

BYLAWS
OF
GRANBURY AT VALLEY VISTA
HOMEOWNERS ASSOCIATION

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ARTICLE I

GENERAL

1.01 Registered Office. The registered office of the Association shall be located at The Management Trust, 8485 W. Sunset Road, Suite 100, Las Vegas, Nevada 89113.

1.02 Principal Office. The principal office of the Association shall be located at 9275 W. Russell Road, Suite 400, Las Vegas, Nv 89148.

1.03 Other Offices. The Association may also have offices at such other places both within and without the State of Nevada as the Board may from time to time determine or the business of the Association may require.

1.04 Defined Terms. Capitalized terms used herein, unless otherwise defined herein, shall have the meanings ascribed to such terms in the Declaration of Covenants, Conditions, and Restrictions for GRANBURY AT VALLEY VISTA, Recorded or to be Recorded in the Office of the Clark County Recorder and applicable to the Development (the "Declaration").

1.05 Powers. The Association shall have all of the powers of a nonstock, nonprofit corporation organized under the laws of the State of Nevada in operating for the benefit of its members, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws, and the Declaration. It shall have the power to do any and all lawful things that may be authorized, required, or permitted to be done under and by virtue of the Declaration and to do and perform any and all acts that may be necessary or proper for or incidental to the exercise of any of the express powers of the Association for the peace, health, comfort, safety, or general welfare of the Owners.

ARTICLE II

MEMBERS

2.01 Membership Rights. Only Owners, including Declarant, shall be Members of the Association. Each Owner shall automatically be a Member of the Association without the necessity of any further action on its part, and membership in the Association shall be appurtenant to and shall run with the property interest ownership that qualifies the Owner to membership in the Association. Membership in the Association may not be severed from or in any way transferred, pledged, mortgaged, or alienated except with the title to the property ownership interest that qualifies the Owner thereof to membership and then only to the transferee of title to the property interest. Any attempt to make a prohibited severance, transfer, pledge, mortgage, or alienation shall be void.

2.02 Control of Association.

(a) Voting Rights. Subject to subsections (b) and (c) below, Members shall be entitled to one (1) vote per Lot. Only votes cast in person, by secret ballot, or by proxy may be counted.

(b) Declarant Control of Association. Notwithstanding any other provision of the Declaration or of these Bylaws and subject to subsection (c) below, there shall be a period during which the Declarant shall control the Association, and the Declarant or a Person designated by the Declarant may appoint and remove all or some of the officers and directors of

the Association. The period of Declarant control of the Association terminates no later than the earlier of:

(i) sixty (60) days after the conveyance by Declarant of seventy-five percent (75%) of the Lots that may be created within the Property to Owners other than the Declarant;

(ii) five (5) years after the Declarant has ceased to offer Lots for sale in the ordinary course of its business; or

(iii) five (5) years after any right to annex new Lots was last exercised by Declarant.

The Declarant may, but is not obligated to, voluntarily surrender the right to appoint and remove officers and Board members as provided herein before the termination period set forth above, provided that the Declarant may require that specified actions of the Association or the Board may require Declarant approval prior to becoming effective. Such surrender of rights shall only be by a recorded instrument.

(c) Composition of the Board. Not later than sixty (60) days after conveyance by Declarant of twenty-five percent (25%) of the Lots that may be created within the Property to Owners other than Declarant, at least one (1) member of the Board and not less than twenty-five percent (25%) of the members of the Board must be elected by Owners other than Declarant. Not later than sixty (60) days after conveyance by Declarant of fifty percent (50%) of the Lots that may be created within the Property to Owners other than Declarant, not less than thirty-three and one-third percent (33-1/3%) of the members of the Board must be elected by Owners other than the Declarant. Upon expiration of the Declarant control period set forth in subsection (b) above, one hundred percent (100%) of the Board shall be elected by Owners other than Declarant.

(d) Election of Directors. After termination of the Declarant's control period, every election of Board members must be held on or about one (1) year after the previous election, provided that meeting space is available and quorum requirements are met. Not less than thirty (30) days before the preparation of any ballot for the election of any member of the Board, the Secretary of the Association shall cause notice to be given to each Owner of his or her eligibility to serve as a member of the Board. Each Owner who is qualified to serve as a member of the Board may have his or her name placed on the ballot along with the names of the nominees selected by the members of the Board or by the nominating committee established by the Association.

Every election of Board members must be conducted by secret written ballot. A vote may not be cast pursuant to a proxy for the election or removal of any Board member. The Secretary of the Association shall cause to be sent prepaid by United States mail to the mailing address of each Lot within the Development or to any other mailing address designated in writing by the Lot Owner, a secret ballot and a return envelope. The date by which the ballot must be returned shall be no less than fifteen (15) days after the date the ballot is mailed to the Lot Owner. For the purposes of determining whether a quorum is present for the election of any member of the Board, only the secret written ballots that are returned to the Association may be counted. Votes cast for the election of a member of the Board must be counted in public during a meeting of the Association. No quorum is required either with respect to the secret ballots

returned or with respect to the meeting at which the ballots are counted. No incumbent members of the Board shall have access to or possess any ballots, or participate in the counting thereof, before such time that the ballots have been counted in public at the meeting of the Association. The candidates receiving the highest number of votes up to the number of Directors to be elected shall be elected. The members of the Board shall take office upon election.

The term of office of Board members shall be one (1) year, or such other term not to exceed two (2) years as the Board may from time to time establish, except that the term of the office for Board members appointed by Declarant may exceed two (2) years. The terms of office shall be staggered in such a manner that, to the extent possible, an equal number of members of the Board are elected for each election; provided, that this shall not apply with respect to any Board members appointed for a term of one (1) year or less, or any Board members appointed by Declarant. There is no limitation on the number of terms a member of the Board may serve.

