable outcome.

PROOF OF REAL ESTATE TAX PAYMENT

Washoe County Parcel Information		
Parcel ID	Status	Last Update
15292101	Active	10/5/2018 2:06:40 AM
Current Owner: HELVETICA CTV CROSSBOW LLC 5927 BALFOUR CT STE 208 CARLSBAD, CA 92008		SITUS: 2500 CROSSBOW CT WCTY NV
Taxing District 4000	Geo CD:	
Legal Description		
Township 18 Range 19 SubdivisionName _UNSPECIFIED Lot 1		

Tax Bill (Click on desired tax year for due dates and further details)					
Tax Year	Net Tax	Total Paid	Penalty/Fees	Interest	Balance Due
2018	\$613.04	\$613.04	\$0.00	\$0.00	\$0.00
2017	\$588.33	\$588.33	\$0.00	\$0.00	\$0.00
2016	\$588.75	\$600.53	\$0.00	\$0.00	\$0.00
2015	\$588.42	\$594.30	\$0.00	\$0.00	\$0.00
2014	\$1,119.62	\$1,119.62	\$0.00	\$0.00	\$0.00
Total					\$0.00

Washoe County Parcel Information		
Parcel ID	Status	Last Update
15292102	Active	10/5/2018 2:06:40 AM
Current Owner: HELVETICA CTV CROSSBOW LLC 5927 BALFOUR CT STE 208 CARLSBAD, CA 92008		SITUS: 2540 CROSSBOW CT WCTY NV
Taxing District 4000	Geo CD:	
Legal Description		
Township 18 Range 19 SubdivisionName _UNSPECIFIED Lot 2		

Tax Bill (Click on desired tax year for due dates and further details)					
Tax Year	Net Tax	Total Paid	Penalty/Fees	Interest	Balance Due
2018	\$883.76	\$883.76	\$0.00	\$0.00	\$0.00
2017	\$848.14	\$848.14	\$0.00	\$0.00	\$0.00
2016	\$848.54	\$865.52	\$0.00	\$0.00	\$0.00
2015	\$848.28	\$856.76	\$0.00	\$0.00	\$0.00
2014	\$1,060.32	\$1,060.32	\$0.00	\$0.00	\$0.00
Total					\$0.00

CROSSBOW CORNER
TRAFFIC STUDY

SEPTEMBER 2018



Prepared by:
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715 H Street
Sparks, Nevada 89431
(775) 358-1004

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CROSSBOW CORNER

TRAFFIC STUDY

EXECUTIVE SUMMARY

The proposed Crossbow Corner development will be located in Washoe County, Nevada. The project site is located in the northeast corner of the Arrowcreek Parkway/Crossbow Court intersection. The project site is currently undeveloped land. The purpose of this study is to address the project's impact upon the adjacent street network. The Arrowcreek Parkway/Thomas Creek Road intersection, the Arrowcreek Parkway/Crossbow Court intersection, and the two proposed driveways on Crossbow Court have been identified for intersection capacity analysis for the existing, existing plus project, existing plus project plus school, 2028 base, 2028 base plus project, and 2028 base plus project plus school scenarios. The school scenarios include the proposed Arrowcreek Middle School located directly east of the project site.

The proposed Crossbow Corner development will consist of the construction of two commercial buildings containing a total of 6,000 square feet of office space, a total of 3,800 square feet of restaurant area (includes 800 square feet of patio dining), and a total of 3,000 square feet of retail area. Project access will be provided from two driveways on Crossbow Court. The project is expected to generate a total of 597 average daily trips with 48 trips occurring during the AM peak hour and 55 trips occurring during the PM peak hour.

Traffic generated by the Crossbow Corner development will have some impact on the adjacent street network. The following recommendations are made to mitigate project traffic impacts.

It is recommended that any required signing, striping or traffic control improvements comply with Washoe County requirements.

It is recommended that the north and south project driveways on Crossbow Court be designed to operate with stop sign control at the driveway approaches and include single ingress and egress lanes.

It is recommended that the proposed project driveways, parking spaces, and parking aisles conform to Washoe County standards.

INTRODUCTION

STUDY AREA

The proposed Crossbow Corner development will be located in Washoe County, Nevada. The project site is located in the northeast corner of the Arrowcreek Parkway/Crossbow Court intersection. Figure 1 shows the approximate location of the project site. The purpose of this study is to address the project's impact upon the adjacent street network. The Arrowcreek Parkway/Thomas Creek Road intersection, the Arrowcreek Parkway/Crossbow Court intersection, and the two proposed driveways on Crossbow Court have been identified for intersection capacity analysis for the existing, existing plus project, existing plus project plus school, 2028 base, 2028 base plus project, and 2028 base plus project plus school scenarios. The school scenarios include the proposed Arrowcreek Middle School that will be constructed directly east of the project site.

EXISTING AND PROPOSED LAND USES

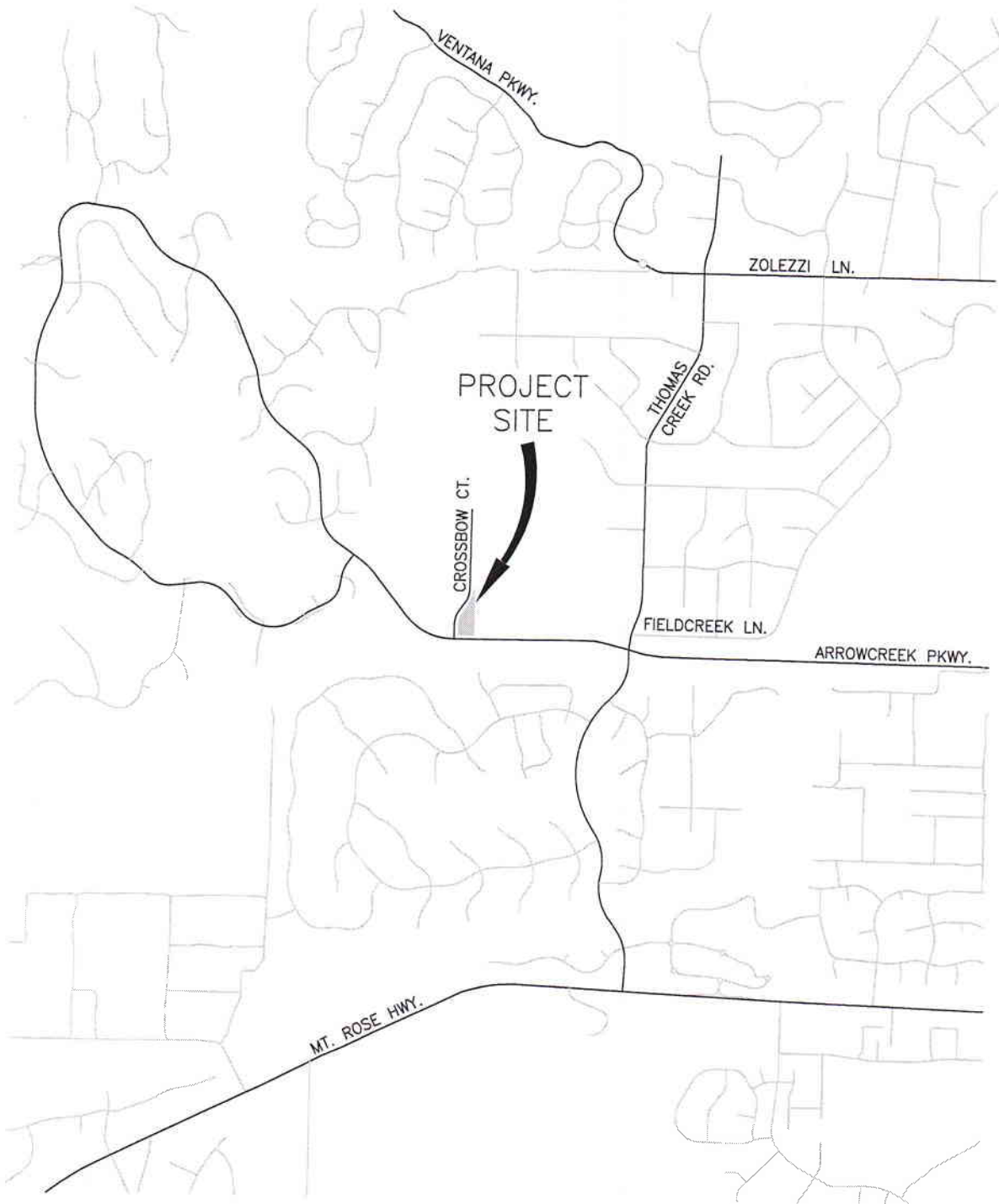
The project site is currently undeveloped land. Adjacent properties generally consist of Sage Ridge School and Hunsburger Elementary School to the north and west, undeveloped land to the east (the middle school site), and single family homes to the south. The proposed Crossbow Corner development will consist of the construction of two commercial buildings containing a total of 6,000 square feet of office space, a total of 3,800 square feet of restaurant area (includes 800 square feet of patio dining), and a total of 3,000 square feet of retail area. Project access will be provided from two driveways on Crossbow Court.

EXISTING AND PROPOSED ROADWAYS AND INTERSECTIONS

Arrowcreek Parkway is a two-lane roadway with one through lane in each direction east of Thomas Creek Road and a four-lane roadway with two through lanes in each direction west of Thomas Creek Road. The speed limit is posted for 35 miles per hour on the four-lane segment and 45 miles per hour on the two-lane segment. A 15 mile per hour school speed limit zone exists near the intersection with Crossbow Court. Roadway improvements on the four-lane segment include curb, gutter, sidewalk, and bike lanes on both sides of the street with a wide, raised center median. Roadway improvements on the two-lane segment include curb, gutter and bike lanes on both sides of the street, a sidewalk on only the north side of the street, and a striped yellow centerline.

Thomas Creek Road is a two-lane roadway with one through lane in each direction north and south of Arrowcreek Parkway. The speed limit is posted for 25 miles per hour. Roadway improvements include curb, gutter, and bike lanes on both sides of the street with a raised center median south of Arrowcreek Parkway. A pedestrian path exists on the west side of the street south of Arrowcreek Parkway.

Crossbow Court is a two-lane roadway with one through lane in each direction north of Arrowcreek Parkway. The speed limit is not posted but a 15 mile per hour school speed limit zones exist near the two schools. Roadway improvements include curb, gutter, and sidewalk on both sides of the street with a short striped centerline near Arrowcreek Parkway.



CROSSBOW CORNER
VICINITY MAP
FIGURE 1

The Arrowcreek Parkway/Thomas Creek Road intersection is an unsignalized four-leg intersection with stop sign control at all approaches. The north and south approaches each contain one left turn lane and one shared through-right turn lane. The east approach contains one left turn lane, one through lane, and one shared through-right turn lane. The west approach contains one left turn lane, one through lane, and one right turn lane. Pedestrian crosswalks exist at all approaches.

The Arrowcreek Parkway/Crossbow Court intersection is an unsignalized three-leg intersection with stop sign control at all approaches. The north approach contains one left turn lane and one right turn lane. The east approach contains two through lanes and one right turn lane. The west approach contains one left turn lane and two through lanes. Pedestrian crosswalks exist at the north and west approaches.

The Crossbow Court/Hunsburger Elementary School South Driveway intersection is currently an unsignalized three-leg intersection with stop sign control at the west approach. The intersection contains one shared through-right turn lane at the north approach, one shared left turn-through lane at the south approach, and dual right turn lanes at the west approach. With development of the project the intersection will be improved as a four-leg offset intersection with stop sign control at the east and west approaches with construction of the south project driveway.

The Crossbow Court/North Driveway intersection does not currently exist but will be constructed as an unsignalized three-leg intersection with stop sign control at the east approach with development of the project. The intersection is anticipated to contain one shared left turn-through lane at the north approach, one shared through-right turn lane at the south approach, and one shared left turn-right turn lane at the east approach.

TRIP GENERATION

In order to assess the magnitude of traffic impacts of the proposed project on the key intersections, trip generation rates and peak hours had to be determined. Trip generation rates were obtained from the Tenth Edition of *ITE Trip Generation* (2018) for Land Uses 710: General Office Building, 820: Shopping Center, and 932: High-Turnover (Sit-Down) Restaurant. Trip generation was calculated for an average weekday and the typical peak hours occurring between 7:00 AM and 9:00 AM and 4:00 PM and 6:00 PM which correspond to the peak hours of adjacent street traffic.

The 3rd Edition of ITE's *Trip Generation Handbook* provides guidelines for quantifying pass-by trips for the shopping center and high-turnover restaurant land uses. Pass-by trips are made as intermediate stops on the way from an origin to a primary trip destination and are attracted directly from the adjacent street traffic streams. The *Trip Generation Handbook* indicates that 34% of the PM peak hour trips generated by the shopping center land use are pass-by trips and 43% of the PM peak hour trips generated by the high-turnover restaurant land use are pass-by trips.

Table 1 on the following page shows a summary of the average daily traffic (ADT) volume and peak hour volumes generated by the project. The trip generation summary sheets are included in the Appendix.

TABLE 1 TRIP GENERATION							
LAND USE	ADT	AM PEAK HOUR			PM PEAK HOUR		
		IN	OUT	TOTAL	IN	OUT	TOTAL
Office (6,000 SF)	58	6	1	7	1	6	7
Shopping Center (3,000 SF)	113	2	1	3	5	6	11
High-Turnover Restaurant (3,800 SF)	426	21	17	38	23	14	37
Total Trips	597	29	19	48	29	26	55
Pass-By Trips	N/A	-0	-0	-0	-10	-10	-20
New Trips	N/A	29	19	48	19	16	35

TRIP DISTRIBUTION AND ASSIGNMENT

The distribution of the project trips to the key intersections was based on existing peak hour traffic patterns and the locations of attractions and productions in the area. Figure 2 shows the estimated trip distribution for the new trips. The new project trips shown in Table 1 were subsequently assigned to the key intersections based on the trip distribution shown on Figure 2. The pass-by trips shown in Table 1 were assigned to the driveways based on existing directional peak hour traffic volumes on Arrowcreek Parkway. Figure 3 shows the AM and PM peak hour trip assignment at the key intersections for the AM and PM peak hours.

