

BY- LAWS
OF
SBE HOA, LLC
LAS VEGAS, NEVADA

ARTICLE

NAME AND LOCATION

The name of the corporation is SBE HOA, LLC, hereinafter referred to as the "Association". The principal mailing address of the association shall be located at 7121 W. Craig Road Ste.113 - #267, Las Vegas, Clark County, Nevada 89129, but meetings of members and directors may be held at such place within the State of Nevada, County of Clark, as determined by the Board of Directors in conformance herewith.

ARTICLE II

DEFINITIONS

Section 1 - "Articles" shall mean and refer to the Articles of Incorporation of SBE HOA, LLC.

Section 2 - "Association" shall mean and refer to SBE HOA, LLC its successors and assigns.

Section 3 - " Association Property" shall mean all real and personal property, which may, from time to time, be owned by or teased, to the Association.

Section 4 - "Declarant" shall mean and refer to SBE HOA, LLC and its successors and assigns.

Section 5 - "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property in the office of the County Recorder of Clark County, Nevada Instrument No.0004564 in book 20050725 of Official Records as the same may, from time to time, be amended. The amendments made on December 15, 2009 and recorded on February 19, 2010 regarding changing to all references in the Declaration from Serenity Brook Home Owners Association to SBE HOA , change the completion time for landscaping Article III - Section 21 and change the construction timeline and penalty schedule Article V- Section 4 **in Book, Instrument**

Section 6 - "The First Meeting" -The First Meeting of the members scheduled for election of the first elected Board of Directors.

Section 7 - "Lot" shall mean and refer to any residential subdivision Lot depicted on any

subdivision maps filed and recorded for an area of the Property by Declarant.

Section 8 - "Member" shall mean and refer to those persons entitled to Association membership as provided hi these By-Laws, the Declaration and Articles of Incorporation of the Association specifically and cumulatively notes both the terms and conditions of membership, together with rights and liabilities between the Association and Members.

Section 9 - "Voting Power" shall mean and refer to the total of members voting rights

Section 10 - "Owner" shall mean and refer to any person or entity, which holds title in fee simple to all or any interest in a Lot.

Section 11- "Property" shall mean and refer to Serenity Brook Estates as described in the Declaration, together with any areas annexed thereto pursuant to the Declaration.

ARTICLE III

MEETINGS OF MEMBERS

Section 1 - Annual Meetings: The first meeting of the Members shall be held no later than forty-five (45) days after the first date on which Hundred percent (100%) of the Lots have Owners other than the Declarant or not later than the date thirty six (36) months after the closing of the first sale of a Lot by the Declarant, whichever is earlier. Each subsequent regular annual meeting of the Members shall be held on the same day, the same month, of each year thereafter. An annual meeting must be held at least once a year. Meetings shall be held at the location on the property designated by the board of Directors, unless no such location is convenient. If the day for the annual meeting of the Members is a legal holiday or a Saturday or Sunday, the meeting will be held at the same hour on the first day following which is not a legal holiday, Saturday or Sunday.

Section 2 - Special Meetings: A Special Meeting of the Members may be called by either the president of the Board, the Board upon the vote of a majority of the members of the board, or upon the receipt of a written request therefore; By Members representing ten percent (10%) or more of the voting power of the Association.

Section 3 - Notice of Meetings: Every Member has the right to receive a written notice of each and every meeting of the Members. Such notice shall be given by, or at the direction of the Secretary by hand delivery or mailing a copy of such notice, postage prepaid, by United States first class mail, to each Member entitled to vote thereat, addressed to the address last furnished to the Association of such Member or, if no address is furnished, at street address of a Lot owned by that Member. Notices of meeting shall be in writing and indicate each matter to be voted on at the meeting. The notice may be also published in a newsletter or other similar publication circulated to each unit's owner and/or by email with prior written consent of the Member. Such notices shall be given not less than ten days (10) days nor more than sixty (60) days before the date of the meeting, except in such cases as are determined by the Board to be emergency situations. Provided, however,

that no business shall be conducted at a special meeting unless it is specified in such notice. Notice shall state the place, date and time of the meeting and must include a copy of the Agenda or "the date on which and the locations where copies of the agenda may be conveniently obtained by the unit's owners of the association. The notice must also provide notification of the right of a homeowner to receive a copy of the minutes or a summary of the minutes, if the homeowner pays the cost of making the distribution and notification of the right of a homeowner to speak to the Association Members or to the Board at a meeting (Except at Executive Sessions)

The Agenda must consist of:

- a. 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 by-laws, 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 those matters which the Board of Directors, at the time the notice is given, intends to present for action by the Members,
- b. A list describing the items on which action may be taken and clearly denoting that action may be taken on those items.
- c. A period at the beginning of each meeting devoted to comments by homeowners and discussion of those comments. Note: Except in emergencies, no action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda, as an item upon which action may be taken.