Each person whose name is placed on the ballot as a candidate for a member of the Board must make a good faith effort to disclose any financial, professional, or personal relationship or interest that would result in or would appear to a reasonable person to result in a potential conflict of interest for the candidate if the candidate were to be elected to serve as a Board member. The candidate must make the disclosure, in writing, to each Member of the Association by means of: (i) posting one copy of the written disclosure in a conspicuous place within the Association, at least fifteen (15) days prior to the election; and (ii) providing one copy of the written disclosure to each Owner to each Lot by United States mail, postage prepaid, or by leaving a copy at each door, at least fifteen (15) days prior to the election.

Except for any member of the Board appointed by the Declarant, a person may not be a member of the Board or an officer of the Association if that person, his or her spouse, parent, or child, by blood, marriage, or adoption, performs the duties of a community manager for the Association.

Each member of the Board shall, within thirty (30) days after his or her appointment or election, certify in writing that he or she has read and understands the governing documents of the Association and the provisions of the Act to the best of his or her ability.

(e) Removal of Board Members. Notwithstanding any provision of the Declaration or these Bylaws to the contrary and in accordance with NRS 116.31036, a member of the Board, not including a Board member appointed by Declarant, may be removed if Members representing no less than thirty-five percent (35%) of the total number of voting Members cast a vote and a majority of all votes cast are in favor of removal. The removal of any member of the Board must be conducted by secret written ballot. With respect to any removal by secret ballot: (i) the Secretary of the Association shall cause a secret ballot and a return envelope to be sent, prepaid by United States Mail, to the mailing address of each Lot within the Association or to any other address specified by the Owner; (ii) each Owner shall be provided with at least 15 days after the date the secret ballot is mailed to the Owner to return the secret ballot to the Association; (iii) only the secret written ballots that are returned to the Association may be counted to determine the outcome; (iv) the secret written ballots must be opened and counted at a meeting of the Association. A quorum is not required to be present when the secret written ballots are opened and counted at the meeting; and (v) the incumbent members of the Board, including, without limitation, the Board member who is subject to removal, may not possess, be given access to or participate in the opening or counting of the secret written ballots

that are returned to the Association before those secret ballots have been opened and counted at a meeting of the Association.

(f) Special Meetings and Removal Election. Special meetings of the Members may be called at any reasonable time and place by notice of the President of the Association or the Board. In addition, Members constituting at least ten percent (10%) of the total number of voting Members in the Association may call a removal election or special meeting of the Members. To do so, the Members must submit a written petition which has been signed by no less than ten percent (10%) of the total number of Members entitled to vote and deliver the petition by mail, return receipt requested, or served by a process server on the Board or community manager. A special meeting shall be held not less than 15 or more than 60 days after the date on which the petition is received. A removal election shall be conducted by secret written ballot which must be sent to the Members not less than 15 or more than 60 days after the date the petition is received, and the Board must set the date for the meeting to open and count the secret written ballots so that the meeting is held not more than 15 days after the deadline for returning the secret written ballot.

(g) Joint or Common Ownership. If any property interest, ownership of which entitles the Owner thereof to vote, is held jointly or in common by more than one (1) Person, the vote or votes to which such property interest is entitled shall also be held jointly or in common in the same manner. However, the vote or votes for such property interest shall be cast, if at all, as a unit, and neither fractional votes nor split votes shall be allowed. In the event joint or common Owners are unable to agree among themselves as to how their vote or votes shall be cast as a unit, they shall lose the right to cast their vote or votes on the matter in question. Any joint or common Owner shall be entitled to cast the vote or votes belonging to the joint or common Owners unless another joint or common Owner shall have delivered to the Secretary of the Association prior to the time for casting such vote a written statement to the effect that the Owner wishing to cast the vote or votes has not been authorized to do so by the other joint or common Owner or Owners.

(h) Proxy Voting. Except as otherwise provided in this Section, votes allocated to a Lot may be cast pursuant to a revocable written proxy executed by the Owner thereof, authorizing the holder to cast the Owner's votes on any matter. An Owner may give a proxy only to a member of his immediate family, his Lessee who resides in the Development, another Owner who resides in the Development, or any other Person permitted by the Act. If a Lot is owned by more than one Person, each Owner of the Lot may vote or register protest to the casting of votes by the other Owners of the Lot through a proxy. A vote may not be cast by proxy if: (i) it is not dated; (ii) it purports to be revocable without notice; (iii) it does not designate the meeting for which it is executed; (iv) it does not designate the agenda item or items for which the Owner has executed a proxy, except that this requirement shall not apply if the proxy is to be used solely for establishing whether a quorum (as determined pursuant to these Bylaws) is present for the meeting; or (v) the holder of the proxy does not disclose at the beginning of the meeting for which the proxy is executed, the number of proxies pursuant to which he will be casting votes and the voting instructions received for each proxy. If a proxy is for more than one agenda item, the proxy should designate whether the vote on that matter must be cast in the affirmative or in the negative. If the proxy does not so provide for a particular agenda item, the proxy must be treated as if the Owner were present but did not vote on that item. Every proxy shall terminate immediately after the conclusion of the meeting for which it

was executed. An Owner may revoke a proxy only by actual notice of revocation to the person presiding over a meeting of the Association. A vote may not be cast pursuant to a proxy for the election or removal of a member of the Board. Any proxy that fails to comply with the requirements of this Section shall be void.

- (i) Cumulative Voting. Voting shall not be cumulative.

2.03 Meetings of Members. The Association shall hold an annual meeting of the Members. The annual meeting of the Members shall be held on or about one (1) year after the date of the last annual meeting. If the Members have not held a meeting for one (1) year, a meeting of the Members must be held in accordance with the Act. The Association shall also hold at least one (1) regular meeting other than the annual meeting each year.