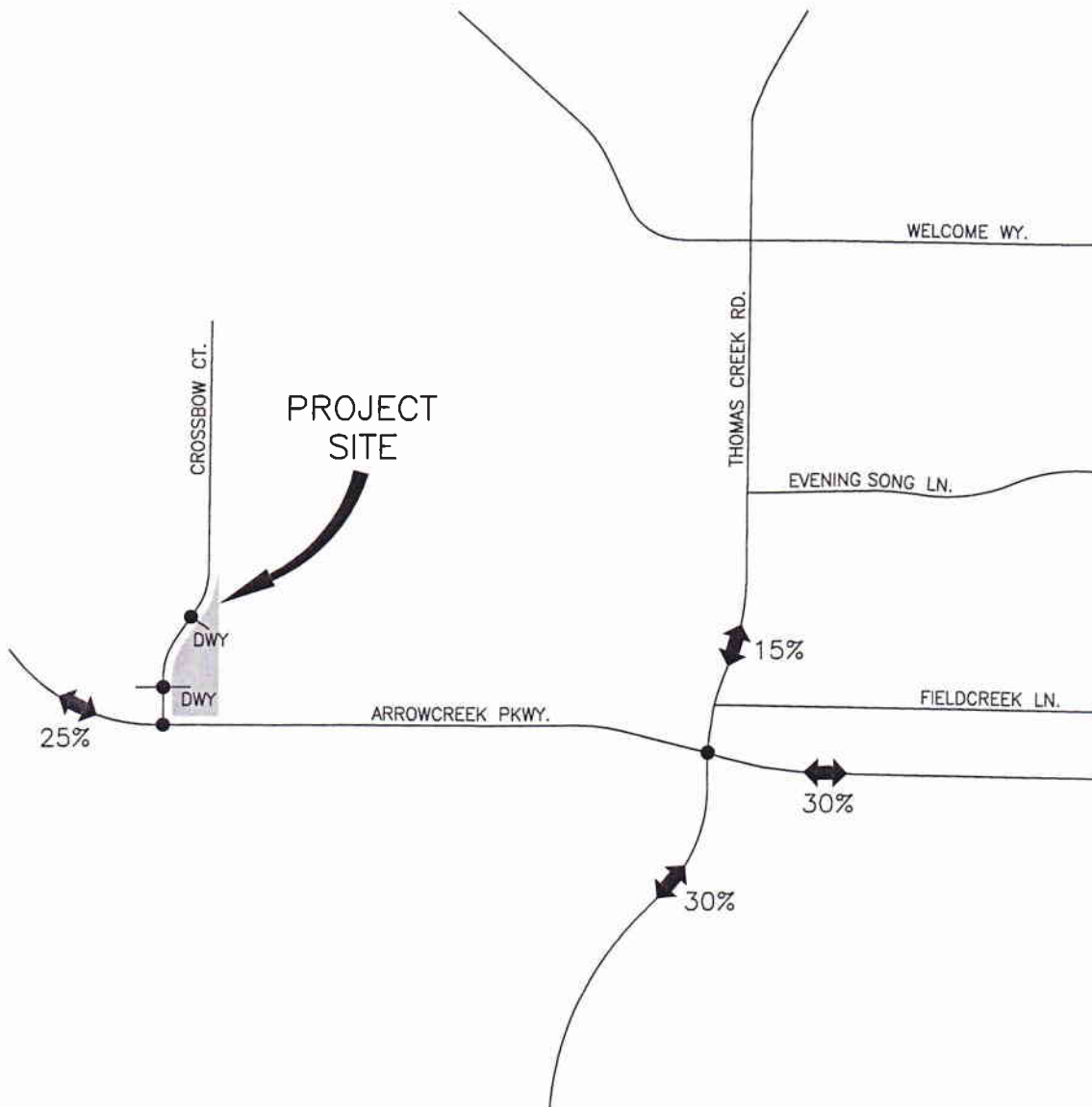
EXISTING AND PROJECTED TRAFFIC VOLUMES

Figure 4 shows the existing traffic volumes at the key intersections during the AM and PM peak hours. The existing traffic volumes at the Arrowcreek Parkway intersections with Thomas Creek Road and Crossbow Court were obtained from counts conducted in November and December of 2017. The existing traffic volumes at the Hunsburger Elementary School driveway were obtained from counts conducted in September of 2018. Figure 5 shows the existing plus project traffic volumes during the AM and PM peak hours. The existing plus project volumes were obtained by adding the trip assignment volumes shown on Figure 3 to the existing volumes shown on Figure 4. Figure 6 shows the existing plus project plus school traffic volumes during the AM and PM peak hours. These traffic volumes were obtained by adding traffic volumes generated by Arrowcreek Middle School to the existing plus project traffic volumes shown on Figure 5.

Figure 7 shows the 2028 base traffic volumes at the key intersections during the AM and PM peak hours. The 2028 base volumes were estimated by applying a 1% average annual growth rate to the existing volumes. A negative average annual growth rate on Arrowcreek Parkway and an average annual growth rate of less than 1% on Mt. Rose Highway were calculated from 10-year historic traffic count data obtained from the Nevada Department of Transportation's (NDOT) Annual Traffic Report. The 1% average annual growth rate was used to estimate 2028 base volumes in order to ensure conservative results. Figure 8 shows the 2028 base plus project traffic volumes at the key intersections during the AM and PM peak hours. Figure 9 shows the 2028 base plus project plus school traffic volumes at the key intersections during the AM and PM peak hours.

