

THE SERENITY BROOK ESTATES DECLARATION

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

CLARK COUNTY, NEVADA

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (“Declaration”) is made as of the 23rd day of July, 2005 with completed revisions and amendments approved on the 15th day of December, 2009 by membership vote, SBE HOA, (“Declarant”) with reference to the following facts and circumstances.

This Declaration is prepared pursuant to Chapter 116 of Nevada Revised Statute (Nevada Uniform Common Interest Ownership Act) and establishes a planned community as defined therein.

RECITALS

A. The Declarant is the record owner of certain real property located in Clark County, Nevada, APN Las Vegas, Nevada, Known AS APN 12531201031 12531201029, **12531201028, 12531201027, 12531201012, 12531201013, 12531201032, 12531201033, 12531201037, 12531201036, 12531201035, 12531201016, 12531201014, 12531201043, 12531201044, 12531201045, 12531201041, 12531201040, 12531201039, 12531201017, 12531201019, 12531201020, 12531201049, 12531201048, 12531201047, 12531201025, 12531201021, 12531201024, 12531201023** (the “Property”), described more particularly on Exhibit -1 -attached hereto .made a part hereof and incorporated herein by reference .And will be referred to in this document as Serenity Brook Estates.

B. Declarant desires to establish covenants, conditions and restrictions upon the Parcels and each and every portion thereof, which will constitute a general scheme for the management of the Parcels, and for the use, occupancy and enjoyment thereof, all for the purposes of enhancing and protecting the value, desirability and attractiveness of the Parcels and enhancing the quality of life within the Parcels.

THEREFORE, The Declarant hereby declares that all the properties described above shall be held, sold, conveyed, hypothecated, encumbered, leased, rented, occupied and improved, subject to the following easements, restrictions, covenants, and conditions, all of which are declared and agreed to in furtherance of a general plan for the protection, maintenance, improvement and development of the Parcels and for the protection and enhancement of the value, desirability and attractiveness of the Parcels. All provisions of this Declaration are hereby imposed as equitable servitudes upon the Parcels. All of the easements, restrictions, covenants and conditions set forth in this Declaration shall run with the land and shall be binding on and for the benefit of the Parcels and on all of the parties having or acquiring any right, title or interest in the Parcels or any part thereof, their heirs, successors and assigns.

ARTICLE I

DEFINITION OF TERMS

Whenever used in this Declaration, the following terms shall have the following meanings.

- a) Architectural Review Committee - The committee established pursuant to Article V (ARC).
- b) Association – SBE HOA, a Nevada Nonprofit Corporation, its successors and assigns.
- c) Community Account - The two signature bank account established by the Association.
- d) Completion of Construction - The date a certificate of occupancy is provided an Owner by the appropriate governmental agency for a residential building erected on the Owner's Lot.
- e) Declarant means SBE HOA, and any Person to whom they may expressly assign any or all of their rights under the Declaration by an instrument recorded with the County Recorder of Clark County, Nevada, their successors and assigns, if such successors and assigns hold title to all or any portion of the Parcels. The period of time during which the Declarant is entitled to appoint and remove the entire Board of Directors (or a majority thereof). The Declarant Control Period shall terminate in ninety (90) years from the date of execution of this Declaration.
- f) Member -The Owner's of each Lot hold a membership in the Association in accordance with the provisions of this Declaration and is allowed one vote per Lot.
- g) Owner - Each person and entity holding a record ownership interest in a Lot, including the Declarant. The term "Owner" shall not include persons or entities that hold an interest in a Lot merely as security for the performance of an obligation.
- h) Lot - Each parcel shown upon any recorded Parcel Map of Serenity Brook Estates I or II.
- i) Map - Recorded Parcel Maps for the original Assessor's Parcel Numbers #125-31- 201-004, 005, 006 Serenity Brook Estates.
- j) Parcels - The new parcel created from original Assessor's Parcel Numbers #125-31- 201-004, 005, 006 of Serenity Brook Estates as more specifically described in Exhibit 1 and any approved splitting of the Lots in said Parcels pursuant to these CC&R's.
- k) Parcels Interest - The ownership interest held by an Owner, as described above.
- l) Private Drive - The cul-de-sac road privately owned as set forth on the survey Map to create Serenity Brook Estates.