(a) Notice. Not less than fifteen (15) days (twenty-one (21) days in the event of a meeting at which an Assessment for a capital improvement or commencement of a civil action is to be considered or action is to be taken on such an Assessment) nor more than sixty (60) days in advance of each meeting of the Members, the Secretary shall cause notice of the meeting to be hand-delivered or sent prepaid by United States mail to the mailing address of each Lot or to any other mailing address designated in writing by the Lot Owner. The notice of the meeting must state the time and place of the meeting and include a copy of the agenda for the meeting. The notice must also include notification of the right of an Owner (i) to have a copy of the minutes or a summary of the minutes of the meeting distributed to the Owner upon request and, if required by the Board and permitted by law, upon payment to the Association of the cost of making the distribution, and (ii) to speak to the Association.

(b) Agenda. The agenda for each meeting of the Owners must consist of: (i) a clear and complete statement of the topics scheduled to be considered during the meeting, including, without limitation, any proposed amendment to the Declaration or Bylaws, any fees or Assessments to be imposed or increased by the Association, any budgetary changes, and any proposal to remove an officer or member of the Board; (ii) a list describing the items on which action may be taken and clearly denoting that action may be taken on those items; and (iii) a period devoted to comments by Owners and discussion of those comments. In an Emergency (as hereinafter defined), the Owners may take action on an item which is not listed on the agenda. The notice, agenda, and Owner comment requirements of subsection 2.03(a) and this subsection 2.03(b) apply to both regular and special meetings of the Members.

(c) Emergency. As used in this Section 2.03, "Emergency" means any occurrence or combination of occurrences that: (i) could not have been reasonably foreseen; (ii) affects the health, welfare, and safety of the Owners or residents; (iii) requires the immediate attention of, and possible action by, the Board; and (iv) makes it impracticable to comply with the notice provisions of this Section.

(d) Quorum. The presence at any meeting, in person or by proxy, of Members entitled to vote at least twenty percent (20%) of the total votes outstanding shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the Members present, either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall decrease by ten percent (10%). If the first adjourned meeting cannot be held because a quorum is not present, the Members present, either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time

not less than five (5) nor more than thirty (30) days from the time the first adjourned meeting was called, at which meeting the quorum requirement shall decrease by five percent (5%).

(e) Organization. The Chairman of the Board, or in his or her absence the Vice-Chairman, shall call meetings of Members to order and act as chairman of such meetings. In the absence of both of said officers, any Member entitled to vote thereat or any proxy of any such Member may call the meeting to order, and a chairman of the meeting shall be elected. The Secretary of the Association, or in his or her absence the Assistant Secretary, shall act as secretary of the meeting. In the absence of both the Secretary and the Assistant Secretary, a secretary shall be selected in the same manner as that provided above for selecting a chairman of the meeting.

(f) Action by Members. Except as provided otherwise in the Declaration or these Bylaws, any action (including any approvals required under the Declaration or these Bylaws) may be taken at any legally convened meeting of the Members at which a quorum is present upon the affirmative vote of the Members having a majority (or such greater percentage as may be required elsewhere in the Declaration or these Bylaws for approval of the Members of any matter) of the total votes present at such meeting in person or by proxy. Only votes cast in person, by secret ballot, or by proxy may be counted.

(g) Minutes. Not more than thirty (30) days after any meeting of the Members, the Secretary shall cause the minutes or a summary of the minutes of the meeting to be made available to the Members. A copy of the minutes or a summary of the minutes must be provided to any Member who pays the Association the cost of providing the copy.

2.04 Place of Meetings. Meetings of the Members shall be held at the Association's principal office, unless otherwise specified in the notice calling any such meeting, or in the event of a waiver of notice of such meeting, in such waiver of notice.

2.05 Fixing Date for Determination of Members. In order that the Association may determine the Members entitled to notice of and to vote at any meeting of Members or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or for the purpose of any other lawful action, the Board may fix in advance a record date, which shall not be more than sixty (60) nor less than fifteen (15) days (twenty-one (21) days in the event of a meeting at which an Assessment for a capital improvement or commencement of a civil action is to be considered or action is to be taken on such an Assessment) prior to the date of such meeting or such action, as the case may be. If the Board has not fixed a record date for determining the Members entitled to notice of and to vote at a meeting of Members, the record date shall be at close of business on the day next preceding the day on which notice is given, or if notice is waived, on the close of business on the day next preceding the day on which the meeting is held. If the Board has not fixed a record date for determining the Members entitled to express consent to action in writing without a meeting, when no prior action by the Board is necessary the record date shall be the day on which the first written consent is expressed by any Member. If the Board has not fixed a record date for determining Members for any other purpose, the record date shall be at the close of business on the day on which the Board adopts the resolution relating thereto. A determination of Members of record entitled to notice of or to vote at a meeting of Members shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for the adjourned meeting.

2.06 Action By Members Without a Meeting. Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting, without notice and without a vote, if a consent in writing, setting forth the action so taken, is signed by the Members with the percentage of the voting power required to take such action. Prompt notice of the taking of any such action shall be given to any such Members entitled to vote who have not so consented in writing.

2.07 Assessments. The Owner of any Lot, by acceptance of a deed therefor, covenants and agrees to pay to the Association annual Assessments and special Assessments for capital improvements, such Assessments to be established and collected as set forth in the Declaration.

ARTICLE III

BOARD OF DIRECTORS

3.01 General Powers. The business and affairs of the Association shall be managed by the Board.

3.02 Number, Term and Qualifications. The Board shall consist of not less than three (3) nor more than five (5) members, the number thereof to be determined from time to time by the Board. Each Director must either be a Member or an employee, partner, manager, member, director, trustee, beneficiary, fiduciary, officer, or agent of a Member that is not a natural person. In all events where the Person serving or offering to serve as a member of the Board is not the record Owner, he or she shall file proof in the records of the Association that: (a) states that he or she is associated with the Owner; and (b) identifies the Lot(s) owned by the Owner. Unless otherwise provided in these Bylaws, a Director shall hold office until the next annual meeting of the Members and until his or her successor shall be elected and qualified. The term of office of members of the Board shall be one (1) year, or such other term not to exceed three (3) years as the Board may from time to time establish. There is no limitation on the number of terms a member of the Board may serve.