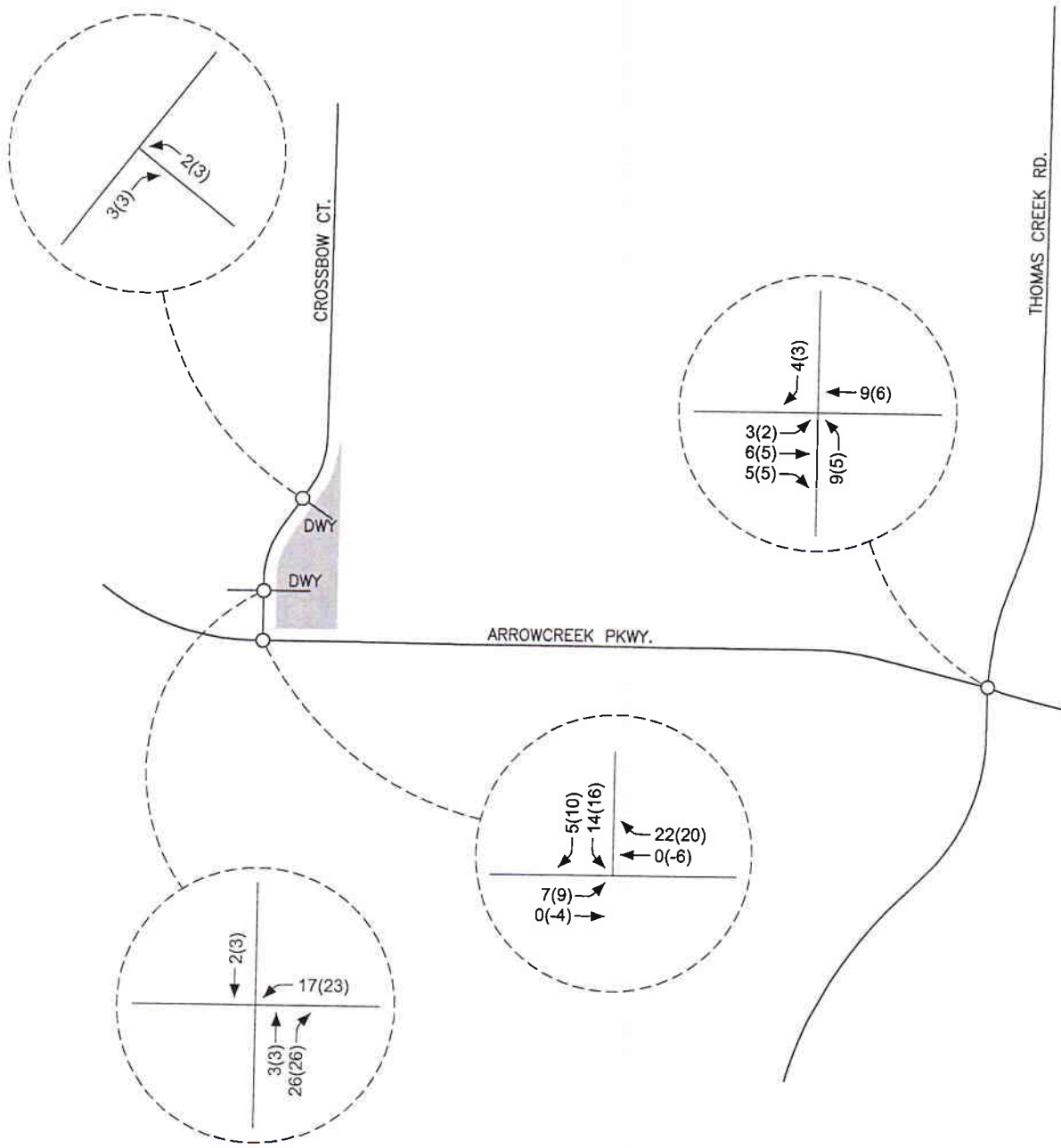
LEGEND

- KEY INTERSECTIONS



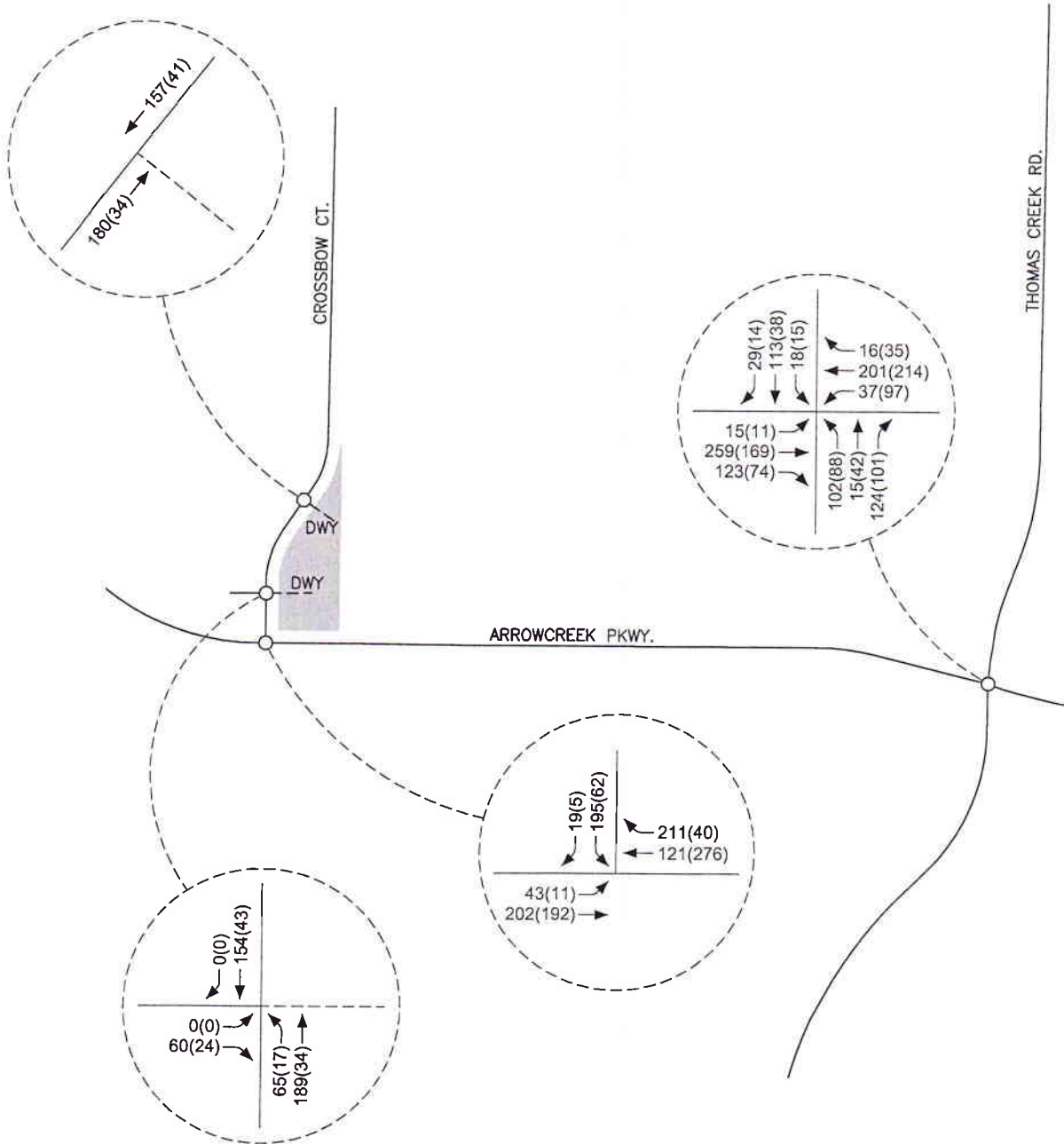
CROSSBOW CORNER
TRIP DISTRIBUTION
FIGURE 2

LEGEND
 - AM PEAK HOUR
 (-) PM PEAK HOUR



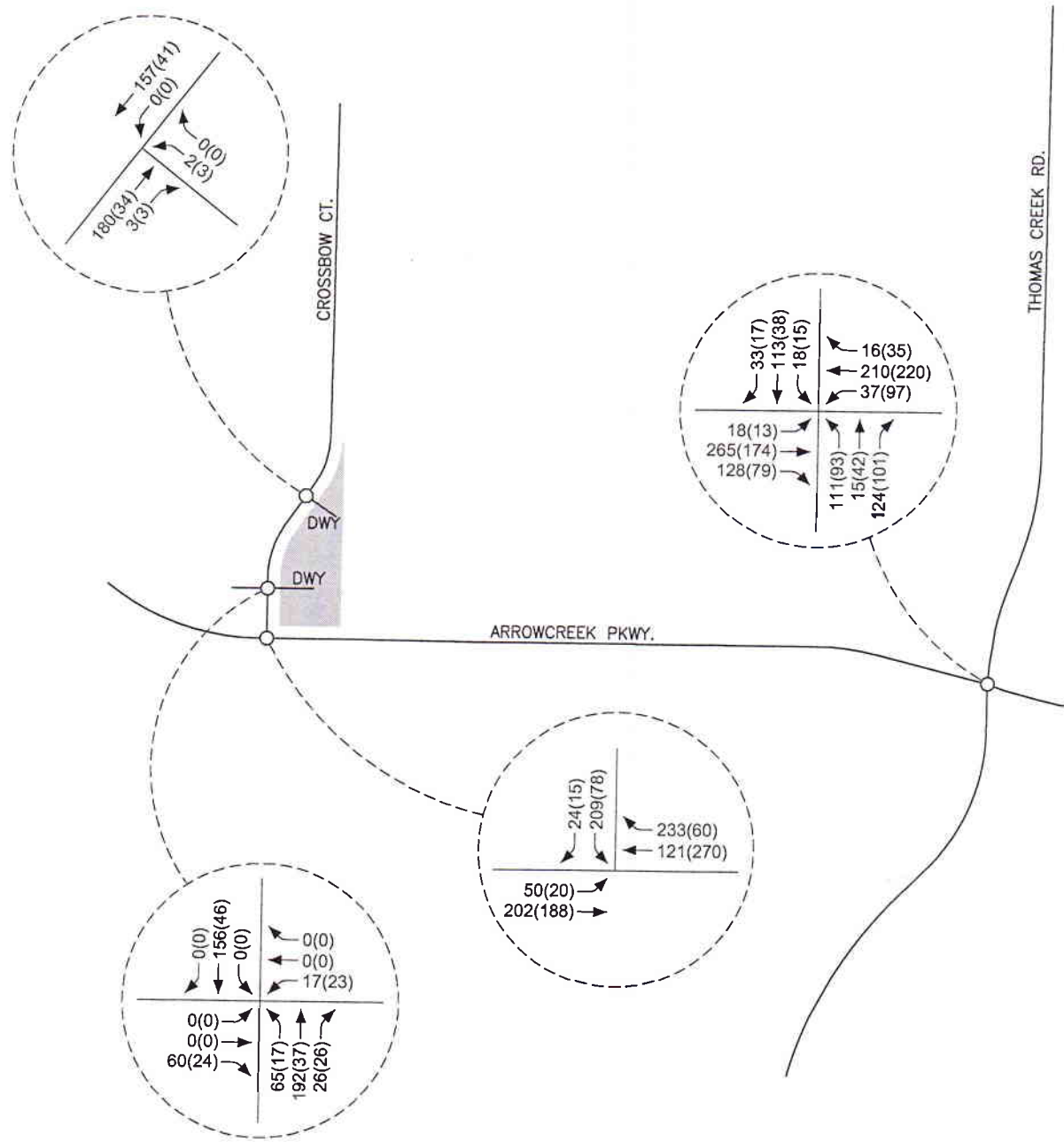
CROSSBOW CORNER
 TRIP ASSIGNMENT
 FIGURE 3

LEGEND
 - AM PEAK HOUR
 (-) PM PEAK HOUR



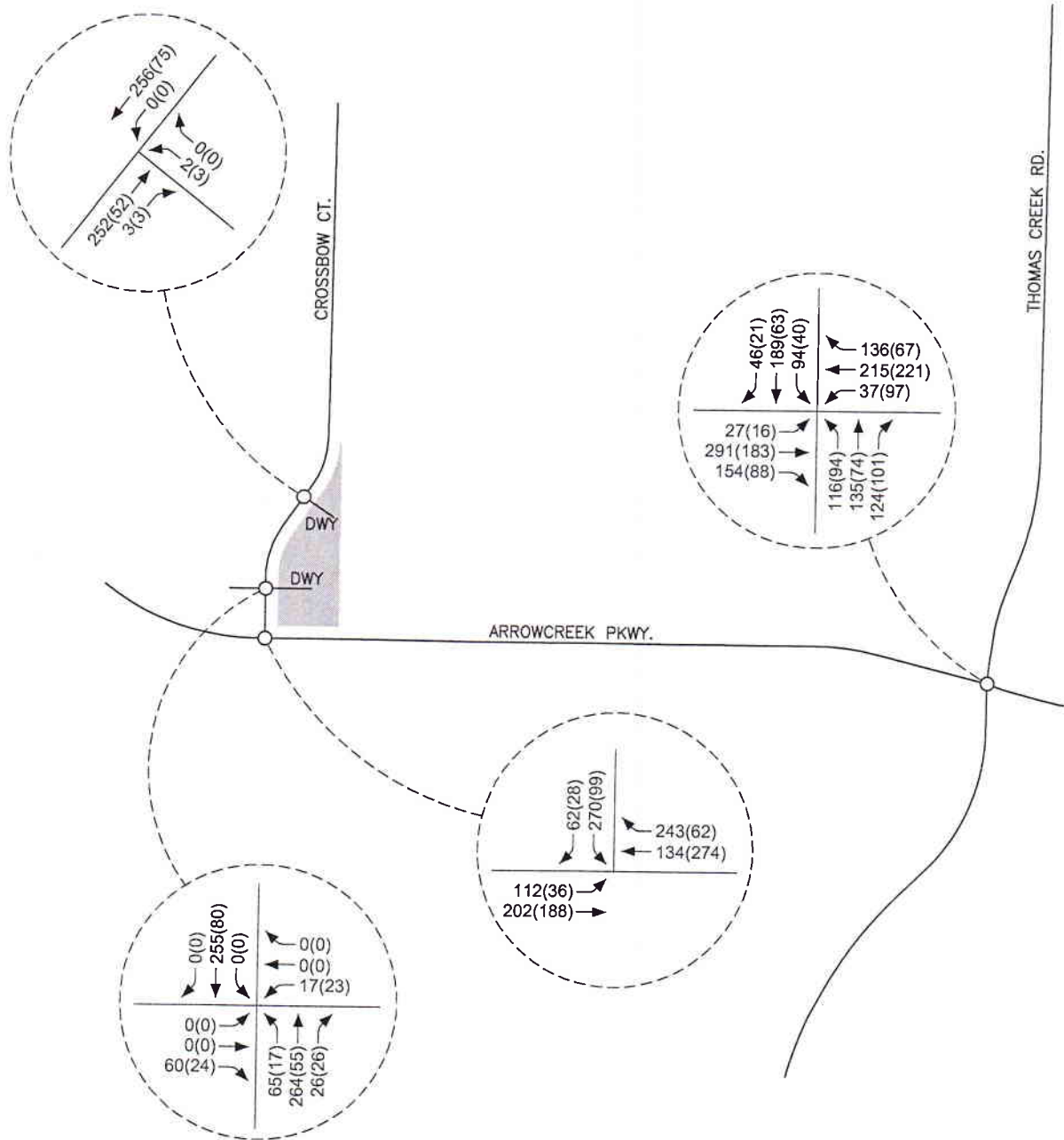
CROSSBOW CORNER
EXISTING TRAFFIC VOLUMES
FIGURE 4

LEGEND
 - AM PEAK HOUR
 (-) PM PEAK HOUR



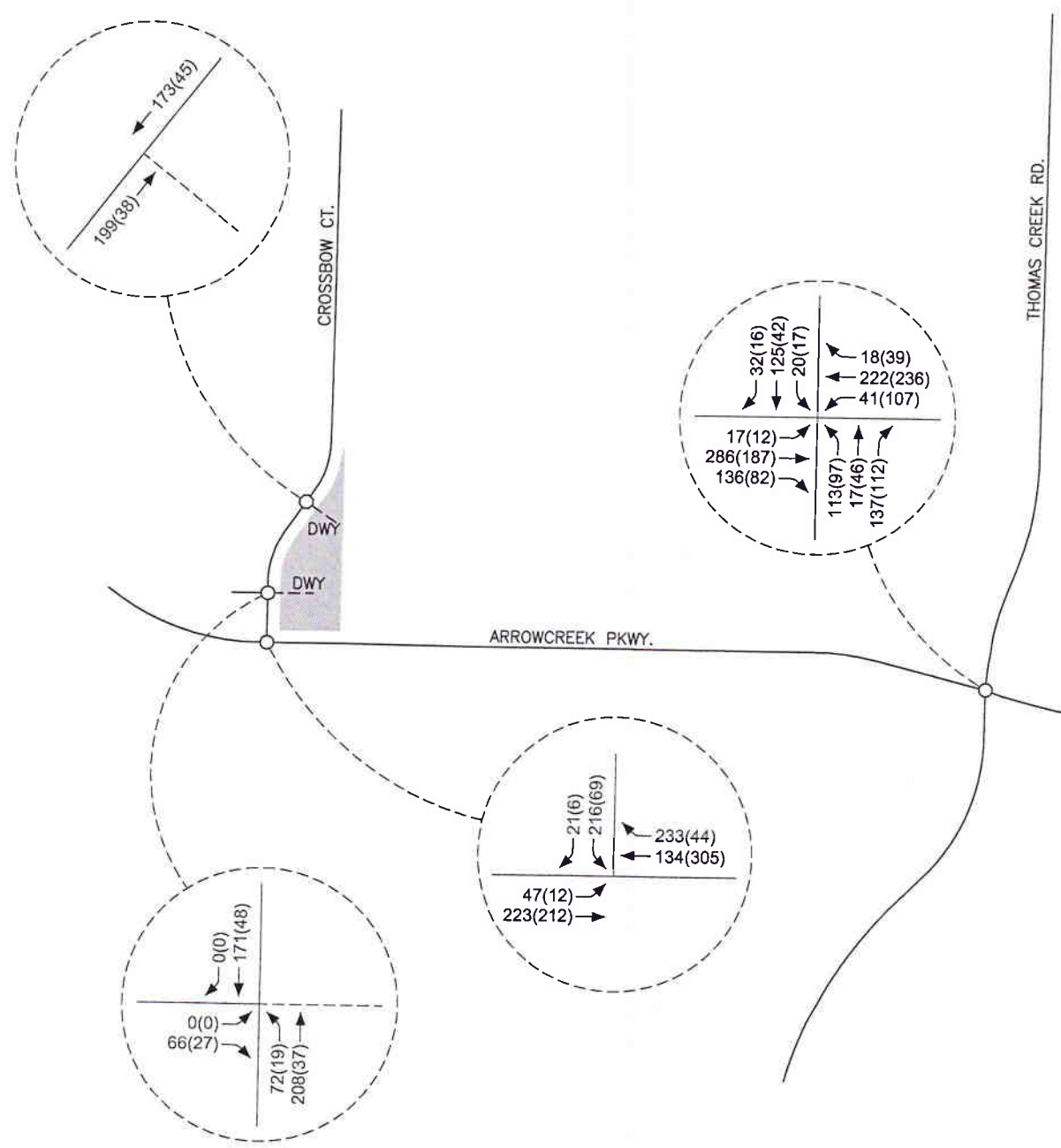
CROSSBOW CORNER
EXISTING PLUS PROJECT TRAFFIC VOLUMES
FIGURE 5

LEGEND
 - AM PEAK HOUR
 (-) PM PEAK HOUR



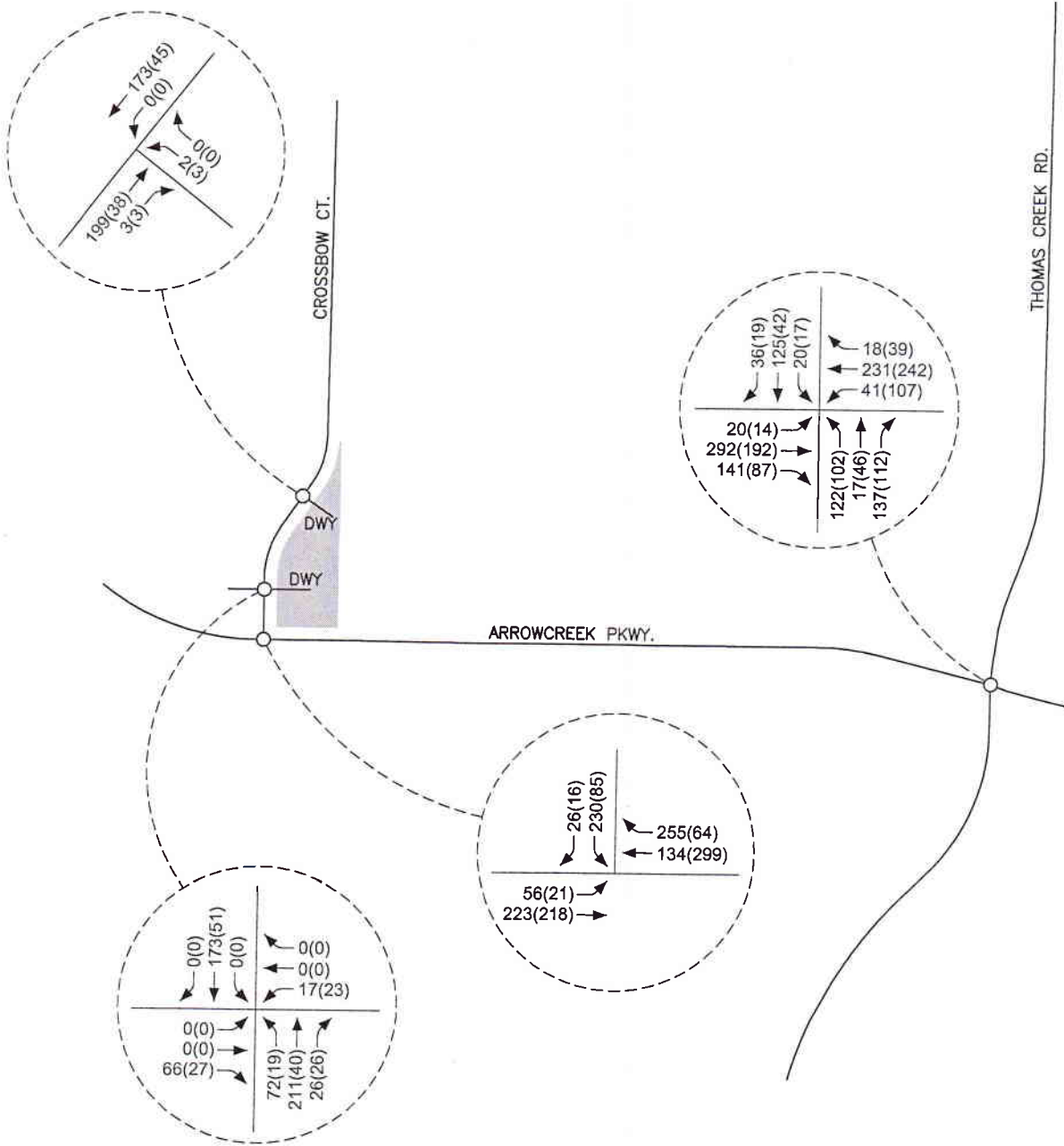
CROSSBOW CORNER
EXISTING PLUS PROJECT PLUS SCHOOL TRAFFIC VOLUMES
FIGURE 6

LEGEND
 - AM PEAK HOUR
 (-) PM PEAK HOUR



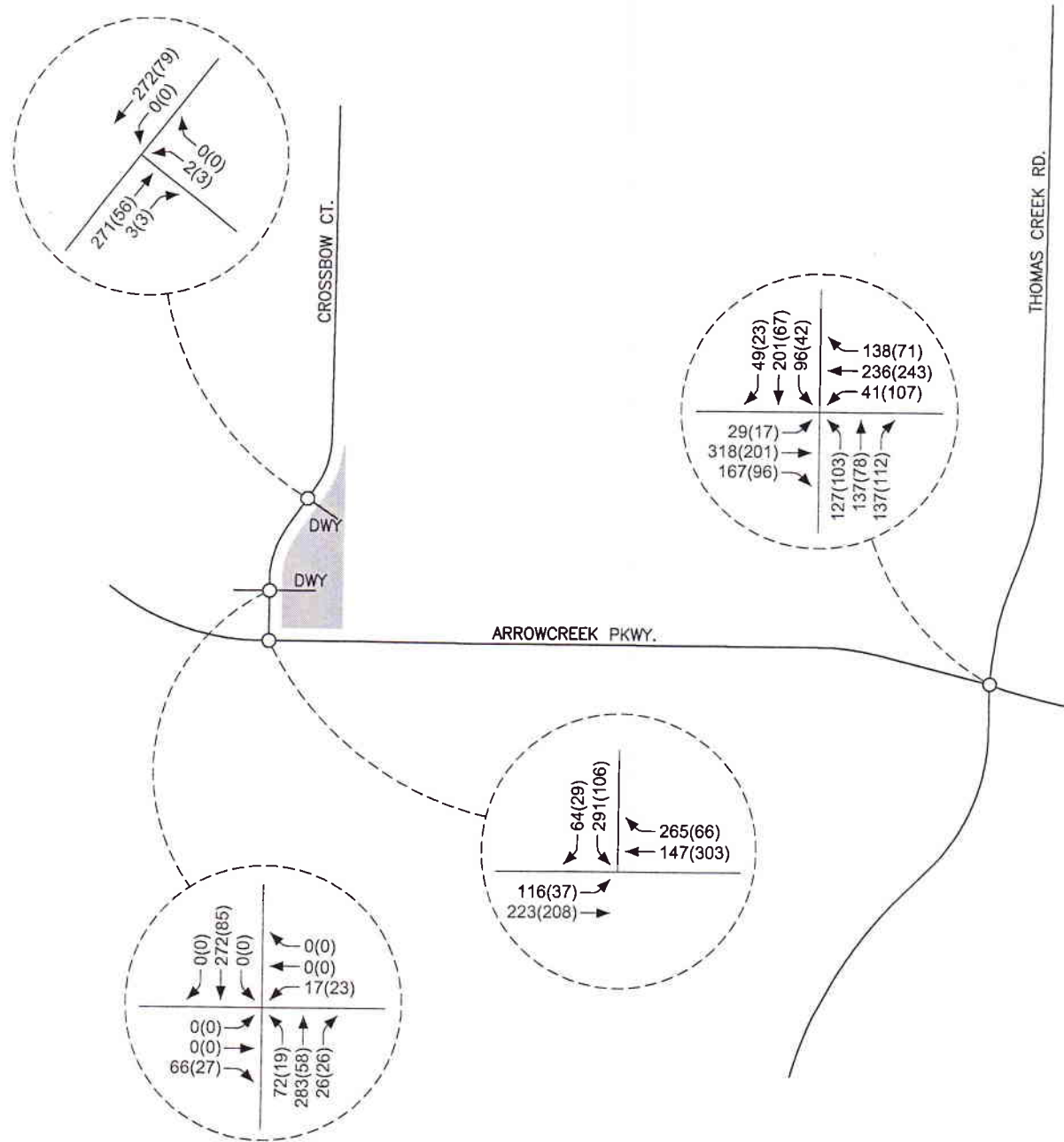
CROSSBOW CORNER
2028 BASE TRAFFIC VOLUMES
FIGURE 7

LEGEND
 - AM PEAK HOUR
 (-) PM PEAK HOUR



CROSSBOW CORNER
2028 BASE PLUS PROJECT TRAFFIC VOLUMES
FIGURE 8

LEGEND
 - AM PEAK HOUR
 (-) PM PEAK HOUR



CROSSBOW CORNER
2028 BASE PLUS PROJECT PLUS SCHOOL TRAFFIC VOLUMES
FIGURE 9

INTERSECTION CAPACITY ANALYSIS

The key intersections were analyzed for capacity based on procedures presented in the *Highway Capacity Manual (6th Edition)*, prepared by the Transportation Research Board, for unsignalized and signalized intersections using the latest version of the Highway Capacity software.