Section 3A - Notices of Meetings Regarding Capital Assessment: Assessment for capital improvements must be made annually, based on a budget adopted at least annually the association. Any meeting for consideration of a capital improvement assessment, or if any action is to be taken on any capital improvement, the association shall provide written notice to each unit owner at 21 calendar days before any such meeting or any such action, at any meeting.

Section 4 - Quorum: Except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws, the presence at meeting of Members entitled to cast twenty percent (20%) of the total voting power of the Association shall constitute a quorum for any action. If, however, such quorum shall not be present or represented to any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than such notice as may be required pursuant to the provisions of Section 13. The Members present at a duly called meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum. However any action taken other than an adjournment should be approved by at least a majority of the members required to constitute a quorum, unless law, the Articles of Incorporation, the Declaration, or by these By-Laws, requires greater vote.

Section 5 - Notwithstanding elsewhere in this By-Laws: All meetings after the first meeting shall be null and void and shall be considered without quorum unless all Members are notified in

writing, via United States, first class, mail of such meeting, or in the time frame stated herein.

Section 6 - Voting: Each Member shall have voting rights and as a result shall have one vote for each Lot he or she owns. In the event title to a Lot is held by multiple owners, the owners shall provide the Association with a written statement, signed by all such multiple owners designating one person who shall have the right to cast the single vote assigned to the lot owned by such multiple owners.

Section 7 - Proxies: At all meetings of members, members may vote in person or, in their absence, by proxy. Proxies shall be in writing signed and notarized and filed with the Secretary of the association at least 5 days prior to such meeting. A homeowner may revoke a proxy only by actual notice of revocation to the person presiding over a meeting of the association. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot. No proxy shall be valid if the member is present at such meeting. A proxy terminates immediately after the conclusion of the meeting for which it was executed. The Proxy shall contain in detail name, and address of both the member giving the proxy and full name and address of the person entitled to cast the vote according to the proxy.

A homeowner may give a proxy only to a member of his immediate family, the homeowner's tenant who resides in the association, or another homeowner who resides in the association. A proxy is void if:

- a. It is not dated or purports to be revocable without notice;
- b. It does not designate the votes that must be cast on behalf of the homeowner who executed the proxy or;
- c. 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.

In the event a lot is owned by multiple owners, such proxy is invalid unless signed by all owners of such lot.

Section 8 - Transfer of Voting Rights: The right to vote may not be severed or separated from any lot. Sale, transfer or conveyance of fee interest in any lot to a new owner or owners shall operate to transfer the appurtenant membership and voting rights without the requirement of any express reference thereto.

Section 9 - Actions: If a quorum is present, the affirmative vote on any matter of the majority of the votes represented at the meeting (or, in the case of elections in which there are more than two candidates, a plurality of the vote cast) shall be the act of the Members, unless the vote of a greater number is required by law, by the Articles of Incorporation, by the Declaration or by these By-Laws.

Section 10 - Record Date: The Board shall have the power to fix in advance a date as a record date for the purpose of determining Members entitled to notice of or to vote at any meeting or to be

furnished with any budget or other information or material, or in order to make a determination of Members for any purpose. Notwithstanding any provisions hereof to the contrary, the members of record on any such record date shall be deemed the Members for such notice, vote, furnishing of information or material or other purpose and for any supplementary; notice, or information or material with respect to the same matter and for any adjournment of the same meeting. A record date shall not be more than (90) days nor less than ten (10) days prior to the date on which the particular action requiring determination of Members is proposed or expected to be taken or to occur.

Section 11 - Waiver of Notice: Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except when the member objects at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by law to be included in the notice but not so included, if such objection is expressly made at the meeting.