ARTICLE II

PROPERTY RIGHTS, RIGHTS OF ENJOYMENT AND EASEMENTS

1. **LOT OWNERSHIP: EXCLUSIVE EASEMENTS** - The ownership of each Lot within the Parcels shall include one (1) Lot and all rights incidental thereto, and any exclusive easement or easements appurtenant to such Lot as described in the deed to such Lot or on the Map for such Parcels.

2. **NON-EXCLUSIVE EASEMENTS OF ENJOYMENT** - Every Owner shall have a non-exclusive easement of use and enjoyment in and to and throughout the roads (Private Drive “) which are shown on the Map as roads or rights-of-way or which have been offered for dedication to the County of Clark, and all improvements and all facilities appurtenant thereto, provided that such easements shall be subject and subordinate to such offer of dedication. Such nonexclusive easement of use and enjoyment shall be appurtenant to and pass with the title to every lot, subject to the offer of dedication and the obligations of maintenance and use set forth in this Declaration, including, without limitation, those obligations set forth in Article IV.

3. **EASEMENTS GRANTED BY ASSOCIATION** - Declarant or its designee, and from and after its formation, the Association, shall each have the power-of-attorney to grant and convey to any third party, on behalf of any Owner and on behalf of all Owners, easements and rights-of-way, in, on, over and under the Private Drive for the purpose of constructing,

erecting, operating or maintaining thereon, therein, or there under overhead or underground lines, cables, wires, conduits or other devices for electricity, cable television (to the extent Declarant or its designee has released rights described in Paragraph 4(c)), power, telephone and other purposes, public sewers, storm drains and pipes, water systems; sprinkling systems, water, heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities. and each Owner, in accepting a deed to his Lot, expressly consents to such power-of-attorney. Such power-of-attorney shall be subject and subordinate to the Offer of Dedication shown on the Map and shall terminate upon the acceptance by the County of Clark of all offered dedications as shown by the Map.

4. **CERTAIN EASEMENTS AND RIGHTS RESERVED TO DECLARANT OR ITS DESIGNEE**

- a) **Utilities** - Easements over the Parcels for the installation and maintenance of electric, telephone, cable, television, water, gas, sanitary sewer lines, drainage facilities, hydrants and street lights as are needed to service the Parcels and each of the Lots contained therein, are hereby reserved by Declarant or its designee together with the right to grant and transfer the same; provided, however, such easements shall not unreasonably interfere (as interpreted by the Declarant or its designee) with the use and enjoyment by the Owners of the residences constructed on their respective Lots. No structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction or flow of drainage channels in the easements. The easement area of each Lot and all

improvements in it shall be maintained continuously by the Owner of the Lot except for those improvements for which a public authority or utility company is responsible. The Declarant or its designee may elect to use the area that is currently open space over the Gas line, which is currently designated as park, to gain access to other parcels and make the subdivision larger. If this occurs then those new parcels will be bound by this document and all other appurtenances of the Association.

- b) Construction and Sales - There is hereby reserved to Declarant or its designee, together with the right to grant and transfer the same to Declarant or its designee's sales agents and representatives and prospective purchasers of Lots, over the Parcels as the same may from time to time exist, easements for construction, display, maintenance, sales and exhibit purposes in connection with the erection and sale or lease of lots or homes within the Parcels; and provided further that no such use by Declarant or its designee and others shall otherwise unreasonably restrict the Owners in the reasonable use and enjoyment of their respective Lots,
- c) Cable Television - There is hereby reserved to Declarant or its designee over the Parcels, together with the right to grant and transfer the same, the right to place on, under or across the Parcels transmission lines and other facilities for a cable, fiber optic or similar television systems and thereafter to own and convey such lines and facilities and the right to enter upon the Parcels to service, maintain, repair, reconstruct, and replace, said lines or facilities, provided, however, that the exercise of such rights shall not unreasonably interfere with any Owner's reasonable use and enjoyment of his Lot. Nothing contained herein shall be construed to create an obligation of Declarant or its designee to install such cable, fiber optic or similar system.
- d) Appurtenant Development Phases - There is hereby reserved to Declarant or its designee, together with the right to grant and transfer the same to Declarant or its designee's assigns and affiliates the right to add appurtenant developments and communities which may have as their ingress and/or egress the same as those constructed for this Development, *vis.*, Serenity Brook Estates. Said appurtenant developments and communities may also have full use of the rights of way and all non-exclusive easements in the same manner as those available to lot owners in Serenity Brook Estates.
- e) Commercial Use - There is hereby reserved to Declarant or its designee, together with the right to grant and transfer the same to Declarant or its designee's assigns and affiliates, the right to use, cause allow or authorize to be used, any portion of this development, or any lot therein, for business, mercantile, vending or there commercial use, and this notwithstanding the provisions of Article III paragraph 2, which may be construed to the contrary.