The result of capacity analysis is a level of service (LOS) rating for each signalized and all-way stop controlled intersection or minor movement at a two-way stop controlled intersection. Level of service is a qualitative measure of traffic operating conditions where a letter grade “A” through “F”, corresponding to progressively worsening traffic operation, is assigned to the intersection or minor movement.

The *Highway Capacity Manual* defines level of service for stop controlled intersections in terms of computed or measured control delay for each minor movement. Level of service is not defined for the intersection as a whole. The level of service criteria for unsignalized intersections is shown in Table 2.

LEVEL OF SERVICE	DELAY RANGE (SEC/VEH)
A	≤ 10
B	>10 and ≤ 15
C	>15 and ≤ 25
D	>25 and ≤ 35
E	>35 and ≤ 50
F	>50

Level of service for signalized intersections is stated in terms of the average control delay per vehicle for a peak 15 minute analysis period. The level of service criteria for signalized intersections is shown in Table 3.

LEVEL OF SERVICE	CONTROL DELAY PER VEHICLE (SEC)
A	≤ 10
B	>10 and ≤ 20
C	>20 and ≤ 35
D	>35 and ≤ 55
E	>55 and ≤ 80
F	>80

Table 4A shows a summary of the level of service and delay results at the key intersections for the existing, existing plus project, and existing plus project plus school scenarios. The capacity analysis worksheets are included in the Appendix.

TABLE 4A INTERSECTION LEVEL OF SERVICE AND DELAY RESULTS EXISTING, EXISTING PLUS PROJECT, EXISTING PLUS PROJECT PLUS SCHOOL SCENARIOS						
INTERSECTION	EXISTING		EXISTING + PROJECT		EXISTING + PROJECT + SCHOOL	
	AM	PM	AM	PM	AM	PM
Arrowcreek/Thomas Creek All-Way Stop Signal	C17.0 N/A	B11.3 N/A	C18.0 N/A	B11.5 N/A	F56.0 B14.1	B13.0 B12.1
Arrowcreek/Crossbow All-Way Stop	B12.6	A9.8	B13.5	B10.0	C18.1	B10.4
Crossbow/Hunsburger Driveway Stop at West Leg Eastbound Left-Right Northbound Left	A9.7 A7.8	A8.7 A7.7	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Crossbow/Hunsburger Driveway/South Driveway Stop at East and West Legs Eastbound Left-Thru-Right Westbound Left-Thru-Right Northbound Left-Thru-Right Southbound Left-Thru-Right	N/A N/A N/A N/A	N/A N/A N/A N/A	A9.7 C16.7 A7.8 A7.8	A8.7 B10.0 A7.4 A7.4	B10.6 C22.2 A8.1 A8.0	A8.9 B10.5 A7.4 A7.4
Crossbow/North Driveway Stop at East Leg Westbound Left-Right Southbound Left	N/A N/A	N/A N/A	B11.2 A7.7	A9.0 A7.3	B13.2 A7.9	A9.4 A7.3

Table 4B on the following page shows a summary of the level of service and delay results at the key intersections for the 2028 base, 2028 base plus project, and 2028 base plus project plus school scenarios. The capacity analysis worksheets are included in the Appendix.

TABLE 4B
 INTERSECTION LEVEL OF SERVICE AND DELAY RESULTS
 2028 BASE, 2028 BASE PLUS PROJECT, 2028 BASE PLUS PROJECT PLUS SCHOOL SCENARIOS

INTERSECTION	2028 BASE		2028 BASE + PROJECT		2028 BASE + PROJECT + SCHOOL	
	AM	PM	AM	PM	AM	PM
Arrowcreek/Thomas Creek All-Way Stop Signal	C21.7 N/A	B12.2 N/A	C23.5 N/A	B12.4 N/A	F73.8 B14.4	B14.3 B12.3
Arrowcreek/Crossbow All-Way Stop	B14.0	B10.2	C15.2	B10.5	C21.9	B10.9
Crossbow/Hunsburger Driveway Stop at West Leg Eastbound Left-Right Northbound Left	A9.8 A7.8	A8.7 A7.4	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Crossbow/Hunsburger Driveway/South Driveway Stop at East and West Legs Eastbound Left-Thru-Right Westbound Left-Thru-Right Northbound Left-Thru-Right Southbound Left-Thru-Right	N/A N/A N/A N/A	N/A N/A N/A N/A	A9.9 C18.3 A7.8 A7.8	A8.7 B10.1 A7.4 A7.4	B10.8 C24.9 A8.2 A8.1	A8.9 B10.7 A7.5 A7.4
Crossbow/North Driveway Stop at East Leg Westbound Left-Right Southbound Left	N/A N/A	N/A N/A	B11.5 A7.7	A9.1 A7.3	B13.7 A8.0	A9.4 A7.4

Arrowcreek Parkway/Thomas Creek Road Intersection

The Arrowcreek Parkway/Thomas Creek Road intersection was analyzed as an unsignalized four-leg intersection with all-way stop control and the existing approach lanes for all scenarios. The intersection currently operates at LOS C with a delay of 17.0 seconds per vehicle during the AM peak hour and LOS B with a delay of 11.3 seconds per vehicle during the PM peak hour. For the existing plus project traffic volumes the intersection continues to operate at LOS C during the AM peak hour and LOS B during the PM peak hour with slight increases in delay. For the existing plus project plus school traffic volumes the intersection operates at LOS F with a delay of 56.0 seconds per vehicle during the AM peak hour and LOS B with a delay of 13.0 seconds per vehicle during the PM peak hour. For the 2028 base traffic volumes the intersection is anticipated to operate at LOS C with a delay of 21.7 seconds per vehicle during the AM peak hour and LOS B with a delay of 12.2 seconds per vehicle during the PM peak hour. For the 2028 base plus project traffic volumes the intersection continues to operate at LOS C during the AM peak hour and LOS B during the PM peak hour with slight increases in delay.

For the 2028 base plus project plus school traffic volumes the intersection operates at LOS F with a delay of 73.8 seconds per vehicle during the AM peak hour and LOS B with a delay of 14.3 seconds per vehicle during the PM peak hour. The Arrowcreek Parkway/Thomas Creek Road intersection operates at acceptable LOS C or better for all scenarios except for the existing plus project plus school and 2028 base plus project plus school scenarios which result in LOS F operation. It is our understanding that a traffic signal will be installed at the Arrowcreek Parkway/Thomas Creek Road intersection with construction of the Arrowcreek Middle School. The installation of a traffic signal will result in acceptable LOS B operation at the intersection during the AM and PM peak hours for the existing plus project plus school and 2028 base plus project plus school traffic volumes.

Arrowcreek Parkway/Crossbow Court Intersection

The Arrowcreek Parkway/Crossbow Court intersection was analyzed as an unsignalized three-leg intersection with all-way stop control and the existing lanes for all scenarios. The intersection currently operates at LOS B with a delay of 12.6 seconds per vehicle during the AM peak hour and LOS A with a delay of 9.8 seconds per vehicle during the PM peak hour. For the existing plus project traffic volumes the intersection operates at LOS B with a delay of 13.5 seconds per vehicle during the AM peak hour and LOS B with a delay of 10.0 seconds per vehicle during the PM peak hour. For the existing plus project plus school traffic volumes the intersection operate at LOS C with a delay of 18.1 seconds per vehicle during the AM peak hour and LOS B with a delay of 10.4 seconds per vehicle during the PM peak hour. For the 2028 base traffic volumes the intersection is anticipated to operate at LOS B with a delay of 14.0 seconds per vehicle during the AM peak hour and LOS B with a delay of 10.2 seconds per vehicle during the PM peak hour. For the 2028 base plus project traffic volumes the intersection operates at LOS C with a delay of 15.2 seconds per vehicle during the AM peak hour and LOS B with a delay of 10.5 seconds per vehicle during the PM peak hour. For the 2028 base plus project plus school traffic volumes the intersection operates at LOS C with a delay of 21.9 seconds per vehicle during the AM peak hour and LOS B with a delay of 10.9 seconds per vehicle during the PM peak hour. The intersection operates at acceptable LOS C or better during the AM and PM peak hours for all scenarios.

Crossbow Court/Hunsburger Driveway/South Driveway Intersection

The Crossbow Court/Hunsburger Driveway intersection was analyzed as an unsignalized three-leg intersection with stop control at the west approach for the existing and 2028 base scenarios. The intersection minor movements currently operate at LOS A during the AM and PM peak hours. For the 2028 base volumes the intersection minor movements continue to operate at LOS A during the AM and PM peak hours. The intersection was analyzed with the existing approach lanes for the existing and 2028 base scenarios. The Crossbow Court/Hunsburger Driveway/South Driveway intersection was subsequently analyzed as an unsignalized four-leg intersection with stop sign control at the east and west approaches for the existing plus project, existing plus project plus school, 2028 base plus project, and 2028 base plus project plus school scenarios. For each of these scenarios, the intersection minor movements are anticipated to operate at LOS C or better during the AM peak hour and LOS B or better during the PM peak hour. The four-leg intersection was analyzed with one shared left turn-through-right turn lane at all approaches. The intersection operates at acceptable LOS C or better during the AM and PM peak hours for all scenarios.

It is recommended that the south project driveway be designed to include single ingress and egress lanes with stop sign control at the driveway approach.

Crossbow Court/North Driveway Intersection

The Thomas Creek Road/North Driveway intersection was analyzed as an unsignalized three-leg intersection with stop control at the east approach for the existing plus project, existing plus project plus school, 2028 base plus project, and 2028 base plus project plus school scenarios. For each of these scenarios, the intersection minor movements are anticipated to operate at LOS B or better during the AM peak hour and LOS A during the PM peak hour. The three-leg intersection was analyzed with single lanes at all approaches. The intersection operates at acceptable LOS C or better during the AM and PM peak hours for all scenarios. It is recommended that the north project driveway be designed to include single ingress and egress lanes with stop sign control at the driveway approach.

SITE PLAN REVIEW

A copy of the conceptual site plan for the proposed Crossbow Corner development is included in this submittal. The site plan indicates that project access will be provided from two driveways Crossbow Court. Both driveways will operate with full turning movements. The site plan indicates that the south driveway will be offset approximately 25 feet north of the Hunsburger driveway on the opposite side of Crossbow Court. This northerly offset will have no impact on left turn movements from Crossbow Court into the existing and proposed driveways. The project driveways, parking spaces, and parking aisles are anticipated to provide good access and internal circulation. It is recommended that the proposed project driveways, parking spaces, and parking aisles conform to Washoe County standards.

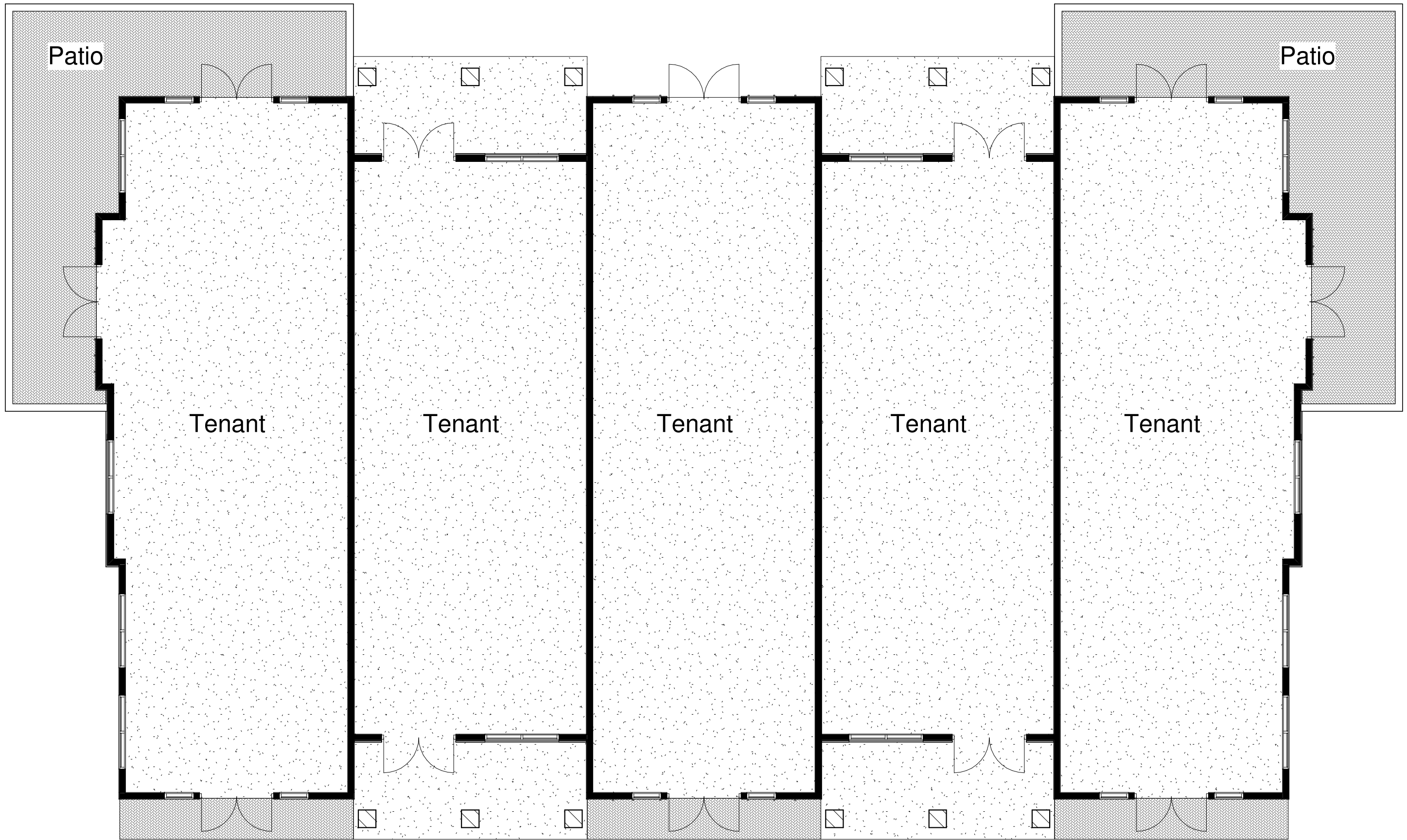
RECOMMENDATIONS

Traffic generated by the Crossbow Corner development will have some impact on the adjacent street network. The following recommendations are made to mitigate project traffic impacts.

It is recommended that any required signing, striping or traffic control improvements comply with Washoe County requirements.

It is recommended that the north and south project driveways on Crossbow Court be designed to operate with stop sign control at the driveway approaches and include single ingress and egress lanes.

It is recommended that the proposed project driveways, parking spaces, and parking aisles conform to Washoe County standards.