3.03 Place of Meeting. The Board may hold its meetings at such place or places as it may from time to time by resolution determine or as shall be designated in any notices or waivers of notice thereof. Any such meeting, whether regular or special, may be held by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting in such manner shall constitute presence in person at such meeting.

3.04 Regular Meetings. Regular meetings of the Board shall be held at such regular times, at least once every ninety (90) days, as may be fixed from time to time by resolution of the Board.

3.05 Special Meetings. Special meetings of the Board shall be held whenever called by the President, Secretary, or a majority of the Directors at the time in office.

3.06 Notice to Board Members. Except as otherwise provided in Section 3.08 hereof, notice of each meeting of the Board shall be mailed to each Director, addressed to him or her at his or her residence or usual place of business at least two (2) days before the day on which such meeting is to be held or shall be sent addressed to him or her at such place by telegraph, cable, wireless, or other form of recorded communication or delivered personally or by telephone not later than the day before the day on which such meeting is to be held. The notice shall state the time and place of such meeting, but need not state the purposes thereof. A written waiver of

notice, whether given before or after the meeting to which it relates, shall be equivalent to the giving of notice of such meeting to the Director or Directors signing such waiver. Attendance of a Director at a Board meeting shall constitute a waiver of notice of such meeting, except when he or she attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

3.07 Notice to Members. Except in an Emergency (as hereinafter defined), the Secretary of the Association shall, not less than ten (10) days before the date of each meeting of the Board, cause notice of the meeting to be given to the Owners. Such notice must be either sent prepaid by United States mail to the mailing address of each Lot within the Development or to any other mailing address designated in writing by the Lot Owner or published in a newsletter or other similar publication that is circulated to each Owner.

In an Emergency, the Secretary shall, if practicable, cause notice of the meeting to be sent prepaid by United States mail to the mailing address of each Lot within the Development. If delivery of the notice in this manner is impracticable, then notice must be hand-delivered to each Lot within the Development or posted in a prominent place or places within the Common Area.

The notice of a meeting of the Board must state the time and place of the meeting and include a copy of the agenda for the meeting or the date on which and the locations where copies of the agenda may be conveniently obtained by the Owners. The notice must include notification of the right of an Owner (i) to have a copy of the minutes or a summary of the minutes of the meeting distributed to him upon request and, if required by the Board, upon payment to the Association of the cost of making said distribution and (ii) to speak to the Board, unless the Board is meeting in closed executive session.

The notice requirements of this Section apply to both regular and special meetings of the Board. As used in this Section, "Emergency" means any occurrence or combination of occurrences that (i) could not have been reasonably foreseen, (ii) affects the health, welfare, and safety of the Owners or residents, (iii) requires the immediate attention of, and possible action by, the Board, and (iv) makes it impracticable to comply with the notice provisions of this Section 3.07.

3.08 Quorum. A majority of the whole Board shall be present in person at any meeting of the Board in order to constitute a quorum for the transaction of business at such meeting, and except as otherwise specified in these Bylaws and except also as otherwise expressly provided by Nevada law, the vote of a majority of the Directors present at any such meeting at which a quorum is present shall be the act of the Board. In the absence of a quorum from any such meeting, a majority of the Directors present thereat may adjourn such meeting from time to time to another time or place without additional notice to the Board members other than announcement at the meeting until a quorum shall be present thereat. The Directors shall act only as a Board, and the individual Directors shall have no power as such.

3.09 Organization; Conduct of Business. At each meeting of the Board, the President, or if he or she is absent therefrom, a Director chosen by a majority of the Directors present thereat, shall act as chairman of such meeting and preside thereat. The Secretary, or if he or she is absent, the person (who shall be an Assistant Secretary, if any and if present) whom the chairman of such meeting shall appoint, shall act as Secretary of such meeting and keep the minutes thereof.

The agenda for every meeting of the Board must consist of: (i) a clear and complete statement of the topics scheduled to be considered during the meeting, including, without limitation, any proposed amendment to the Declaration or these Bylaws, any fees or Assessments to be imposed or increased by the Association, any budgetary changes, and any proposal to remove an officer or member of the Board; (ii) a list describing the items on which action may be taken and clearly denoting that action may be taken on those items; and (iii) a period devoted to comments by Owners and discussion of those comments. The period required to be devoted to comments by Owners and discussion of those comments must be scheduled for the beginning of the meeting. In an Emergency (as hereinafter defined), the Board may take action on an item which is not listed on the agenda.

The agenda and Owner comments requirements of this Section apply to both regular and special meetings of the Board. As used in this Section, "Emergency" means any occurrence or combination of occurrences that: (i) could not have been reasonably foreseen; (ii) affects the health, welfare, and safety of the Owners or residents; (iii) requires the immediate attention of, and possible action by, the Board; and (iv) makes it impracticable to comply with the notice provisions of Section 3.07 hereof.

At least once every ninety (90) days, the Board shall review at one of its meetings (i) a current year-to-date financial statement of the Association; (ii) a current year-to-date schedule of revenues and expenses for the operating account and the reserve account, compared to the budget for those accounts; (iii) a current reconciliation of the operating account of the Association; (iv) a current reconciliation of the reserve account of the Association; (v) the latest account statements prepared by the financial institutions in which the accounts of the Association are maintained; and (vi) the current status of any civil action or claim submitted to arbitration or mediation in which the Association is a party.

Except as otherwise specifically provided in the Declaration or these Bylaws, an Owner may attend any meeting of the Board and speak at any such meeting. The Board may establish reasonable limitations on the time an Owner may speak at such a meeting.