ARTICLE III

USE RESTRICTIONS

Subject to the rights and exemptions of Declarant or its designee as set forth in this Declaration, all real property within the Properties shall be held, used and enjoyed subject to the limitations, restrictions and other provisions set forth in this Declaration. The strict application of the limitations and restrictions set forth in this Section 3 .5 may be modified or waived in whole or in part by the ARC or by Declarant or its designee in specific circumstances where such strict application would be unduly harsh, provided that any such waiver or modification shall not be valid unless in writing and executed by the ARC or by Declarant. Declarant or its designee reserves the right to veto any such modification or waiver. Any other provision herein notwithstanding, neither Declarant or its designee, the Association, the ARC, Declarant or its designee, nor their respective managers, directors, officers, members, agents or employees shall be liable to any Owner or to any other Person as a result of the failure to enforce any use restriction or for the granting or withholding of a waiver or modification of a use restriction as provided herein. Additional or supplemental use restrictions may be promulgated from time to time in Recorded Supplemental Declaration(s).

1. **RESIDENTIAL USE** - Except as otherwise provided, lots shall be used for single family residential purposes only, provided, however, that Lots owned by Declarant may be used by Declarant or its designees as models, sales offices, and construction offices for the purpose of developing, improving, and selling Lots in the Parcels for as long as Declarant or its designee deems necessary. The Declarant or its designee will have full control of the Association and the Architectural Review Committee until all the Lots are sold and in no way can this provision be amended except it is done by the Declarant or its designee. Nothing in this Declaration shall prevent an Owner from leasing or renting his Lots, provided, however, any lessee, owner or renter thereof shall abide by and be subject to all the provisions of this Declaration.
2. **COMMERCIAL USE** - Except as otherwise expressly provided in this Declaration, no part of the Parcels or any Lot contained therein shall be used or caused, allowed or authorized to be used, directly or indirectly for any business, commercial, manufacturing, mercantile, storing, vending or other such nonresidential purposes. Notwithstanding the foregoing, the Owner or a member of his family living on the Lot may conduct a small arts and crafts or professional business from the Lot, provided that such use is incidental to the primary use of the Lot as a single family residence and does not create a nonresidential problem or significantly increase the quantum of traffic to the Parcels.
3. **OWNER MAINTENANCE OF INDIVIDUAL LOTS** - Each Owner shall be responsible for the maintenance and repair of all the improvements to his Lot, including any residential structure, parking facilities and landscaping thereon. Each Owner shall maintain the exterior paint or other finish on any improvements constructed on his Lot in good condition and repair. The exterior portions of all buildings shall be painted or stained immediately upon completion or shall have color mixed in the final structural application, so that all such materials shall have a finished appearance. Each Owner is responsible for keeping clean the part of the parcels private

street that fronts their lot to the center of the street.

4. **HOUSES** - All residences shall be standard single family housing structures with permanent foundations and a minimum floor area (including walls and partitions) of 3,000 square feet for living purposes, not including garage, porches, roof overhangs or outbuildings or other unattached structures. The air conditioning units are to be on the ground or out of sight. (1) Southwestern Adobe, Dome or A-Frame style homes will not be allowed. No lace stucco or Vinyl siding allowed; and (2) Each Owner is required to commence construction of his/her residence by **January 1, 2012**. Each Owner is required to submit plans for Design Review by **January 1, 2011**. If the Lot is resold the new Owner will be required to submit plans for Design Review by the ARC Committee by **July 1, 2011**. The complete **"Build Out"** date for Serenity Brook Estates is **January 1, 2013**. Failure to meet the required deadlines will result in penalties pursuant to Articles V Subsection 4. The Executive Board of Director's in their sole discretion may waive the requirements of this paragraph for any one or more than one Lot Owners. All homes must have a high end Decorative concrete, cobblestone, paver or brick finish on all sidewalks, walkways, or driveways. The exterior finish and architecture of the home must be built to a custom high end nature and must not give the appearance of a production stucco home or Track home that would be built by a low or medium quality production builder.