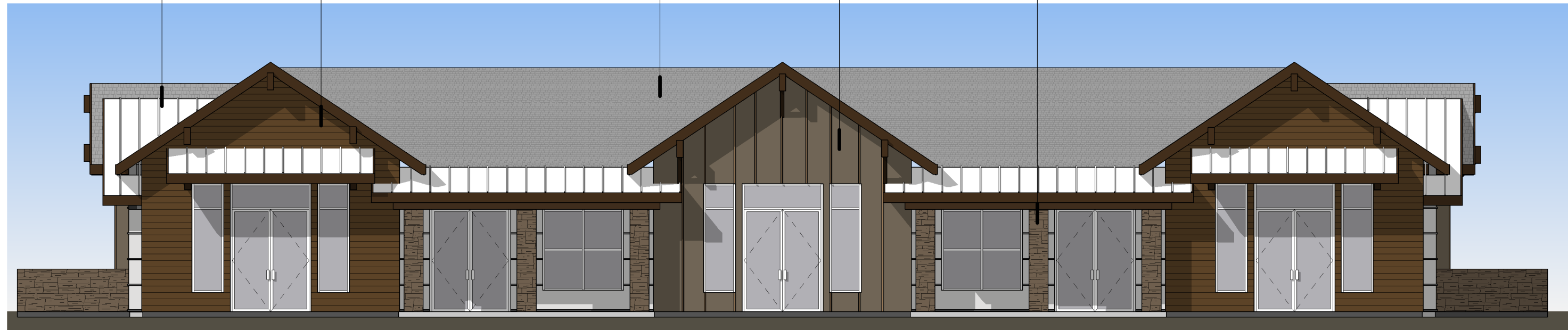
Standing Seam
Metal Roof
"Clear Anodized"

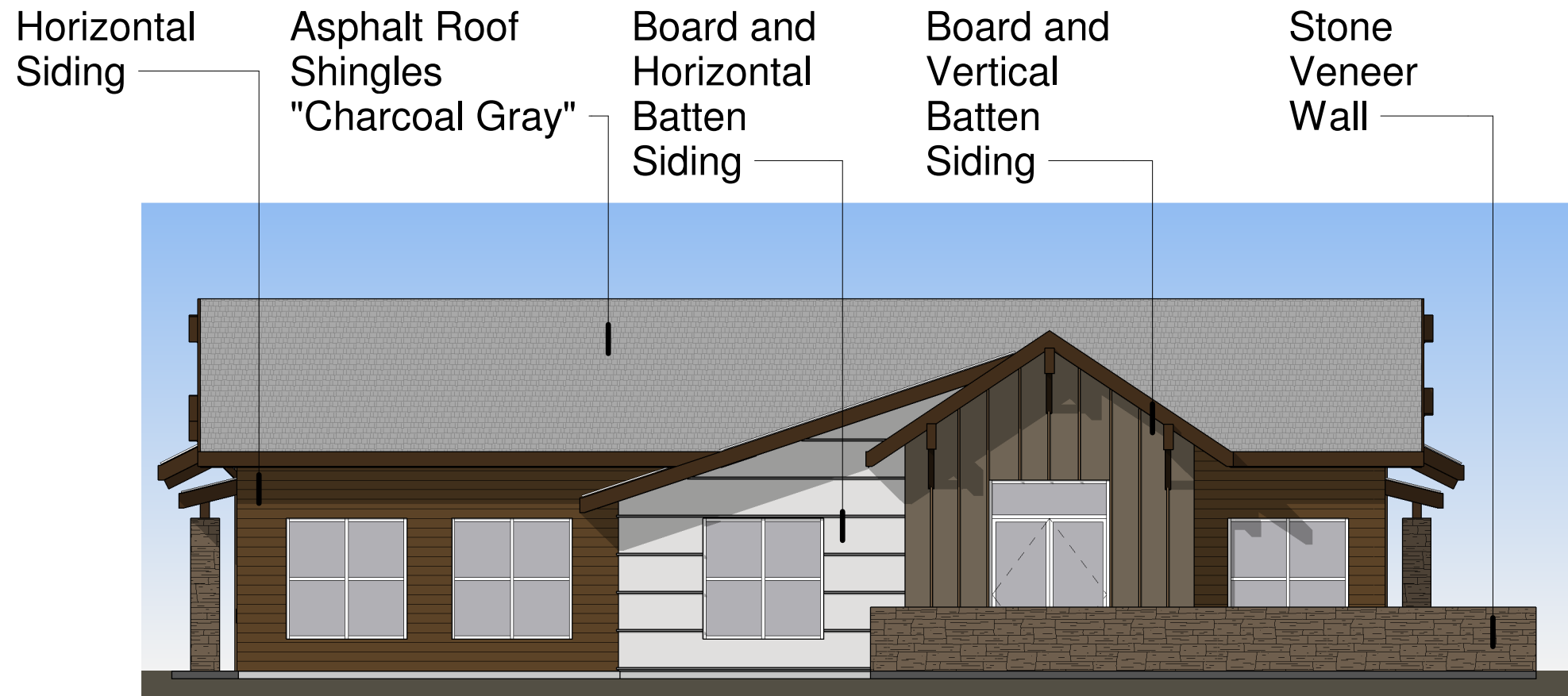
Horizontal
Siding

Asphalt Roof Shingles
"Charcoal Gray"

Board and
Batten
Siding

Stone
Veneer
Columns





**OPERATING AGREEMENT
OF
HELVETICA CTV CROSSBOW, LLC**

THIS OPERATING AGREEMENT OF HELVETICA CTV CROSSBOW, LLC (this “Agreement”) is dated as of **September 30, 2013**, and is entered into by and among HELVETICA FINANCIAL, LLC, as the sole manager of the Company (“Manager”), and those persons who have executed this Agreement as members (“Members”). The parties hereto agree as follows:

1. DEFINITIONS. The following terms shall have the following meanings in this Agreement:

1.1 The term “Act” means the Delaware Limited Liability Company Act.

1.2 The term “Adjusted Invested Capital” means the Invested Capital of a Member, less all distributions of Available Cash, provided that Adjusted Invested Capital shall not be reduced below zero.

1.3 The term “Affiliate” means, when used with reference to a specified “person,” as such term is defined in the 1933 Act, as defined below:

(a) the principal of the person;

(b) any person directly or indirectly controlling, controlled by or under common control with such person;

(c) any person owning or controlling ten percent (10%) or more of the outstanding voting interests of such person;

NO SECURITIES REPRESENTED BY THIS AGREEMENT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR QUALIFIED UNDER ANY OF THE FOLLOWING STATE LAWS:

THE CALIFORNIA CORPORATE SECURITIES LAW OF 1968, AS AMENDED, OR THE DELAWARE SECURITIES ACT.

IN RELIANCE UPON EXEMPTIONS FOR SALES NOT INVOLVING ANY PUBLIC OFFERING AND UPON THE REPRESENTATION THAT SUCH SECURITIES WILL NOT BE TRANSFERRED UNLESS AN OPINION OF COUNSEL IS GIVEN, SATISFACTORY TO THE MANAGER AND ITS COUNSEL, THAT REGISTRATION IS NOT REQUIRED.

(d) any successor-in-interest following a merger or similar transfer when such successor-in-interest is owned by the same persons who own such person; and

(e) any relative or spouse of such person.

1.4 The term “Agreement” means this Operating Agreement as originally executed and as amended from time to time, as the context requires.

1.5 The term “Articles” means the Articles of Organization filed with the Delaware Secretary of State for the purpose of forming the Company (as that term is defined below), in the form prescribed by the Act and the Delaware Secretary of State.

1.6 The term “Available Cash” means the cash received by the Company attributable to its investment in, and the disposition of, the REO Properties, as defined below.

1.7 The term “Capital Account” means the account established for each Member pursuant to Treas. Reg. Section 1.704-1(b)(2)(iv). Each Member’s Capital Account shall be maintained in accordance with Section 704(b) of the Code (as that term is defined below), and Treas. Reg. Section 1.704-1(b)(2)(iv). The following rules shall apply:

(a) Each Member’s Capital Account shall be credited with (i) the amount of money contributed by such Member to the Company, (ii) the Gross Asset Value of property (other than cash) contributed by such Member to the Company, (iii) Operating Profits, Extraordinary Profits and any items of income and gain pecially allocable to such Member, and (iv) the amount of any Company liability assumed by such Member or which is secured by any Company property distributed to such Member.

(b) Each Member’s Capital Account shall be debited by (i) the amount of distributions of Available Cash made to such Member, (ii) the Gross Asset Value of property distributed to such Member by the Company, (iii) Operating Losses, Extraordinary Losses, and any items of deductions and losses pecially allocable to such Member, and (iv) the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(c) The amount of any liability determined under Paragraph 1.7(a) hereof or this Paragraph 1.7(c) shall be determined by taking into account Section 752(c) of the Code and other applicable provisions of the Code and the Regulations thereunder.

(d) Provided any such modifications do not adversely affect the rights of any Member, the Manager is hereby authorized to modify from time to time the method by which such Capital Accounts are maintained in order to comply with the requirements of the Code and the regulations promulgated thereunder. Unless a termination of the Company occurs under Section 708(b)(1)(B) of the Code, if a Member transfers his, her or its interests in the Company, the transferee, including any holder of Economic Interest (as that term is defined below), will succeed to the transferor’s Capital Account.

1.8 The term “Code” means the Internal Revenue Code of 1986, as amended (or any corresponding provision or provisions of any succeeding law).

1.9 The term “Company” means **HELVETICA CTV CROSSBOW, LLC**, a Delaware limited liability company.

1.10 The terms “Cumulative Operating Profits,” “Cumulative Extraordinary Profits,” “Cumulative Operating Losses,” and “Cumulative Extraordinary Losses” mean the respective difference, measured from the commencement of the Company to the end of the applicable period of computation, between:

(a) the sum of the aggregate respective Operating Profits or Extraordinary Profits of the Company (or specified items thereof as the case may be); and

(b) the sum of the aggregate respective Operating Losses or Extraordinary Losses of the Company.

1.11 The term “Depreciation” means, for each taxable year, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset of the Company for such taxable year, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such taxable year, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such taxable year bears to such beginning adjusted tax basis; provided, however, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such taxable year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Manager.

1.12 The term “Economic Interest” means a person’s right to share in the Operating Profits, Operating Losses or similar items of, and to receive distributions of Available Cash from, the Company, but does not include any other rights of a Member, including, without limitation, the right to vote or to participate in the management of the Company.

1.13 The terms “Extraordinary Profits” and “Extraordinary Losses” mean, with respect to any period of time, the net income for federal income tax purposes or net loss for federal income tax purposes of the Company attributable solely to the sale, exchange or other disposition of the REO Properties, including any disposition pursuant to, or in connection with, the winding up of the affairs of the Company pursuant to Paragraph 20, below.

1.14 The term “Gross Asset Value” means, with respect to any asset, such asset’s adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the contributing person and the Manager, provided that, if the contributing person is a Manager the determination of the fair market value of a contributed asset shall be determined by appraisal or agreement of the Members;

(b) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Manager, as of the following times: (i) the acquisition of an additional Membership Interest in the Company (other than pursuant to Paragraph 9 hereof) by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to Member of more than a de minimis amount of Company property as consideration for a Membership Interest; and (iii) the

liquidation of the Company within the meaning of Treas. Reg. Section 1.704-1 (b)(2)(ii)(g); provided, however, that the adjustments pursuant to clauses (i) and (ii) hereof shall be made only if the Manager reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(c) The Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal the gross fair market value of such asset on the date of distribution as determined by the distributees and the Manager, provided that, if the distributee is a Manager, the determination of the fair market value of the distributed asset shall be determined by appraisal or agreement of the Members; and

(d) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Section 734(b) or 743(b) of the Code, but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treas. Reg. Section 1.704-1(b)(2)(iv)(m) and Paragraph 1.7(d) hereof; provided, however, that Gross Asset Values shall not be adjusted pursuant to this Paragraph 1.14(d) to the extent the Manager determine that an adjustment pursuant to Paragraph 1.14(b) hereof is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this Paragraph 1.14(d). If the Gross Asset Value of an asset has been determined or adjusted pursuant to Paragraph 1.14(a), 1.14(b) or 1.14(d) hereof, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Operating Profits, Operating Losses, Extraordinary Profits and Extraordinary Losses.

1.15 The term “Invested Capital” means the money or property contributed to the Company by a Member as capital under Paragraph 9.2 and any subsequent contributions (“Capital Contributions”).

1.16 The term “Manager” refers to **HELVETICA FINANCIAL, LLC** or any other duly elected Manager, and the term “Managers” means two or more, or all of such persons, as the case may be.

1.17 The term “Manager/Member Non-Recourse Debt” has the meaning set forth in Treas. Reg. Section 1.704-2(b)(4).

1.18 The term “Manager/Member Non-Recourse Debt Minimum Gain” means an amount, with respect to each Manager or Member Non-Recourse Debt, equal to the Company Minimum Gain that would result if such Manager or Member Non-Recourse Debt were treated as a Non-Recourse Liability, determined in accordance with Treas. Reg. Section 1.7042(i)(3).

1.19 The term “Manager/Member Non-Recourse Deductions” has the meaning set forth in Treas. Reg. Sections 1.704-2(i)(1) and 1.704-2(i)(2).

1.20 The term “Member” means a person who:

(a) has been admitted to the Company as a Member, either as a Series “A” Member or a Series “B” Member, in accordance with this Agreement or the Written Consent of

the Manager, or an assignee of a Member, other than a holder of an Economic Interest, who has become a Member pursuant to Paragraph 18 hereof; and

(b) has not resigned, withdrawn or been expelled as a Member or, if other than an individual, been dissolved.

1.21 The term “Membership Interests” means the right of a Member, either as a Series “A” Member or a Series “B” Member, to allocations of Operating Profits, Operating Losses, Extraordinary Profits and Extraordinary Losses, to distributions of Available Cash, to vote on matters as provided in this Agreement, and to receive information on the Company. Each Member’s corresponding Membership Interest is set forth on the attached Exhibit A.

1.22 The term “Non-Recourse Deductions” has the meaning set forth in Treas. Reg. Section 1.704-2(b)(1).

1.23 The term “Non-Recourse Liability” has the meaning set forth in Treas. Reg. Section 1.704-2(b)(3).

1.24 The term “Note” means that certain Convertible Secured Promissory Note issued by the Company as set forth as Appendix C to the Company’s Confidential Private Placement Offering Memorandum.

1.25 The terms “Operating Profits” and “Operating Losses” mean, with respect to any period of time, the net income for federal income tax purposes or net loss for federal income tax purposes of the Company, exclusive of Extraordinary Profits and Extraordinary Losses.

1.26 The term “REO Property” or “REO Properties” means real property purchased through wholesale transactions with banks, private lenders or at trustee or sheriff foreclosure auctions.

1.27 The term “Series ‘A’ Member” means a Member with all of the rights and obligations set forth in this Agreement, including the right pursuant to Paragraph 12.2 and 12.3 to Available Cash.

1.28 The term “Series ‘B’ Member” means a Member with all of the rights and obligations set forth in this Agreement, including the right pursuant to Paragraph 12.2 and 12.3 to Available Cash.

1.29 The term “Sponsors” means the person or persons who were involved in the acquisition, management and disposition of the REO Properties and is listed in the schedule attached hereto as Exhibit B.

2. FORMATION. The Members hereby organize the Company as a limited liability company pursuant to the provisions of the act and the rights, duties, and liabilities of the members shall be as provided in the act, except as otherwise expressly stated in this agreement. Cecilia L. Palmer is hereby designated as an “authorized person” within the meaning of the Act, and has executed, delivered and filed the Articles of the Company with the Secretary of State of the State of Delaware. Upon the filing of the Articles with the Secretary of State of the State of

Delaware, her powers as an “authorized person” ceased, and the Manager thereupon became the designated “authorized person” and shall continue as the designated “authorized person” within the meaning of the Act. The Manager shall execute, deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in any jurisdiction in which the Company may wish to conduct business.