Section 12 - Adjourned Meetings and Notice Thereof: Any Members' meeting, or special meeting, whether or not a quorum is present, may be adjourned from time to time by a vote of a majority of the members present either in person or by proxy thereat, but in the absence of a quorum, no other business may be transacted at any such meeting except as provided in Section 4. When any member's meeting, either annual or special, is adjourned for seven (7) days or less, the time and place of the adjourned meeting shall be announced at the meeting at which the adjournment is taken. When any Members' meeting, either annual or special, is adjourned for more than seven (7) days, notice of the adjourned meeting shall be given to each Member as in the case of an original meeting. Except as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting, and at the adjourned meeting the members may transact any business that might have been transacted at the original meeting.

Section 13 - Notices: Any notices of meetings shall be in writing, and delivered by United States first class mail. The notice may be also published in a newsletter or other similar publication circulated to each unit's owner and/or by email with the prior written consent of the Member.

ARTICLE IV

BOARD OF DIRECTORS

Section 1 - Number: The affairs of this Association shall be managed by a Board of Three (3) Directors, who need to be Members of the Association.

Section 2 - Term of Office: The Declarant shall initially appoint three Directors. The Directors listed in the Articles shall act in the capacity of Directors until the election of their successors. All subsequently elected Directors shall serve terms of two (2) years. Each Director shall in any event serve in office until the election of his successor. However, there is no limitation on the number of

terms that the director may serve and he may succeed himself.

Section 3 - Removal and Successors: Any Director may be removed from the Board, with or without cause, at a meeting of Members duly called and noticed with quorum present by vote of two thirds (2/3) of the majority of the Members of the Association. In the event of death, resignation or removal of a director, his successor shall serve for the unexpired term of his predecessor. The successor Director shall be appointed by the Board for the unexpired portion of the term.

Section 4 - Compensation: No director shall receive compensation for any service he may render to the Association in the capacity as Director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Election to the Board of Directors by the Members shall be by secret written ballot. A secret ballot and envelope must be sent to each homeowner. Not less than thirty (30) days before the preparation of a ballot for the election of members of the Executive Board, the Secretary of the Association shall cause notice to be given to each unit's owner of his eligibility to serve as a member of the Executive Board. Each unit's owner who is qualified to serve as a member of the Executive Board may have his/her name placed on the ballot along with the names of the nominees selected by the members of the Executive Board or a nominating committee established by the Association. For the purposes of determining whether a quorum is present for the election of a board member, only secret written ballots that are returned sealed in an envelope, to the association may be counted. Votes for the election of board members may not be cast pursuant to proxy and must be counted in public.

No member shall be nominated or elected at any election as a Director and/or an officer of the association unless such member paid his assessments and no moneys owed by him/her at the nomination deadline.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1 - Organization Meeting: The first meeting of a newly elected Board shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected.

Notice shall be given to homeowners at least ten days (10) and not more than sixty days (60) in advance of the meeting. (See Article III, section 3 for details of requirements for notice).

Section 2 - Regular Meetings: Regular meeting of the board of directors shall be in accordance with NRS116 with notice. Notice shall be given to homeowners at least ten days (10) and not more than sixty days (60) in advance of the meeting (See Article III, section 3 for details of requirements for notice), at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not legal holiday.

Section 3 - Special Meetings: Any two (2) Directors may hold special meetings of the Board of Directors, called either by the President of the Association, the Board upon the vote of the majority of the Board, or upon the written request therefore; By members representing ten percent (10%) or more of the voting power of the Association, after not less than three (3) days' notice to each Director. Notice shall be given to homeowners at least ten days (10) and not more than sixty days (60) in advance of the meeting. (See Article III, section 3 for details of requirements for notice),

Section 3A - Emergency Meetings: In an emergency, the board may take action on an item which is not listed on the agenda. In an emergency, the board shall cause notice of the emergency meeting to be delivered by U.S. mail or email with prior approval of the member. If this is not practicable, notice of the emergency meeting must be hand delivered to each unit. An emergency means any occurrence or combination of occurrences that:

1. Could not have been reasonably foreseen;
2. Affects the health, welfare and safety of the homeowners;
3. Requires the immediate attention of, and possible action by, the board; and
4. Makes it impractical to comply with the notice requirements of NRS 116.