All building plans must be reviewed and approved by the Architectural Review Committee. All plans must be submitted by way of not less than two copies of the plans to the Architectural Review Committee for review at least thirty days prior to the commencement of construction, and Owners must allow a minimum of two weeks for review. Any corrections that are requested by the Architectural Review Committee must be made and the plans must be resubmitted for approval prior to any construction. The approval from the Architectural Review Committee must be in writing.

Said construction period for homes and other structures shall not exceed eighteen (18) months, unless specifically approved by the Architectural Review Committee or the Declarant or its designee.

All houses must pass architectural review for the height, on the front, sides and back finish of the house, tile roofs, and stucco on the eaves.

All houses must have a minimum of a two car garage. All permanent houses must be constructed on foundations .have been approved by the Architectural Review Committee and have all porches .overhangs and garages on a permanent foundation and be constructed per approved plans. All structures, additions and/or revisions, must have an approved painting and/or decoration detail and must be complete in keeping with these conditions and other structures so as to constantly keep improving and beautifying the area.

Each Owner is required to commence construction on his residence within two (2) years of the close of escrow from the date of purchase of a Lot. This time period pertains to the first time that the Lot is sold. If the Lot is resold the new Lot Owner will be required to commence construction within two (2) years from when the Lot was sold by the Declarant to a Lot Owner. Declarant or its designee or the Architectural Review Committee, in their sole discretion, may waive the requirements of this paragraph for any one or more than one Lot Owner. This provision does not apply to Declarant or lots owned by

Declarant.

5. **MOBILE HOMES** - Notwithstanding any other provision in this Declaration: (1) each Dwelling Unit shall be improved and used solely as a residence for a single family and for no other purpose; and (2) no part of the Properties shall ever be used or caused to be used or allowed or authorized to be used in any way, directly or indirectly, for any "manufactured" or mobile home, or for business, commercial, manufacturing, mercantile, primary storage, vending, or any other nonresidential purposes; provided that Declarant or its designee reserves the right to allow business and commercial purposes in Declarant or its designee's sole discretion. Travel type trailers and motor homes owned by Owner may be stored on the Owner's Unit so long as it is placed in the back yard of the Unit and is not conspicuously visible from the street side of said Unit. Declarant or its designee may waive the requirements of this paragraph.

6. **OUTBUILDINGS** - A private or separate garage, small guest house, or other outbuildings incidental to rural living are permitted. All such structures shall be on permanent foundations. All of the outbuildings are to be approved by the Architectural Review Committee. No metal buildings shall be permitted except storage buildings approved by the Architectural Review Committee in writing.

7. **TEMPORARY STRUCTURES** - Temporary storage facilities may only be allowed if approved in writing by the Architectural Review Committee. No temporary buildings, RVs, cellars, tents, shacks, garages, barns or other temporary outbuildings or structures shall, at any time, be used for human habitation. Small travel type trailers and motor homes owned by the Owner may be stored on the Owner's Lot in as inconspicuous a place as possible in the back yard on such Lot. RV parking must be behind the front wall that adjoins the house. Declarant or its designee, in their sole discretion, may waive the requirements of this paragraph for any one or more than one Lot owner.

8. **OIL DRILLING AND MINING** - No oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind, shall be permitted upon or in the Parcels or any Lot contained therein; nor shall oil wells, tanks, tunnels or mineral excavations or shafts be permitted upon the surface of the Parcels or any Lot contained therein. No derrick or other structure designed for use in boring for water, oil, or natural gas shall be erected, maintained or permitted upon the Parcels or any Lot contained therein.

9. **OFFENSIVE CONDUCT; NUISANCES** - No mechanical work on automobiles or other vehicles shall be done in front of the house or that can be seen from the Private Drive. No noxious or offensive activities, shall be carried on, upon or within the Parcels or any Lot contained therein, nor shall anything be done thereon which may be or become an annoyance or nuisance to the residents of the Parcels, or which shall in any way interfere with the quiet enjoyment of occupants of the Lots.

Motorcycles, motorized two wheelers, three wheelers, four wheelers and other such devices shall be driven slowly down the Parcels private street or walked to the outside of the parcels. Any action such as excess noise, speed, or the action of revving up engines or speeding up and down adjacent roads shall constitute a violation of this covenant. Go-carts, racing cars, snowmobiles and other such type vehicles shall not be operated in the Parcels, on any of the Lots contained therein, or on any streets and roads adjacent thereto without written approval of the Declarant or its designee or Association.