The existence of the Company as a separate legal entity shall continue until cancellation of the Articles as provided in the Act.

3. NAME.

The name of the Company shall be “**HELVETICA CTV CROSSBOW, LLC.**”

4. COMMENCEMENT, ADMISSION OF MEMBERS.

4.1 The Company commenced its existence on August 9th, 2011, the date upon which the Articles are duly filed with the Delaware Secretary of State pursuant to the Act and shall continue its existence until it is dissolved pursuant to the provisions of the Act or this Agreement.

4.2 Although the Series “A” Members are executing this Agreement, each Series “A” Member will not be an actual Member of the Company until the conversion of the Note into Series “A” Units. Prior to such conversion, all rights (other than voting rights and rights to distributions) payable to the Series “A” will be held by the holders of Series “B” on a proportionate basis. Notwithstanding anything to the contrary contained herein, each one thousand dollars (\$1,000) of unreturned principal under the Note will be treated as if it were converted to one Series “A” Unit for all circumstances under this Agreement for which a vote of the Members is required or otherwise occurs. There will be no rights to distributions for Series “A” Members unless the Note is converted (subject to the rights of payment under the Note).

4.3 At the time of execution of this Agreement, the Manager shall issue an executed Operating Agreement including Exhibit A, Members and Their Corresponding Membership Interests, to each Member acknowledging his, her or its status as a Member and whether his, her or its status as a Series “A” or Series “B” Member.

4.4 The Membership Interests of the Members shall be as set forth on the attached Exhibit A.

5. STATUTORY AGENT FOR SERVICE OF PROCESS, PRINCIPAL OFFICE.

5.1 The initial statutory agent for the service of process and the initial principal office shall be that person and location set forth in the Articles as filed with the Delaware Secretary of State. The Company may, from time to time, change the statutory agent or registered office through appropriate filings with the Delaware Secretary of State. In the event the statutory agent ceases to act as such for any reason or the registered office shall change, the Manager shall promptly designate a replacement statutory agent or file a notice of change of address, as the case may be, in accordance with the Act.

5.2 The principal executive office of the Company shall be at 5927 Balfour Ct., Suite 208, Carlsbad, CA 92008, or such other place as the Manager may from time to time designate.

6. TERM.

Unless earlier terminated or extended as provided in this Agreement, the Company shall continue until **December 31, 2030**.

7. PURPOSES.

Notwithstanding anything to the contrary in this Agreement or in any other document governing the formation, management or operation of the Company, the sole purpose to be conducted or promoted by the Company is to engage in the following activities:

- (i) to acquire residential REO Properties through multiple listing services, bulk or foreclosure sales of bank owned real estate;
- (ii) to enter into and perform its obligations as purchaser and legal owner of the REO Properties;
- (iii) to manage, renovate and sell the REO Property; and
- (iv) to engage in any lawful act or activity and to exercise any powers permitted to limited liability companies organized under the laws of the State of Delaware related or incidental to and necessary, convenient or advisable for the accomplishment of the above mentioned purposes.

8. POWERS, RIGHTS, DUTIES AND COMPENSATION OF MANAGER; PROHIBITED ACTIVITIES.

8.1 Subject to the provisions of Paragraph 8.3 and the other applicable provisions of this Agreement, the Manager shall have the authority and discretion in the management and control of the business of the Company for the purposes stated herein and shall have the right to make day to day decisions affecting the business of the Company. Subject to the provisions of this Agreement, the Manager, on behalf of the Company, shall have authority to execute and acknowledge contracts, agreements, leases, deeds and loan documents, including any listing agreements or purchase and sale agreements and to make withdrawals from Company checking, savings and similar accounts. Without limiting the generality of the foregoing, the Manager shall have the following rights and powers, which they may exercise at the cost, expense and risk of the Company:

- (a) To expend the capital and income of the Company, if any, in the furtherance of the Company's business;
- (b) To execute and deliver assignments, deeds and other transfers and conveyances in connection with the REO Properties;

(c) To execute and deliver promissory notes, checks, drafts, and other negotiable instruments on behalf of the Company;

(d) To employ such attorneys, accountants and other persons, subject to the terms otherwise stated herein, as the Manager deems necessary or advisable to carry out the purposes of the Company;

(e) To purchase from or through others, contracts of liability, casualty and other insurance, which the Manager deems advisable, appropriate, convenient or beneficial to the Company;

(f) To enter into such agreements and contracts, with such parties and to give such receipts, and discharges with respect to all of the foregoing and any matters incident thereto as the Manager deems advisable, appropriate or convenient;

(g) To delegate all or any of its duties hereunder, and in furtherance of any such delegation, to appoint, employ, or contract with any person deemed in their discretion necessary or desirable for the transaction of the business of the Company; and

(h) To execute and deliver any and all other instruments to carry out the purposes hereof.

8.2 The Manager shall possess and may enjoy and exercise all of the rights and powers of members and Manager as provided by the Act, except to the extent any of such rights may be limited or restricted by the express provisions of this Agreement. The Manager shall devote such time to the Company and its business as shall be necessary to conduct the Company business, to operate and manage the Company in an efficient manner and to carry out the Manager's responsibilities as herein provided.

8.3 Manager shall not have any right, power or authority to:

(a) Do any act in contravention of this Agreement without first obtaining the written consent thereto of a majority of the Membership Interests of the Members.

(b) Do any act which would (i) make it impossible to carry on the ordinary business of the Company, or (ii) change the nature of the Company's business, without first obtaining the written consent thereto of a majority of the Membership Interests of the Members.

(c) Confess a judgment against the Company without first obtaining the written consent thereto of a majority of the Membership Interests of the Members.

(d) Possess Company property, or assign the Company's right in such property, for other than a Company purpose (as set forth in Section 7 herein) without first obtaining the written consent thereto of a majority of the Membership Interests of the Members

(e) Admit a person as a member, other than pursuant to a Transfer pursuant to Paragraph 18 hereof or as otherwise permitted by this Agreement, without first obtaining the written consent thereto of a majority of the Membership Interests of the Members.

(f) Elect to dissolve and wind up the Company, without first obtaining the written consent thereto of a majority of the Membership Interests of the Members.

(g) Issue or sell new Membership Interests in the Company (or admit new members in connection therewith), without first obtaining the written consent thereto of a majority of the Membership Interests of the Members.

(h) Enter into any transactions in which the Manager has an actual or potential conflict of interest with the Members or the Company, without first obtaining the written consent thereto of a majority of the Membership Interests of the Members.

(i) Admit a person as an additional manager, without first obtaining the written consent thereto of a majority of the Membership Interests of the Members.

(j) Amend this Agreement without first obtaining the written consent of Members holding at least seventy-five percent (75%) of the Membership Interests.

8.4 Any person not a party to this Agreement who shall deal with the Company shall be entitled to rely conclusively upon the power and authority of the Manager as set forth herein.

8.5 The Company shall compensate Manager for performance of its duties as more specifically set forth in this Agreement by paying Manager a fee (the "Management Fee"). The Management Fee shall be equal to up two percent (2%) of the gross sales price of each REO Property and shall be paid immediately following each sale.

8.6 The Company shall reimburse the Manager for all direct and indirect disbursements to third parties made and obligations incurred on behalf of the Company that are in furtherance of the Company's objectives and specifically provided for in this Agreement, such as the Company's legal expenses, the REO Properties rehabilitation expenses, insurance and other costs and expenses incurred in protecting or disposing of the REO Properties.

8.7 No person shall have the right to resign as a Manager, except as permitted by this Agreement. If, for any reason, one person ceases to be a Manager, then, the remaining Manager or Managers shall have the right and authority to act as the Manager or Managers under this Agreement.

8.8 Any contracts, agreements, documents, certificates or instruments to be executed by the Company will be binding on the Company if executed by the Manager, except as otherwise provided under this Agreement.

9. CAPITAL CONTRIBUTIONS.

9.1 The Members, including the Manager, shall make Capital Contributions to the Company. In consideration for such Member's Capital Contributions to the Company, each Member shall be admitted as a Member of the Company and shall receive one Membership Interest, designated as Series "A" or Series "B", for each \$1,000 invested, with a corresponding

credit to such Member's Capital Account to the extent of such Member's Capital Contributions as set forth on attached Exhibit A. Series "A" Members will only be credited for Capital Contributions upon conversion of the Note and only to the extent of the principal then converted. All accrued but unpaid interest on the Note will be taken into account when calculating the amount of accrued but unpaid Series "A" Preferred Return pursuant to Section 12.2 below.

9.2 Subject to the provisions of Paragraph 12.4 below, no Member shall be personally liable for any obligations or debts of the Company or any of its losses beyond the total amount the Member has agreed to contribute to the capital of the Company and to the Member's share, if any, of the undistributed Operating Profits and Extraordinary Profits attributable to the Member. Except as provided in this Paragraph 9, no Member shall have any obligation to make an additional Capital Contribution to the Company.

9.3 Except as specifically provided in this Agreement, no Manager or Member shall be entitled to interest on his, her or its Capital Contributions.

10. ADVANCES.

10.1 If any funds are required by the Company prior to the receipt of the aggregate Capital Contributions pursuant to Paragraph 9.1, the Manager may borrow the funds at the then applicable prevailing short term rate (the "Start-Up Funding"). The Manager must use the Capital Contributions, as they are made to the Company, to retire the Start-Up Funding debt.

10.2 If any funds are required by the Company for the operation of its business in excess of the Capital Contributions made by the Members required pursuant to Paragraph 9 above, then any Member shall have the right, but not the obligation, upon the approval of the Manager, to advance such funds (the "Advances") to the Company.

10.3 If any Member makes an Advance pursuant to Paragraph 10.2, above, such Advance shall constitute an unsecured loan to the Company.

10.4 The Advance by any Member shall bear interest at the rate of nine percent (9%) during the period the Advance is outstanding, and may, at the election of the Member making the Advance, be evidenced by a promissory note, and shall be repaid to the Member making the Advance pursuant to Paragraph 12, below.

10.5 If any Member lends money to the Company for any purpose, whether as an Advance or otherwise, the Member shall be deemed a creditor of the Company, and not a Member, for the purpose of determining his, her or its right and priority to the payment of interest on and the repayment of the principal of such loan.

11. PROFITS AND LOSSES.

11.1 Subject to Paragraph 11.5 hereof, Operating Losses of the Company shall be allocated each taxable year to all Members, pro rata in accordance with their respective Membership Interests.

11.2 Subject to Paragraph 11.5 hereof, Extraordinary Losses of the Company shall be allocated each taxable year:

(a) First, to all Members, pro rata in accordance with their then Membership Interests, in an amount equal to the excess of (i) Cumulative Extraordinary Profits previously allocated pursuant to Paragraph 11.4(a) and Operating Profits previously allocated pursuant to Paragraph 11.3 over (ii) Cumulative Extraordinary Losses previously allocated pursuant to this Paragraph 11.2(a) and Operating Losses previously allocated pursuant to Paragraph 11.1 hereof.

(b) Second, to all Members, pro rata in accordance with their respective Membership Interests, until all Members have been allocated such amount of Extraordinary Losses as will equal the Extraordinary Profits allocated to such persons pursuant to Paragraph 11.4(b) hereof and Operating Profits allocated to such persons pursuant to Paragraph 11.3 hereof for all prior years.

(c) Third, to all Members, pro rata in accordance with their then Membership Interests, except that any Extraordinary Losses realized at the time of the liquidation of the Company shall be allocated to all Members, pro rata according to their relative Capital Account balances, until each Member's Capital Account is reduced to zero.

11.3 Subject to Paragraph 11.5 hereof, Operating Profits shall be allocated among Members pro rata in accordance with the type of Membership Interest owned (Series "A" or Series "B") and the corresponding priorities set forth in Paragraph 12.2 and 12.3.

11.4 Subject to Paragraph 11.5 hereof, Extraordinary Profits shall be allocated among Members pro rata in accordance with the type of Membership Interest owned (Series "A" or Series "B") and the corresponding priorities set forth in Paragraph 12.2 and 12.3.

11.5 No allocation of Operating Profits, Extraordinary Profits, Operating Losses or Extraordinary Losses shall be made under Paragraphs 11.1, 11.2, 11.3, and 11.4 without compliance with the following:

(a) Notwithstanding anything contained in this Paragraph 11 to the contrary, if there is a net decrease in "Minimum Gain," as such term is defined in Paragraph 11.5(b) hereof, for any Company taxable year, each Member shall be allocated items of Company income and gain for such year in accordance with Treas. Reg. Sections 1.704-2(f), (g) and (j).

(b) "Minimum Gain" with respect to any taxable year of the Company means the minimum gain of the Company computed strictly in accordance with the principles of Treas. Reg. Section 1.704-2(f), (g) and (j). Subject to the previous sentence, "Minimum Gain" means the sum, for all Company assets, of the amounts of taxable income or gain that would be realized if each such asset were disposed of for an amount equal to the nonrecourse liabilities (as defined under Treas. Reg. Section 1.704-2(b)) ("Non-Recourse Liabilities") secured by such assets. For this purpose, where any such asset is subject to multiple Non-Recourse Liabilities of unequal priority, the adjusted basis of such asset shall be allocated among such Non-Recourse Liabilities in order of priority from most senior first to least senior last. Where two or more Non-Recourse Liabilities are of equal priority, basis shall be allocated among such Non-Recourse Liabilities pro rata in proportion to the outstanding balances of such Non-Recourse Liabilities.

(c) Notwithstanding anything contained in this Paragraph 11 to the contrary, if any Member unexpectedly receives an allocation or distribution described below, and such allocation or distribution causes or increases a deficit balance in such Member's Capital Account, such Member shall be allocated items of income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year) in an amount and manner sufficient to eliminate such deficit balance as quickly as possible. The allocations and distributions referred to in the preceding sentence are the following:

(i) Any allocations of Operating Losses, Extraordinary Losses or other deductions that, as of the end of such year, reasonably are expected to be made to such Member pursuant to Sections 704(e)(2) and 706(d) of the Code, or pursuant to Treas. Reg. Section 1.751-1 (b)(2)(ii).

(ii) Any distributions that, as of the end of such year, reasonably are expected to be made to such Member to the extent they exceed offsetting increases to such Member's Capital Account that reasonably are expected to occur during (or prior to) the Company taxable years in which such distributions reasonably are expected to be made (other than increases pursuant to the Minimum Gain chargeback provided in Paragraph 11.6(a) hereof).

The provisions of this Paragraph 11.5(c) are intended to be a "Qualified Income Offset" within the meaning of Treas. Reg. Section 1.704-1(b)(2)(ii)(d). In the event of any conflict between this Paragraph 11.5(c) and those Regulations, the Regulations shall prevail.

(d) Any Operating Losses, Extraordinary Losses or other expenditures of the Company under Section 705(a)(2)(B) of the Code, attributable to a loan made by a Member to the Company for which such lending Member bears the "economic risk of loss," as that term is defined in Treas. Reg. Section 1.704-2(b), shall be allocated to such lending Member.

(e) Non-Recourse Deductions for any taxable year shall be specially allocated to the Manager and Members in accordance with their respective Participation Percentages.

(f) Any Manager/Member Non-Recourse Deductions for any taxable year shall be specially allocated to the Manager or Member who bears the economic risk of loss with respect to the Manager/Member Non-Recourse Debt to which such Manager/Member Non-Recourse Deductions are attributable in accordance with Treas. Reg. Section 1.704-2(2)(i)(1).