Section 4 - Quorum: A majority of the number of Directors shall constitute a quorum for the transaction of business. A quorum of board members is deemed present throughout any board meeting if persons entitled to cast fifty (50%) of the votes on that board are present at the beginning of the meeting. Every act and/or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1 - Powers and Duties: The Association shall have all of the powers given to such a corporation by law, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Declaration. The Association shall have the power to perform any and all lawful acts, which may be necessary or proper for, or incidental to the exercise of any of the express powers of the Association set forth in the Declaration. The Board may delegate responsibility for the day to day operation of the Association to a Manager as provided in the Declaration

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1 - The Directors shall serve as Officers.

Section 2 - Enumeration of Offices: The officers of the Association shall be a President, a Secretary, and Treasurer.

Section 3 - Election of Officers: The election of officers shall take place at each annual meeting of the Members, following the election of the directors. The executive board shall elect the officers among the directors.

Section 4 - Compensation: No Officer shall receive compensation for any service he may render to the Association in the capacity as Officer. However, any Officer may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5 - The officers of the association shall be elected every two years and each shall hold office for a term of two (2) years, but in any event until the election of their successors unless an officer shall sooner resign, be removed, or otherwise be disqualified to serve. The board may fill vacancies on the board for the unexpired portion of any terra

Section 6 - Resignation and Removal: Any director/ officer may be removed from office with or without cause by the majority of the voting power of the association. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary.

Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7 - Multiple Offices: The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices.

Section 8 – Duties:

PRESIDENT

(a) The President shall preside at all meetings of the Board of Directors and members; shall see that orders and resolutions of the Board are carried out, shall execute all documents and may cosign all checks and promissory notes; and shall prepare, execute, certify and record all properly adopted amendments to the Declaration the Articles or by this By-laws on behalf of the Association.

SECRETARY

(b) The Secretary shall record the votes and keep the minutes of all meetings and

proceedings of the Board and of the members; keep the corporate seal of the Association, if any, and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the members of the association together with their address, and shall perform such other duties as required by the Board. The Secretary may cosign checks of the Association.

TREASURER

c) The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by resolution of the Board of Directors; may sign promissory notes of the Association, keep proper books of account; cause an annual review of the Association books to be made by a public accountant at the completion of each fiscal year; and submit to the Board a proposed annual operating budget as well as a statement on income and expenditures to be presented to the membership at its regular annual meeting. Completion of the preparation of the annual budget and reserve budget must then be distributed to each homeowner not less than thirty (30) days nor more than sixty (60) days before the beginning of the Association's fiscal year.

ARTICLE IX

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation

and the By-Laws of the association shall be available for inspection by any member at the principal office of the association, where copies may be purchased at a reasonable cost.

ARTICLE X

COMMITTEES

The Board of Directors may appoint committees in accordance with the Declaration as deemed appropriate in carrying out its purpose, but may not delegate any portion of its authority.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, the Owner of each Lot within the property is obligated to pay the Association Common Assessments, which are or may be secured by a continuing lien upon the Lot against which the assessment is made.

ARTICLE XII

CORPORATE SEAL

The Association may have a seal in circular form having within its circumference the words: SBE HOA, LLC.

ARTICLE XIII

AMENDMENTS AND OTHER DOCUMENTS

Section 1 - These By-Laws may be amended, added to or altered by a majority vote of the Board of Directors.

Section 2 - The Articles of Incorporation and the Declaration are, by this reference, incorporated herein as if set forth in full

ARTICLE XIV

MISCELLANEOUS

Section 1 - Fiscal Year: The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation. **Section 2 - Notices**: Any notice permitted or required hereunder shall be in writing and shall be delivered by mail, except in some cases for association meetings which have alternate forms of notification in addition to mailing, but which also must be in writing (See Article 3) Delivery made by United States first class mail shall be deemed to have been delivered two (2) business days after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person or entity at the address given by such person or entity to the Association for the purpose of service of such notice, or to the residence of such person or entity if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the association.

Effective Date of these By-Laws: These By-Laws were duly adopted by the action of the Board of Directors on _____ 2010, and shall be effective as of the same date.

By- Laws Adoptions: This resolution of the Board of Directors for SBE HOA, LLC has been duly adopted at the _____, 2010 meeting.

By: _____

President

Attested By: _____

Secretary