10. **SIGNS** - No signs shall be displayed to the public view on or from any Lot, except that Declarant or its designee may display signs without limitation of any kind. Notwithstanding the foregoing, no person other than Declarant or its designee shall cause to be erected a sign, advertisement, billboard or advertising structure of any kind on any of the Lots except as expressly provided by the following:

- a) One professionally made sign not to exceed one square foot in area containing only the name and title or occupation of the occupant;
- b) One (1) professionally made unlighted sign not to exceed sixteen square feet (16 sq.ft.) in area advertising the premises for sale, lease, or rent, located not nearer than ten feet (10') to adjoining premises nor nearer than five feet (5') from the back of the curb abutting the front yard;
- c) One temporary sign not to exceed sixteen square feet (16 sq.ft.) in area giving the names of the contractors, engineers and architects during construction.
- d) Except as otherwise provided in this Section, no signs can be displayed without the written approval of the Architectural Review Committee.

Violation of this provision shall result in an automatic assessment by the Association of a charge for enforcement of the same at the rate of \$200.00 per day once the Owner has been notified of the violation.

11. **STORAGE OF TOOLS AND TRASH DISPOSAL** - Trash, garbage, or other wastes shall be kept only in sanitary containers and no Lot shall be used as a dumping ground for rubbish. The storage container for trash must be on wheels and large enough so as to not be knocked over easily. The storage of supplies, equipment, tools, landscaping instruments, household effects, machinery or machinery parts, empty or filled containers, boxes or bags, trash, materials or other items that shall in appearance detract from the aesthetic values of the property, shall be so placed and stored to be concealed from view from the public right-of-way and the Private Drive.

All garbage or trash containers, oil tanks, bottled gas tanks and other such facilities must be underground or placed in enclosed areas so as to not be visible from adjoining properties or streets. All construction trash, debris, or unused material must be cleaned up around construction site constantly so as to keep construction site neat and clean.

12. **ANIMALS** - Dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for commercial purposes and in quantities which are not such as to create any annoyance or nuisance to the neighborhood, either by way of smell or noise. All dogs must have proper licenses. Horses, cows, chickens, pigs or any type of livestock are not allowed.

13. **PARCELS AND LOTS** - No Lot or parcel of land shall be further subdivided to less than a net total of eighteen thousand square feet (18,000 sq. ft.) except where divided to increase the size of an adjoining Lot. Each parcel or Lot so created must meet all requirements of the original parcel or Lot and/or County sanitary requirements, and have written approval from the

Architectural Review Committee or Declarant and its designees.

14. **DRAINAGE** - Each Owner agrees for himself, his heirs, assigns, vendees and successors, that he will either (i) refrain from interference with the established drainage pattern over his Lot to adjoining or other Lots in the Parcels, or (ii) subject to approval of the Architectural Review Committee, make adequate provision for proper drainage from any such other Lot or parcel over his Lot. For purposes hereof, established drainage is defined as the drainage pattern established at the time the overall grading of the Parcels is completed and as the original approved grading plan.

15. **GRASS, HEDGES, SHRUBS, FENCES AND WALLS** - All grass, hedges, shrubs, vines and plants of any type on a Lot shall be irrigated, mowed, trimmed and cut at regular intervals so as to be maintained in a neat and attractive manner. Trees, shrubs, vines, plants and grass which die shall be promptly removed and replaced with living foliage of like kind, unless different foliage is approved in writing by the Architectural Review Committee. All Lots upon which no residential buildings or other structures, landscaping or improvements have been constructed shall be maintained in a weed free and attractive manner.

All front walls exposed to the cul-de-sac must be high end in nature. All perimeter walls must be built within 2 months of Completion of Construction. Each Lot Owner is responsible for building his own back perimeter wall and side walls to the street if applicable. Said walls must be built according to the requirements of the Declarant or its designee or the Architectural Review Board. The costs of the dividing walls between neighbors will be split fifty-fifty between adjoining Lot Owners. The Lot Owner who installs his block walls first will be reimbursed half of the total cost incurred) by the adjoining Lot Owner who benefits from the wall. The reimbursement for the block wall becomes due within two (2) months after the Lot Owner who is benefiting from the wall has Completion of Construction on his home or the benefiting Lot Owner uses the wall in any way, whichever is sooner. Each Owner of a Lot shall keep all shrubs, trees, grass and plantings of every kind on his Lot, including planted areas between adjacent sidewalks and the street curb, if any, neatly trimmed, properly cultivated and watered, and free of trash, weeds and other unsightly material and shall keep that portion of any perimeter wall, if any, located in his Lot in good repair.