(g) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Section 734(b) or Section 743(b) of the Code is required, pursuant to Treas. Reg. Section 1.704-1 (b)(2)(iv)(m)(2) or Treas. Reg. Section 1.704-1 (b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Manager or Member in complete liquidation of his, her or its interest in the Company, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment decreases the basis of the asset) and such gain or loss shall be specially allocated to the Manager and Members in accordance with their interests in the Company in the event that Treas. Reg. Section 1.7041(b)(2)(iv)(m)(2) applies, or to the Manager and Members to whom such distribution was made in the event that Treas. Reg. Section 1.704-1(b)(2)(iv)(m)(4) applies.

(h) Syndication expenses for any taxable year shall be specially allocated to the Members in proportion to their relative Capital Contributions.

(i) In the event that any Member contributes property other than cash to the Company, all allocations of Operating Profits, Extraordinary Profits, Operating Losses and Extraordinary Losses, and items thereof, shall be made in accordance with the principles of Section 704(c) of the Code.

(j) Any special allocation of items of Company income, gain, loss or deduction to a Member (“Special Allocations”) shall be taken into account in computing subsequent allocations of Operating Profits, Extraordinary Profits, Operating Losses and Extraordinary Losses to such Member in such a manner that the net amount of all such Special Allocations and allocated Operating Profits, Extraordinary Profits, Operating Losses and Extraordinary Losses shall equal the amount of Operating Profits, Extraordinary Profits, Operating Losses and Extraordinary Losses, computed as if such Special Allocations had not been required, that would have been allocated to such Member if such Special Allocations had not been made.

(k) In any taxable year of the Company, allocations shall first be made of Operating Profits or Operating Losses and, thereafter, allocations of Extraordinary Profits or Extraordinary Losses shall be made. Allocations pursuant to Paragraphs 11.3 and 11.4 shall first be made with respect to the Members’ Additional Capital Contributions and then with respect to the Members’ Initial Capital Contributions, as provided therein.

12. DISTRIBUTION OF COMPANY ASSETS.

12.1 Subject to all of the provisions of this Agreement, Available Cash shall be distributed to the Members at such times and in such amounts as determined in the sole and absolute discretion of the Manager.

12.2 Distributions are made in the sole and absolute discretion of the Manager, provided, the Manager will endeavor to make distributions on a quarterly basis. Except for distributions made in connection with a liquidation or winding down of the Company, if a distribution is to be made, it will be made as follows:

(a) First, to any Manager or Member, the amount then due on any Advances, payable to each Manager or Member in the same ratio as the amount of the Advances bears to the aggregate amount (including interest thereon) of unpaid Advances outstanding to all Manager and Members at the time of such distribution.

(b) Second, to the Series “A” Members, including the Manager, in an amount equal to 9% (the “Series ‘A’ Preferred Return”) of their Adjusted Invested Capital, calculated using a 30 day month.

(c) Third, to the Series “B” Members, including the Manager, in an amount equal to one percent (1%) per month (12% annualized)(the “Series ‘B’ Preferred Return”) of their Adjusted Invested Capital, calculated using a 30 day month.

(d) Fourth, to the Sponsor, including the Manager, in an amount equal to the amount distributed to the Series “B” Members pursuant to Paragraph 12.2(c) (the Catch-Up Provision).

(e) Fifth, fifty percent (50%) to the Series “B” Members, including the Manager, and fifty percent (50%) to the Sponsor.

For avoidance of doubt, while the Note remains issued and outstanding, no distributions will be made to the Series “A” Members. All such amounts will be used to service the Note.

12.3 Distributions are made in the sole and absolute discretion of the Manager. Upon a liquidation or winding up of the Company, distributions and payments on the Note will be made as follows:

(a) First, to any Manager or Member, the amount then due on any Advances, payable to each Manager or Member in the same ratio as the amount of the Advances bears to the aggregate amount (including interest thereon) of unpaid Advances outstanding to all Manager and Members at the time of such distribution.

(b) Second, to the Series “A” Members, including the Manager, pro rata in accordance with their relative balances of Adjusted Invested Capital, until they have received a cumulative total of distributions under this Paragraph 12.3(b) to reduce their respective balances of Adjusted Invested Capital to zero.

(c) Third, to the Series “A” Members, including the Manager, in an amount equal to the “Series ‘A’ Preferred Return” less all amounts distributed pursuant to Paragraph 12.2(b) above.

(d) Fourth, to the Series “B” Members, including the Manager, pro rata in accordance with their relative balances of Adjusted Invested Capital, until they have received a cumulative total of distributions under this Paragraph 12.3(d) to reduce their respective balances of Adjusted Invested Capital to zero.

(e) Fifth, to the Series “B” Members, including the Manager, in an amount equal to the Series ‘B’ Preferred Return less all amounts distributed pursuant to Paragraph 12.2(c) above.

(f) Sixth, to the Sponsor, including the Manager, in an amount equal to the amount distributed to the Series “B” Members pursuant to Paragraph 12.2(c) and 12.3(e) less any amounts distributed to the Sponsor pursuant to Paragraph 12.2(c) above (the Catch-Up Provision).

(g) Seventh, fifty percent (50%) to the Series “B” Members, including the Manager, and fifty percent (50%) to the Sponsor.

For avoidance of doubt, while the Note remains issued and outstanding, no distributions will be made to the Series “A” Members. All such amounts will be used to service the Note.

12.4 Notwithstanding anything contained in this Agreement to the contrary, Members are liable to return any Company distributions of cash or other assets, with interest, if, immediately following such distribution, the liabilities of the Company, other than liabilities to Members on account of their interest in the Company and liabilities as to which recourse of creditors is limited to specified property of the Company, exceed the fair saleable value of the assets of the Company, not including those assets which are subject to liabilities as to which recourse of creditors is limited, except to the extent to which the fair saleable value of such assets exceeds the liabilities to which they are subject.

12.5 No Member shall have the right to demand and receive property other than cash upon any distribution from the Company, including, without limitation, distributions upon dissolution of the Company. Each Member waives any such right he, she or it may have to distributions other than cash pursuant to the Act.

12.6 No distribution of Available Cash shall be made until the allocations described in Paragraph 11 hereof have first been made. Liquidating distributions pursuant to Paragraph 21.3 hereof shall be made after taking into account all Capital Account adjustments for the taxable year during which such liquidation occurs (other than adjustments from liquidating distributions) and the effect of a deficit balance in Manager's Capital Account, and shall be made by the end of such taxable year (or, if later, within ninety (90) days after the date of such liquidation).

13. RIGHTS AND OBLIGATIONS OF THE MEMBERS.

13.1 Except as expressly provided in this Agreement to the contrary, the Members (excluding Manager who is also a Member) shall take no part in the operation, management or control of the Company's business.

13.2 The Members (excluding Manager who is also a Member) shall have no power to sign for or to bind the Company. All authority to act on behalf of the Company is vested in the Manager. Any Member who takes any action to bind the Company in contravention of this Agreement shall indemnify and hold harmless the Company for any costs, expenses, claims or liabilities incurred by the Company as a result of the unauthorized action of such Member.

13.3 Member(s) shall not be personally liable for any obligations or debts of the Company or any of its losses beyond the total amount the Member(s) have agreed to contribute to the capital of the Company and to the Members share, if any, of the undistributed Operating Profits or Extraordinary Profits attributable to the Member(s).

13.4 In addition to those instances described in Paragraph 8.3 and subject to the rights of the holders of the Note pursuant to Section 4.2, the Members, other than the Manager, are entitled to vote, prior to any such action being taken, to do any of the following:

- (a) Approve the admission of a Manager.
- (b) Where there is no remaining Manager, elect to continue the business of the Company or admit a Manager.
- (c) Remove a Manager, as provided in Paragraph 14.3 hereof.

The matters specified in Paragraph 13.4(a) above, also requires the concurrence of the Manager. Approval of the matters set forth in Paragraphs 13.4(a) through (c) requires approval of Members holding at least eighty percent (80%) of the Membership Interests. In the case of any other matter with respect to which the Members are entitled to vote under this Agreement, action shall be taken if approved by the Manager and a majority of the Membership Interests of the Members.

Notwithstanding any provision hereof or of any other document governing the formation, management or operation of the Company to the contrary, the following shall govern: When acting on matters subject to the vote of the Members, notwithstanding that the Company is not then insolvent, all of the Members shall take into account the interest of the Company's creditors, as well as those of the Members.

13.5 Meetings of the Members may be called by the Manager or by Members holding at least fifty percent (50%) of the Membership Interests. Any Member may obtain from the Manager, at any time, a list of the names and addresses of all the Members. At any meeting of the Members, the presence in person or by proxy of a majority of the Membership Interests of the Members shall constitute a quorum. A meeting of the Members may be called for voting on any matter upon which the Members are entitled to vote. For purposes of this Section, holders of the Note will be treated as Members entitled to vote pursuant to Section 4.2.

14. ADDITIONAL MANAGERS, WITHDRAWAL OR REMOVAL OF MANAGERS.

14.1 Persons may be admitted to the Company as additional Managers with the consent of all Members.

14.2 Notwithstanding anything that may be contained in the Act to the contrary, no Manager shall have the right to withdraw from the Company unless such withdrawal is approved by a majority of the Membership Interests. If a Manager withdraws from the Company in violation of this Paragraph 14.2, he, she or it shall be liable for damages as a result of such withdrawal.

14.3 A Manager may be removed by Members holding at least sixty-seven percent (67%) of the Membership Interests.

15. AMENDMENTS.

15.1 Amendments may be made to this Agreement from time to time with the consent of the Members holding at least seventy-five percent (75%) of the Membership Interests.

15.2 In making amendments, there shall be prepared and filed by the Manager, such documents, amendments, certificates and statements as shall be required to be prepared and filed pursuant to the Act and under the laws of the other jurisdictions in which the Company owns REO Properties or is required to file.

15.3 If there is more than one Manager, the consent of the Manager to any amendment to this Agreement shall be deemed approved by the Manager if executed by all of them.

16. FISCAL YEAR, BOOKS AND RECORDS, AND BANK ACCOUNTS.

16.1 The Company, for accounting and income tax purposes, shall operate on a fiscal year coinciding with the calendar year and shall utilize such accounting principles and income tax elections and determinations as shall be determined by the Manager. The Manager shall serve as the “Tax Matters Partner” for the Company.

16.2 The books and records of, and other information pertaining to, the Company shall be available for inspection, audit, and copying by any Member (or holder of an Economic Interest) or his representatives during normal business hours at the principal executive office of the Company set forth in Paragraph 5.2, above. Such books, records and other information shall include:

(a) a then current list of the full name and last-known business, residence or mailing address of each Member, set forth in alphabetical order, together with such person’s Capital Contribution and share of Operating Profits, Operating Losses, Extraordinary Profits, Extraordinary Losses and distributions of Available Cash from Operations and Available Cash from Financing or Disposition;

(b) a copy of the initial Articles and all amendments thereto, together with executed copies of any powers of attorney pursuant to which the Articles have been executed;

(c) copies of the Company’s federal, state and local income tax or information returns and reports, if any, for the six (6) then most recent taxable years;

(d) copies of this Agreement and all amendments thereto and copies of all prior operating agreements and amendments thereto no longer in effect;

(e) financial statements of the Company for the six (6) then most recent years;

(f) the Company’s books and records as they relate to the internal affairs of the Company for at least the then current and past four (4) fiscal years; and

(g) any other documents required under the Act.

Upon the request of the Members, the Manager shall promptly deliver to such Members, at the expense of the Company, (i) a copy of the information referred to in clauses (a), (b), and (d) of this Paragraph 16.2; (ii) after becoming available, a copy of the Company’s federal, state and local income tax information returns for each year; and (iii) a copy of any amendment to the Agreement executed by the Manager pursuant to a power of attorney from the Members, or pursuant to their right to do so amend without the concurrence of the Members.

16.3 Each Member may inspect and copy other information regarding the affairs of the Company as is just and reasonable for any purpose reasonably related to such Member’s Membership Interests.

16.4 All funds of the Company shall be deposited in a separate bank account or accounts as shall be determined by the Manager and the Manager shall be entitled to sign on all such accounts.

16.5 The Manager shall maintain the books and records for the Company.

17. REPORTS BY THE COMPANY.

17.1 The Manager shall furnish the Members with all information required for preparation of the Members' federal and state income tax returns within ninety (90) days after the end of the Company's fiscal year or such shorter time period as may be set forth by law.

17.2 The Manager shall furnish the Members with a balance sheet and an income statement prepared by the Manager as soon as is reasonably practicable after the end of each fiscal year of the Company.

18. RESTRICTIONS ON TRANSFER, ASSIGNEES, ADMISSION OF SUBSTITUTE MEMBERS.

18.1 Except as provided in Paragraph 18.4 and 18.5 below, and notwithstanding anything to the contrary contained in the Act, the Members shall not sell, transfer, assign, pledge, hypothecate, encumber, subject to a security interest or otherwise dispose of ("Transfer") their Membership Interests, or any part thereof, without first obtaining the consent of the Manager and a majority of the Membership Interests, and any act in violation of this Paragraph 18.1 shall be null and void *ab initio*.

18.2 Notwithstanding anything in the foregoing Paragraph 18.1 above, to the contrary, before being effective, any Transfer of Membership Interests to a third party must, in the opinion of counsel for the Company, (a) comply with all applicable federal, state and local securities laws and regulations with respect to transfers of securities, and (b) not create adverse consequences to the Company or any of the non-assigning Members under any applicable federal, state or local tax laws. Each Member agrees, before effecting any proposed Transfer, to notify the Company of the same and not to effect the proposed transfer without first obtaining such opinion and otherwise complying with the terms and conditions of this Agreement. Each Member also agrees to notify the Company in writing of the date of effecting any such Transfer, the name and address of the transferee(s) and the portion of the Membership Interests intended to be transferred to each transferee. The transfer shall not be effective until the transferor shall have assigned his, her, or its Membership Interests in the Company to the transferee and the transferee shall have assumed the obligations of the transferor pursuant to the terms of an assignment and assumption agreement prepared by counsel for the Company and reimbursed the Company the reasonable costs of preparing the assignment and assumption agreement and of transferring the Membership Interests of the transferor on the books of the Company.

18.3 Each Member agrees that notwithstanding the provisions for transfer of any Membership Interests contained herein, the Membership Interests, when and if transferred, shall remain subject to all of the terms and conditions of this Agreement.

18.4 Notwithstanding anything contained in Paragraphs 18.1 and 18.2 above, to the contrary, a Member's Membership Interests, or a portion thereof, may be transferred to persons or entities entitled thereto pursuant to any execution or judicial sale; provided, however, the transferee in such case shall only become an Economic Interest holder with respect to such Membership Interests transferred, and shall in no event become a Member unless and until such transferee is admitted as a substituted Member in accordance with the provisions of Paragraphs 18.1 and 18.2 hereof.

18.5 (a) A Member's Membership Interests may not be transferred except in compliance with the provisions of Paragraphs 18.1 and 18.2 and this Paragraph 18.5. A Member (the "Selling Member") shall not Transfer his, her or its Membership Interests, or any portion thereof to any person or entity other than an Affiliate of the Member, without first giving the other Members (the "Other Members") and the Manager a "First Refusal Notice" accompanied by a bona fide written offer setting forth the terms of the proposed Transfer of all, but not less than all, of the Membership Interests (the "Offer") expressing the consideration to be paid for such Transfer in terms of lawful money of the United States. Such First Refusal Notice and Offer shall be delivered to the Manager, who shall deliver one copy thereof to each of the Other Members within five (5) days of receipt by the Manager. The Other Members and the Manager may elect to purchase Membership Interests, pro rata according to the relative Operating Profits then allocated to each such Manager or Member, upon the terms and conditions set forth in the Offer by so notifying the Members (the "Buy Notice") within thirty (30) days from the date the First Refusal Notice is given. If any Buy Notices are given within such thirty (30) day period, the Selling Member shall sell the Membership Interests to the Manager and Members issuing the Buy Notices, in applicable proportions, on the terms and conditions set forth in Paragraph 18.5(b). If no Buy Notice(s) are given within such thirty (30) day period, the Selling Member shall have the right to Transfer all, but not less than all, of the Membership Interests to the person or entity making the Offer on the terms and conditions set forth in the Offer, but not on more favorable terms and conditions, and subject to the approval of the Manager (and otherwise in compliance with this Paragraph 18); provided, however, that if the Membership Interests are not Transferred pursuant to the Offer within ninety (90) days from the date the First Refusal Notice respecting such Offer was given, the Selling Member may not Transfer the Membership Interests without giving the Other Members and the Manager a new First Refusal Notice in accordance with the terms and provisions hereof.