The Board may meet in closed executive session to: (i) consult with an attorney for the Association on matters relating to proposed or pending litigation if the contents of the discussion would otherwise be governed by the attorney-client privilege; (ii) discuss the character, alleged misconduct, professional competence, or physical or mental health of a community manager or any employee of the Association; (iii) except as otherwise provided herein, discuss a violation of the Declaration, these Bylaws, the Rules and Regulations, or other governing documents of the Association alleged to have been committed by any person, including, without limitation, the failure to pay an Assessment (iv) discuss any alleged failure of an Owner to adhere to any required construction schedule. The Board shall meet in executive session to hold a hearing on an alleged violation of the governing documents unless the person who may be sanctioned for the alleged violation requests in writing that an open hearing be conducted by the Board. The person who may be sanctioned is entitled to attend all portions of the hearing related to the alleged violation, including, without limitation, the presentation of evidence and the testimony of witnesses; but is not entitled to attend the deliberations of the Board. Upon request by the person who may be sanctioned, the Board shall provide a copy of the minutes of the executive session to that person or his designated representative. Except as otherwise set forth herein, an Owner is not entitled to speak at a meeting of the Board held in executive session.

Not more than thirty (30) days after each meeting of the Board, the Secretary shall cause the minutes or a summary of the minutes of the meeting to be made available to the Owners. A copy of the minutes or a summary of the minutes must be provided to any Owner who pays the Association the cost of providing the copy to him.

3.10 Action by Directors Without a Meeting. Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is signed by all Directors and such consent is filed with the minutes of the proceedings of the Board.

3.11 Resignations. Any Director may resign at any time by giving written notice of his or her resignation to the Association. Any such resignation shall take effect at the time specified therein, or if the time when it shall become effective is not specified therein, it shall take effect immediately upon its receipt by the President or the Secretary, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

3.12 Vacancies. A vacancy due to death, resignation, removal, or disqualification may be filled for the unexpired portion of the term thereof by a majority of the Directors then in office, although less than a quorum, or by a sole remaining Director. Vacancies resulting from an increase in the number of Board positions must be filled by vote of the Members. If at any time, by reason of death or resignation or other cause, the Association has no Directors in office, then any officer or any Member or an executor, administrator, trustee, or guardian of a Member may call a special meeting of Members for the purpose of filling vacancies in the Board. If one or more Directors shall resign from the Board, effective at a future date, a majority of the Directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

3.13 Compensation. No Director shall receive any compensation for his or her services as a Director, except to the extent permitted by the Act and expressly approved by the consent of a majority of the Members entitled to vote.

3.14 Prohibited Acts. The Board shall not take any of the following action except with the vote or written consent of a majority of the voting power of the Association:

(a) A management contract, the terms of which have been approved by the Federal Housing Administration or U.S. Department of Veterans Affairs (if either of these entities is the holder, insurer or guarantor of any loan or mortgage on any Lot in the Project).

(b) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate.

(c) Prepaid casualty and/or liability insurance policies of not-to-exceed three (3) years duration provided that the policy permits short-rate cancellation by the insured.

(d) Incurring, during any fiscal year, any expenditures for capital improvements to the Common Area aggregate expenditures for such purposes, in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

(e) Selling, during any fiscal year, any property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

(f) Filling a vacancy on the Board of Directors created by the removal of a Director.

(g) In addition, the Board of Directors may not act on behalf of the Association to: (1) amend the Declaration; (2) terminate the common-interest community; or (3) elect members of the Board or determine the qualifications, powers, and duties or terms of office but, as provided for herein, may fill vacancies in its membership for the unexpired portion of any term of a Director not arising by virtue of removal. The Board shall not expend funds designated as reserve funds for any purpose other than the repair, replacement, and restoration of the major components of the Common Area.

ARTICLE IV **OFFICERS**

4.01 Officers. The Association shall have the following officers: a President, a Secretary, and a Treasurer. At the discretion of the Board, the Association may also have one or more Vice Presidents, one or more Assistant Vice Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers. Any two or more offices may be held by the same person. An Owner or an employee, partner, manager, member, director, trustee, beneficiary, fiduciary, officer, or agent of an Owner may be an officer. In all events where the Person serving as an officer is not the record Owner, he or she shall file proof in the records of the Association that: (a) states that he or she is associated with the Owner; and (b) identifies the Lot(s) owned by the Owner.

4.02 Election and Term of Office. The officers of the Association shall be elected annually by the Board. Each such officer shall hold office until his or her successor is duly elected or until his or her earlier death or resignation or removal in the manner hereinafter provided.

4.03 Agents; Managers. In addition to the officers mentioned in Section 4.01 hereof, the Board may, subject to the provisions of the Declaration, appoint such agents or managers as the Board may deem necessary or advisable, each of which agents or managers shall have such authority and perform such duties as are provided in these Bylaws or as the Board may from time to time determine, including the delegation to such agents or managers of any of the powers of the Board or the officers of the Association. The Board may delegate to any officer or to any committee the power to appoint or remove any such agents or managers. Except as otherwise provided in the Act, any manager so appointed must hold either a permit to engage in property management pursuant to NRS Chapter 645 or a certificate issued by the Nevada Real Estate Commission.

4.04 Removal. Any officer may be removed, with or without cause, at any time by resolution adopted by a majority of the Board.

4.05 Resignations. Any officer may resign at any time by giving written notice of his or her resignation to the Board, the President, or the Secretary. Any such resignation shall take effect at the times specified therein, or if the time when it shall become effective is not specified therein, it shall take effect immediately upon its receipt by the Board, the President, or the

Secretary, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.06 Vacancies. A vacancy in any office due to death, resignation, removal, disqualification, or any other cause may be filled for the unexpired portion of the term thereof by the Board.

4.07 President. The President shall be the chief executive officer of the Association and shall have, subject to the control of the Board, general and active supervision and direction over the business and affairs of the Association and over its several officers. The President shall: (a) preside at all meetings of the Members and at all meetings of the Board; (b) make a report of the state of the business of the Association at each semi-annual meeting of the Members; (c) see that all orders and resolutions of the Board are carried into effect; (d) sign, with the Secretary or an Assistant Secretary, any certificates for the Association; (e) have the right to sign, execute, and deliver in the name of the Association all deeds, mortgages, bonds, contracts, or other instruments authorized by the Board, except in cases where the signing, execution, or delivery thereof is expressly delegated by the Board or by these Bylaws to some other officer or agent of the Association or where any of them are required by law otherwise to be signed, executed, or delivered; and (f) have the right to cause the corporate seal, if any, to be affixed to any instrument that requires it. In general, the President shall perform all duties incident to the office of the President and such other duties as from time to time may be assigned to him or her by the Board.

4.08 Vice President. A Vice President and any additional Vice Presidents shall have such powers and perform such duties as the President or the Board may from time to time prescribe and shall perform such other duties as may be prescribed by these Bylaws. At the request of the President, or in case of his or her absence or inability to act the Vice President shall perform the duties of the President and when so acting shall have all the powers of and be subject to all the restrictions upon the President.

4.09 Secretary. The Secretary shall: (a) record all the proceedings of the meetings of the Members, the Board, and the Executive Committee (as hereinafter defined), if any, in one or more books kept for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be the custodian of all contracts, deeds, documents, all other indicia of title to properties owned by the Association, and of its other corporate records (except accounting records) and of the corporate seal, if any, and affix such seal to all documents the execution of which on behalf of the Association under its seal is duly authorized; (d) sign, with the President or a Vice President, certificates for the Association; (e) have charge of the membership records; and (f) see that the books, reports, statements, certificates, and all other documents and records required by law are properly kept and filed. In general, the Secretary shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or the Board.

4.10 Treasurer. If required by the Board, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board shall determine. The Treasurer shall: (a) have charge and custody of and be responsible for all funds, securities, notes, and valuable effects of the Association; (b) receive and give receipt for moneys due and payable to the Association from any sources whatsoever; (c) deposit all such moneys to the credit of the Association or otherwise as the Board or the President shall direct in

such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Section 9.04 of these Bylaws; (d) cause such funds to be disbursed by checks or drafts on the authorized depositories of the Association signed as provided in Section 9.04 of these Bylaws; (e) be responsible for the accuracy of the amounts of and cause to be preserved proper vouchers for all moneys so disbursed; (f) have the right to require from time to time reports or statements giving such information as he or she may desire with respect to any and all financial transactions of the Association from the officers or agents transacting the same; (g) render to the President or the Board whenever they, respectively, shall request him or her so to do an account of the financial condition of the Association and of all his or her transactions as Treasurer; and (h) upon request, exhibit or cause to be exhibited at all reasonable times the cash books and other records to the President or any of the Directors of the Association. In general, the Treasurer shall perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or the Board.

4.11 Assistant Officers. Any persons elected as assistant officers shall assist in the performance of the duties of the designated office and such other duties as shall be assigned to them by any Vice President, the Secretary, or the Treasurer, as the case may be, or by the Board or the President.

4.12 Compensation. No officer shall receive any compensation for his or her services as an officer, except to the extent permitted by the Act and expressly approved by the consent of a majority of the Members entitled to vote.

ARTICLE V **COMMITTEES**

5.01 Executive Committee; How Constituted and Powers. The Board, by resolution adopted by a majority of the whole Board, may designate one or more of the Directors then in office to constitute an Executive Committee, which shall have and may exercise between meetings of the Board all the delegable powers of the Board to the extent not expressly prohibited by the Nevada law or by resolution of the Board. The Board may designate one or more Directors as alternate members of the Executive Committee who may replace any absent or disqualified member at any meeting of the Executive Committee. Each member of the Executive Committee shall continue to be a member thereof only during the pleasure of a majority of the whole Board.

5.02 Executive Committee; Organization. The President shall act as chairman at all meetings of the Executive Committee and the Secretary shall act as secretary thereof. In case of the absence from any meeting of the President or the Secretary, the Executive Committee may appoint a chairman or secretary, as the case may be, of the meeting.

5.03 Executive Committee; Meetings. Regular meetings of the Executive Committee may be held without notice on such days and at such places as shall be fixed by resolution adopted by a majority of the Executive Committee and communicated to all its members. Special meetings of the Executive Committee shall be held whenever called by the President or a majority of the members thereof then in office. Notice of each special meeting of the Executive Committee shall be given in the manner provided in these Bylaws for special meetings of the Board. Notice of any such meeting of the Executive Committee, however, need not be given to any member of the Executive Committee if waived by him or her in writing or by telegraph,

cable, wireless, facsimile, transmission, or other form of recorded communication either before or after the meeting or if he or she is present at such meetings, except when he or she attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Subject to the provisions of this Article V, the Executive Committee, by resolution adopted by a majority of the whole Executive Committee, shall fix its own rules of procedure, and it shall keep a record of its proceedings and report them to the Board at the next regular meeting thereof after such proceedings have been taken. All such proceedings shall be subject to revision or alteration by the Board; provided, however, that third parties shall not be prejudiced by any such revision or alteration.

5.04 Executive Committee; Quorum and Manner of Acting. A majority of the Executive Committee shall constitute a quorum for the transaction of business, and except as specified in Section 5.03, the act of a majority of those present at a meeting thereof at which a quorum is present shall be the act of the Executive Committee. The members of the Executive Committee shall act only as a committee, and the individual members shall have no power as such.

5.05 Other Committees. The Board, by resolution adopted by a majority of the whole Board, may constitute other committees, which shall in each case consist of one or more of the Directors, and at the discretion of the Board, such officers who are not Directors. The Board may designate one or more Directors or officers who are not Directors as alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee. Each such committee shall have and may exercise such powers as the Board may determine and specify in the respective resolutions appointing them; provided, however, that unless all of the members of any committee shall be Directors, such committee shall not have authority to exercise any of the powers of the Board in the management of the business and affairs of the Association. A majority of all the members of any such committee may fix its rules of procedure, determine its action, fix the time and place of its meetings, and specify what notice thereof, if any, shall be given, unless the Board shall otherwise by resolution provide.