(b) The price at which the Membership Interests shall be acquired by the Other Members and/or the Manager, as the case may be, shall be as follows:

(i) If the Selling Member proposes to sell the Membership Interests, the price at and the terms and conditions upon which the Membership Interests may be purchased by such persons shall be the same price, terms and conditions as are set forth in the Offer. If the Selling Member proposes to sell the Membership Interests in exchange for property other than cash, the price at which such persons may purchase the Membership Interests pursuant to this Paragraph 18.5 shall be cash equal to the fair market value of such property, such fair market value to be determined by the Manager in their sole discretion.

(ii) If the Selling Member proposes to make a gift of the Membership Interests, the price at which such persons may purchase the Membership Interests shall be the fair market value thereof, the same to be determined by the Manager in their sole discretion.

(iii) If the Selling Member proposes to encumber the Membership Interests, such persons may either purchase the Membership Interests at the fair market value therefor (as determined by the Manager in their sole discretion) in cash or may lend to the Selling Members on the security of such Membership Interests the same amount and upon the same terms and conditions as are proposed in the First Refusal Notice, at the election of such persons giving notice as herein provided. If such persons giving notice cannot agree on whether to purchase the Membership Interests or lend on the security of the Membership Interests, they must purchase the Membership Interests.

The provisions of this Paragraph 18.5 shall not apply to any transfer by a Member or Manager of his, her or its Membership Interests in the Company to any trust for the benefit of the Member, the Member's spouse or children, or by descent or devise following the death of a Member or Manager, provided that the transfer conforms to the requirements of Paragraph 18.2 above.

18.6 A Manager may not assign or transfer his, her or its Membership Interests in the Company other than to any Affiliate of the Manager or to any trust for the benefit of such Manager, the Manager's spouse or children, or by descent or devise following the death of a Manager; provided, however, that a Manager shall have a right to assign his interest in Operating Profits, Extraordinary Profits, Available Cash From Operations and Available Cash From a Financing or Disposition without the consent of any Member.

18.7 An Economic Interest holder who has become a Member has the rights and powers to the extent assigned and is subject to the restrictions and liabilities of a Member under the Articles, this Agreement and the Act. An Economic Interest holder who becomes a Member is also liable for any obligation of his, her or its assignor to make Capital Contributions to the Company to the extent not previously made.

18.8 A Member who has assigned all or a portion of his, her or its Membership Interests in the Company is not released from his, her or its liability to the Company without the written consent of the Manager, whether or not the Economic Interest holder becomes a Member. A Member who has assigned all of his, her or its interest in the Company remains a Member until the admission of the Economic Interest holder as a Member as herein provided.

19. INDEMNIFICATION AND LIABILITY OF MANAGERS.

19.1 The Company, its receiver or its trustee, shall indemnify, hold harmless and pay all liabilities, judgments and claims, including, without limitation, all such liabilities under federal and state securities laws as permitted by law, against (a) the Manager from any liability or damage incurred by reason of any act performed or omitted to be performed by them in connection with the business of the Company or (b) the Members for any act performed by them as permitted by this Agreement, including, without limitation, attorneys' fees and costs incurred by them in connection with the defense of any action based on any such act or omission, which

attorneys' fees and costs may be paid as incurred. All judgments against the Company and its Members on which any Member is entitled to indemnification must first be satisfied from Company assets before the Member in question is responsible for these obligations.

19.2 In the event of any action by a Member against any or all Manager(s), including a Company derivative suit, the Company will indemnify, hold harmless and pay all expenses of the Manager(s), including attorneys' fees and costs incurred in the defense of such action, if such Manager(s) are successful in such action.

19.3 The Manager shall not be relieved from any liability for any acts or omissions resulting from breach of their obligations hereunder or from bad faith. Indemnification to which the Manager is entitled under this Paragraph 19 shall be recoverable out of the assets of the Company but not from the Members.

19.4 The Manager shall not be liable to the Members or to the Company for any loss resulting from errors made by the Manager in the reasonable exercise of business judgment, unless such errors result from breach of this Agreement or bad faith by the Manager.

19.5 Notwithstanding any provision hereof or of any other document governing the formation, management or operation of the Company to the contrary, the following shall govern: Any indemnification shall be fully subordinated to any obligations respecting the Property and shall not constitute a claim against the Company in the event that cash flow is insufficient to pay such obligations.

20. DISSOLUTION AND LIQUIDATION.

20.1 The Company shall be dissolved upon the earlier of:

(a) **December 31, 2030.**

(b) The retirement, withdrawal, death, dissolution or insanity of the only remaining Manager or any other event which, pursuant to the Act and unless otherwise provided in this Agreement, results in the only remaining Manager ceasing to be a Manager, unless a Majority in Interest of the Members agree in writing within ninety (90) days thereof to continue the business of the Company.

(c) An election to dissolve the Company made in writing by the Manager and a Majority in Interest of the Members.

(d) The sale, exchange or other disposition of all, or substantially all, of the assets of the Company; provided, however, that if the Company receives a purchase money note upon the sale of one or all of the REO Properties, the Company shall continue in existence until such note is satisfied, sold or otherwise disposed of.

(e) The failure to elect, as provided in Paragraph 13.4 above, a successor Manager within ninety (90) days from and after removal of the last Manager.

(f) The entry of a judgment of dissolution under the Act.

- (g) Acquisition by a single person of all outstanding interests in the Company.

Notwithstanding any provision hereof or of any other document governing the formation, management or operation of the Company to the contrary, the following shall govern: The vote of a majority of the Membership Interests of the remaining Members is sufficient to continue the life of the Company.

20.2 Upon the dissolution of the Company, the Manager (which term, for the purpose of this Paragraph 20.2, shall include the trustees, receivers or other persons required by law to wind up the affairs of the Company) shall wind up the affairs of the Company as provided in the Act. The Company shall engage in no further business thereafter other than that necessary to wind up the business in accordance with the Act and distribute the assets in accordance with this Agreement. The Members shall continue to allocate Operating Profits and Extraordinary Profits and Operating Losses and Extraordinary Losses during the winding up period in the same manner as such amounts were divided before dissolution. The parties responsible for winding up shall be entitled to reasonable compensation for their services in connection therewith, which compensation shall be considered an expense of the Company. The Manager may, from time to time and at any time, have the assets or any one or more of them appraised at the expense of the Company for distribution in kind, subject to existing liens and encumbrances.

20.3 From and after the dissolution of the Company, the proceeds from the liquidation of the Company's property and from the operation of the Company's business shall, in accordance with Paragraph 12, above, be applied and distributed in the following order:

- (a) To creditors, including (to the extent permitted by law) Members who are creditors, in satisfaction of liabilities of the Company other than liabilities for distributions to Members and former Members under Paragraph 12, above.

- (b) To the parties responsible for winding up the Company, the compensation to which they are entitled for their services in winding up the affairs of the Company.

- (c) To the Sponsors, Manager and Members in accordance with Paragraphs 12.2 and 12.3, above.

20.4 Subject to this Paragraph 20, the business and affairs of the Company shall be wound up in the manner provided in the Act.

20.5 As soon as practicable after the dissolution of the Company, a final statement of its assets and liabilities shall be prepared by the Company and furnished to the Members.

20.6 As soon as possible after any of the events specified in this Paragraph 20 affecting the dissolution of the Company occurs, the Manager shall file a written notice of winding up with the Delaware Secretary of State signed on behalf of the Company containing such information as is required by the Act.

20.7 Provided all of the known property and assets of the Company have been applied and distributed pursuant to the Act and this Agreement, written articles of termination shall be signed on behalf of the Company by the Manager, if required by the Act. The Manager shall file

the articles of termination with the Delaware Secretary of State containing such information as is required by the Act.

21. INVESTMENT REPRESENTATIONS.

Each Member, by executing a copy of this Agreement and the Subscription Agreement and Investor Questionnaire attached to the private placement offering memorandum dated June 14, 2010 (the "PPM") as Appendix A, hereby represents and warrants to each other Member and the Company as follows:

21.1 The Membership Interests are being acquired for his, her or its own account, for investment, and not with a view to or for sale in connection with any distribution thereof. In that regard, the Member recognizes and understands that the Membership Interests being purchased and sold hereunder have not been registered under the 1933 Act nor qualified under the securities laws of the States of California or Delaware by reason of the fact that the contemplated transaction constitutes a private offering within the meaning of Section 4(2) of the 1933 Act and Regulation D, promulgated thereunder, and is exempt from qualification pursuant to the laws of those states.

21.2 Each Member has been fully advised of the facts respecting the organization of the Company and has been given the opportunity to consult his, her or its legal counsel with respect to the Company. Each Member hereby agrees and acknowledges that the offer and sale of the Membership Interests to him, her or it does not involve any public offering of such Membership Interests.

22. MISCELLANEOUS.

22.1 **Notices.** Any notice, request, demand, instruction or other document to be given hereunder, or pursuant hereto, to any party shall be in writing and shall either be personally delivered (in which event such notice shall be deemed effective only upon such delivery), or delivered by mail, sent by registered or certified mail, postage prepaid, return receipt requested to each of the Members at the address set forth on the Company's records. Notices so mailed shall be deemed to have been given seventy-two (72) hours after the deposit of same in the United States mail, postage prepaid, addressed as set forth above. Notice shall not be deemed given unless and until notice has been given to all addressees to whom notice must be sent. The addresses and addressees, for the purpose of this Paragraph 22.1, may be changed by giving written notice of such change in the manner herein provided for giving notice. Unless and until such written notice is received, the last address and addressee stated by written notice, or as provided herein if no written notice of change has been sent or received, shall be deemed to continue in effect for all purposes hereunder.

22.2 **Binding Effect.** This Agreement shall be binding upon all of the Members and their executors, administrators, successors and permitted assignees.

22.3 **Regulations and Laws.** Nothing contained in this Agreement shall be construed to require the commission of any act contrary to law, and whenever there is a conflict between any provision of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such

event the provisions of this Agreement affected shall be curtailed and limited only to the extent necessary to bring it within the requirement of the law. This Agreement is made under and shall be construed pursuant to the laws of the State of Delaware.

22.4 **Attorneys' Fees.** In the event of any action for breach of or to enforce or declare rights under any provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs, to be paid by the losing party.

22.5 **Counterparts.** This Agreement may be executed in several counterparts and all so executed shall constitute one agreement, binding upon all of the parties hereto, notwithstanding that all of the parties are not signatories to the original or the same counterparts.

22.6 **No Other Agreement.** The entire agreement of the parties with respect to the Company and the relations with each other with respect to the REO Properties is contained and referred to herein.

22.7 **Headings.** The paragraph headings of the various provisions hereof are intended solely for convenience of reference and shall not in any manner amplify, limit or modify, or otherwise be used in the interpretation of, any of said provisions.

22.8 **Affiliate Activities.**

(a) Nothing herein contained shall preclude any Manager or Member from owning, purchasing, selling, or otherwise dealing in any manner with any property or engaging in any business whatsoever without notice to any other Manager or Member, without participation of any other Manager or Member, and without liability to any other Manager or Member. It is understood that any Manager or Member may now or hereafter engage in any business or possess any property of any type, whether or not such business or such property competes with the business or property of the Company. Without limiting the generality of the foregoing, any Manager or Member may, without notice to the other Manager or Members, and without obligation to present to the Company an opportunity of any kind whatsoever, even though such opportunity might come to the attention of or become available to such Manager or Member through his, her or its participation in the Company, acquire, sell, finance, lease, operate, manage, develop or syndicate any real property, including, without limitation, real property contiguous to or in the same general area as the REO Properties, free of any claim whatsoever of any other Manager or Member or the Company. Each Manager and Member hereby waives any right that he, she or it may have against others who may capitalize on or take advantage of information learned as a result of an association with the Company.

(b) From time to time and when appropriate, the Manager may contract with a Member or a third party vendor affiliated with the Manager or a Member as long as it is in furtherance of the purpose of the Company as set forth in Paragraph 7.

22.9 **Gender and Tense.** As used in this Agreement, the masculine, feminine or neuter gender, and the singular or plural number, shall be deemed to include the others whenever the context so indicates.

22.10 **Remedies.** If any party to this Agreement shall fail to observe or perform any term, covenant, condition or other obligation on his, her or its part to be observed or performed pursuant to this Agreement or in connection with this Agreement (the “Defaulting Party”), any other party to this Agreement, in addition to and not *in lieu* or in limitation of, any of his, her or its other remedies under this Agreement, under any statute or at law, shall be entitled to apply to, and obtain from, any court of equity having jurisdiction over the Defaulting Party:

(a) An injunction, temporary restraining order and any other prohibitory decree to prevent any further such failure to observe or perform on the part of the Defaulting Party; and

(b) A decree for specific performance of any such term, covenant, condition or other obligation.

22.11 **No Waiver.** The waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Agreement nor shall it be considered a waiver by such party of any other covenant, condition or promise hereunder. The waiver by any party of the time for performing any act shall not constitute a waiver of the time for performing any other act or an identical act required to be performed at a later time. The exercise of any remedy shall not exclude other consistent remedies.

22.12 **Section 704(c).** If any party makes a contribution of property to the Company, the adjusted basis of which for income tax purposes is different from the value at which such property is accepted by the Company, the Company shall elect to have such difference allocated to the contributing party pursuant to Section 704(c) of the Code and any comparable state statute.

22.13 **No Third-Party Benefit.** Nothing contained in this Agreement shall be deemed to confer any right or benefit on any person or entity who is not a party to this Agreement.

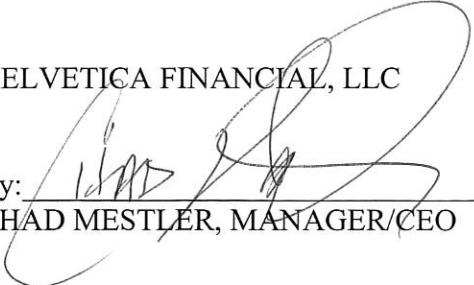
22.14 **Section 754 Election.** The Manager may, in their sole and absolute discretion, make the election provided for in Section 754 of the Code.

22.15 **Default Rule.** The Company shall be taxed as a partnership for Federal and for state tax purposes. The Manager may, in their sole and absolute discretion, make the elections required by law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

“MANAGER / SPONSOR”

HELVETICA FINANCIAL, LLC

By: 
CHAD MESTLER, MANAGER/CEO

“MEMBERS”

By: _____

PRINT NAME

By: _____

PRINT NAME

“SPONSOR”

CTV CAPITAL, LLC

By: 
TOM PHANCO, MANAGING MEMBER

Exhibit A
Members and Their Corresponding Membership Interests

Exhibit B
Sponsors and Their Corresponding Sponsorship Interests

Sponsors	Sponsorship Interests
HELVETICA FINANCIAL, LLC	50.00%
CTV CAPITAL, LLC	50.00%