5.06 Resignations. Any member of the Executive Committee or any other committee may resign therefrom at any time by giving written notice of his or her resignation to the President or the Secretary. Any such resignation shall take effect at the time specified therein, or if the time when it shall become effective is not specified therein, it shall take effect immediately upon its receipt by the President or the Secretary, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.07 Vacancies. Any vacancy in the Executive Committee or any other committee shall be filled by the vote of a majority of the whole Board.

5.08 Compensation. No member of the Executive Committee or any other committee shall receive any compensation for his or her services as a committee member, except to the extent permitted by the Act and expressly approved by the consent of a majority of the Members entitled to vote.

5.09 Dissolution of Committees; Removal of Committee Members. The Board, by resolution adopted by a majority of the whole Board, may, with or without cause, dissolve the Executive Committee or any other committee and, with or without cause, remove any member thereof.

ARTICLE VI

NOTICE AND HEARING PROCEDURE

In the event of an alleged violation of the Declaration, these Bylaws, or the Rules and Regulations of the Association, and after written notice of such alleged failure has been delivered to the Member or other Person alleged to be in violation (“Respondent”), the Board shall have the right, as hereinafter provided, to take any of the remedial measures available to the Board under the Declaration or these Bylaws.

Prior to the imposition of a fine, penalty or other sanction against Respondent: (a) Respondent must have been provided with thirty (30) days written notice of the applicable provisions of the Declaration, these Bylaws or the Rules and Regulations of the Association that form the basis of the violation; and (b) within a reasonable time after discovery of the violation, Respondent must be provided with: (i) written notice specifying the details of the violation, the amount of the fine, and the date, time and location for a hearing on the violation; and (ii) a reasonable opportunity to contest the violation at the hearing.

The Board or a committee formed by the Board to conduct hearings on violations and to impose fines or other sanctions must schedule the date, time and location for the hearing on the violation so that the person against whom the fine will be imposed is provided with a reasonable opportunity to prepare for the hearing and to be present at the hearing. A hearing must be held prior to the imposition of a fine or other sanction unless Respondent: (a) pays the fine before the hearing; (b) executes a written waiver of the right to the hearing; or (c) fails to appear at the hearing after being provided with proper notice of the hearing.

Any suspension of rights shall be for a period of not more than thirty (30) days for any noncontinuing infraction, but in the case of a continuing infraction (including nonpayment of any assessment after the same becomes delinquent) may be imposed for so long as the violation continues. The failure of the Board to enforce the Rules and Regulations of the Association, these Bylaws or the Declaration shall not constitute a waiver of the right to enforce the same thereafter. The remedies of the Association shall be cumulative and none shall be exclusive.

ARTICLE VII

SEAL

A corporate seal shall not be requisite to the validity of any instrument executed by or on behalf of the Association. Nevertheless, if in any instance a corporate seal is used, the same shall be in the form of a circle and shall bear the full name of the Association and the year and state of incorporation or words and figures of similar import.

ARTICLE VIII

INDEMNIFICATION OF DIRECTORS AND OFFICERS.

8.01 Indemnification. The Association shall indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that it is or was a director, officer, employee, servant, or agent of the Association against expenses (including attorneys’ fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by it in connection with such action, suit, or proceeding until and unless it is proved that it acted with willful or wanton misfeasance or with gross negligence and provided it

acted in good faith and in a manner it reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe its conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the Person did not act in good faith or in a manner it reasonably believed to be in or not opposed to the best interests of the Association, or with respect to any criminal action or proceeding, had reasonable cause to believe that its conduct was unlawful.

Board members are not liable to the victims of crimes that may occur on the Property. Punitive damages may not be recovered against the Association but may be recovered only from Persons whose intentional activities are proved to have resulted in damages.

8.02 Determination. Any indemnification that the Association has elected to provide under this Article VIII (unless ordered by a court) shall be made by the Association only as authorized in the specific case by a determination that indemnification of the officer, director, employee, servant, or agent is proper in the circumstances because it has met the applicable standard of conduct set forth in Section 8.01. Such determination shall be made: (a) by the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit, or proceeding; or (b) if such a quorum is not obtainable, or even if obtainable and a quorum of disinterested directors so directs, by independent legal counsel in a written opinion; provided, however, that if a director, officer, employee, servant, or agent of the Association has been successful on the merits or otherwise in the defense of any action, suit, or proceeding referred to in Section 8.01, or in defense of any claim, issue, or matter therein, then to the extent that the Association has elected to provide indemnification, it shall automatically be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by it in connection therewith without the necessity of any such determination that it has met the applicable standard of conduct set forth in Section 8.01.

8.03 Payment in Advance. Expenses incurred in defending a civil or criminal action, suit, or proceeding may, upon action by the Board in accordance with Section 8.02, be paid by the Association in advance of the final disposition of such action, suit, or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee, servant, or agent to repay such amount unless it shall ultimately be determined that it is entitled to be indemnified by the Association as authorized in this Article VIII.

8.04 Insurance. The Board shall purchase and maintain insurance on behalf of any Person who is or was a director, officer, employee, servant, or agent of the Association against any liability asserted against it or incurred by it in any such capacity or arising out of its status as such, whether or not the Association would have the power to indemnify it against such liability hereunder or otherwise.

8.05 Other Coverage. The indemnification provided by this Article VIII shall not be deemed exclusive of any other rights to which anyone seeking indemnification may be entitled under the Declaration, any agreement, vote of the Members, vote of disinterested directors, Nevada law, or otherwise, both as to action in its official capacity and as to action in another capacity while holding such office, and may continue as to a Person who has ceased to be a director, officer, employee, servant, or agent and may inure to the benefit of the heirs and personal representatives of such a Person.

ARTICLE IX

MISCELLANEOUS

9.01 Execution of Contracts. Except as otherwise required by law or by these Bylaws, any contract or other instrument may be executed and delivered in the name of the Association and on its behalf by the President or any Vice President. In addition, the Board may authorize any other officer or officers or agent or agents to execute and deliver any contract or other instrument in the name of the Association and on its behalf, and such authority may be general or confined to specific instances as the Board may by resolution determine. The Association shall not, without the consent of a majority of the Members entitled to vote, enter into a contract for goods or services for a term of more than one (1) year, except: (a) a contract with a public utility company if the rates charged for the materials or service are regulated by the Nevada Public Service Commission (provided, however that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate); (b) prepaid casualty and liability insurance policies of no greater than three (3) years duration; or (c) a management contract approved by the Veterans Administration or the Federal Housing Administration.

9.02 Attestation. Any Vice President, the Secretary, or any Assistant Secretary may attest the execution of any instrument or document by the President or any other duly authorized officer or agent of the Association and may affix the corporate seal, if any, in witness thereof, but neither such attestation nor the affixing of a corporate seal shall be requisite to the validity of any such document or instrument.

9.03 Checks, Drafts. Except as otherwise required by law, all checks, drafts, orders for the payment of money, bills of lading, warehouse receipts, obligations, bills of exchange, and insurance certificates shall be signed or endorsed (except endorsements for collection for the account of the Association or for deposit to its credit, which shall be governed by the provisions of Section 9.04) by such officer or officers or agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board.

9.04 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association or otherwise as the Board or the President shall direct in general or special accounts at such banks, trust companies, savings and loan associations, or other depositories as the Board may select or as may be selected by any officer or officers or agent or agents of the Association to whom power in that respect has been delegated by the Board. For the purpose of deposit and for the purpose of collection for the account of the Association, checks, drafts, and other orders for the payment of money that are payable to the order of the Association may be endorsed, assigned, and delivered by any officer or agent of the Association. The Board may make such special rules and regulations with respect to such accounts not inconsistent with the provisions of these Bylaws as it may deem expedient.

9.05 Proxies in Respect of Stock or Other Securities of Other Associations. Unless otherwise provided by resolution adopted by the Board, the President or any Vice President may exercise in the name and on behalf of the Association the powers and rights that the Association may have as the holder of stock or other securities in any other corporation, including, without limitation, the right to vote or consent with respect to such stock or other securities.

9.06 Fiscal Year. The fiscal year of the Association shall correspond with the calendar year.

9.07 Adequate Funding and Reserve Budget. Upon the termination of Declarant's control over the Association and Declarant's delivery of the Common Area to the Association pursuant to NRS 116.31038, the operating and reserve account of the Association shall be deemed adequately funded if the reserves are funded based on a straight line calculation reserve study and the operating account contains two times the current monthly budget. The reserve study from which the reserve budget is prepared shall be calculated based on a base-line/cash flow accounting method, except that the Declarant's contribution shall be determined based on a straight line calculation of the required reserves.

(a) Minimum Requirements for Reserve. The reserve study and budget should reflect maintenance of all major components of the Project, including, without limitation, the following minimum components:

(i) Painting of all "no parking" or "fire" curbs, fire hydrants and traffic striping shall be done every two (2) years;

(ii) All asphalt areas shall be slurry sealed every four (4) years with an aggregate type slurry. At the time of each slurry seal, miscellaneous asphalt repairs must be done prior to the slurry seal;

(iii) Concrete block walls to be pressure washed and acid washed every four (4) years; all loose blocks and loose mortar shall be repaired after cleaning;

(iv) Stucco block wall finishes shall be touched up annually and repainted every five (5) years;

(v) Landscape plants and rock replacement and revitalization every eight (8) years;

(vi) Landscape Contingency Fund shall be maintained at a rate of \$100 per year, per Lot to be used for unexpected and emergency items;

(vii) Wrought iron shall be painted and repaired every four (4) years;

(viii) Monument signs shall be refurbished every four (4) years and replaced every twenty (20) years;

(ix) Asphalt overlay of all asphalt areas shall be done every thirty (30) years. Prior to asphalt over-lay all asphalt areas in poor condition must be repaired; and

(x) Concrete sidewalks and curbs shall be replaced as necessary with reserves to fund replacement every thirty (30) years.

(b) Operating Budget shall include, without limitation, the following routine maintenance items:

(i) Weekly landscape maintenance;

(ii) Monthly street sweeping;

(iii) Bi-annually tree trimming;

(iv) Monthly landscape lighting;

(v) Painting touch-up, block and stucco repair, as needed; and

(vi) Annual sewer and water system check.

ARTICLE X

AMENDMENTS

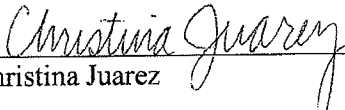
These Bylaws may be amended by the Association by the vote or written consent of Members representing at least a majority of the voting power of the Association; provided, however, that the specified percentage of the Members necessary to amend a specific Section or provision of these Bylaws shall not be less than the percentage of affirmative votes prescribed for action to be taken under that Section or provision; provided further, that these Bylaws may be amended by a majority of the entire Board at any time prior to the Close of Escrow for the sale of the first Lot. If any change is made to these Bylaws or any of the other governing documents of the Association, the Secretary of the Association shall, within thirty (30) days after the change is made, prepare and cause to be hand-delivered or sent prepaid by United States mail to the mailing address of each Lot or to any other mailing address designated in writing by the Lot Owner, a copy of the change that was made.

CERTIFICATE OF DIRECTORS
GRANBURY AT VALLEY VISTA

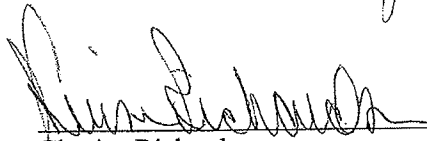
Homeowners Association, a Nevada nonprofit corporation;

We, the undersigned, do certify that being the directors and/or members do hereby adopt the foregoing Bylaws as and for the Bylaws of the Association by the Board of Directors of the Association by consent dated as this 10th day of November, 2020.

DIRECTORS:



Christina Juarez



Cherise Richardson



Carrie Nelson