16. **OUTSIDE DRYING AND LAUNDERING** - No exterior clothesline shall be erected or maintained and there shall be no exterior drying or laundering of clothes on balconies, patios, porches or other areas.

17. **ANTENNAE, EXTERNAL FIXTURES, ETC.** - No television or radio poles, antennae, flagpoles, clotheslines, or other external fixtures other than flagpoles displaying the American Flag, solar energy systems, satellite dishes, and such other fixtures as may be approved by the Architectural Review Committee, and any replacements thereof, shall be constructed, erected or maintained on or within any Lot, including any structures thereon. No wiring, insulation, air conditioning or other machinery or equipment other than that approved by the Architectural Review Committee and any replacement thereof, shall be constructed, erected or maintained on or within the Lot, including any structure thereon: Each Owner shall have the right to maintain television or radio antennae within completely enclosed portions at his single family residence,

provided such television or radio antennae is not visible from any Private Drive.

18. **MINIMUM YARD REQUIREMENTS** - Except where specified on the Parcels, which specifications shall control, or specified in the Clark County planning and zoning guidelines', the following shall apply:

- a) Front yard setbacks shall conform to a minimum depth of fifteen feet (12') from the back of curb to the nearest structural projection, including porches, but not including eaves, overhangs, planters or fireplaces. No fences or walls shall be erected within the front yard setback areas over fifty inches (50") in height and any such fences or walls must be stucco or brick finished. These provisions do not apply to development perimeter walls or the front entry of the development.
- b) A side yard setback shall be maintained of at least five feet (5') in depth from all side property lines to the building line of any structure, with a minimum clearance of thirty (30) inches from eaves or other projections to the side property line. A five (5) foot setback is required from any upright wall. Fireplaces and planters are exceptions if within the thirty inch (30") eve line;
- c) At least twenty feet (20') must be maintained between the rear property line and any main building structural-bearing wall or overhang except in the case of a detached garage or guest home. A guest home is an out building designed for guests to use for a short period of time, not as a permanent residence. With written approval of the Association's Board of Directors a mother or father may be cared for in the guest home.

19. **MAXIMUM BUILDING HEIGHT** - The maximum building height is 35 (Thirty Five) feet measured from the surface of the Private Drive in the middle of Owner's Lot and in the middle of the Private Drive to the peak of the highest projection on the residential construction for a two-story residence. The residences on said Lots shall be restricted and must comply with these specific height limitations. Declarant or its designee reserves to themselves the right to set a maximum height requirement for any structure built on the Lots. This provision may only be amended with the written consent of Declarant or its designee.

20. **MINIMUM AUTOMOBILE PARKING REQUIREMENTS** - A minimum of two (2) surfaced parking spaces shall be provided on each Lot. A surfaced driveway to the parking space must be provided. All automobiles parked on the property must have current auto registration, and no inoperable or junk cars shall be allowed. The definition of inoperable or junk cars will be determined by the Association's Board of Directors.

21. **LANDSCAPING** - All homes shall have the front and side yard areas landscaped within six (6) months after Completion of Construction, in such a manner as to enhance and beautify the aesthetic value of the home and general area. All landscaping schemes and designs must be approved by the Architectural Review Committee in writing two weeks prior to the start of installation of landscaping and must comply with provisions of Section 14.

22. **TIME FRAME FOR STORAGE OF MATERIALS WHILE RESIDENCE UNDER CONSTRUCTION** - In any building project, during construction and thirty (30) days thereafter, the property involved may be used for the storage of materials used in the construction of the individual buildings and for the contractor's temporary offices, including chemical toilets, and painted storage containers.

23. **STORAGE OF BOATS, BOAT TRAILERS ETC.** - Boats, boat trailers, camping trailers, campers, travel trailers or any other sporting or camping equipment shall be stored or permanently parked in the back yard, side yard or garage.

24. **DECLARATION CONFLICTS** - In the event that any of the provisions of this Declaration conflict with any other Articles herein, or with the Clark County planning ordinance—zoning regulations or with the provisions or regulations of any other municipal entity or agency, the more restrictive of the provisions or regulations shall govern. The Declarant, its Associate entities or its designee will not be responsible for any county codes, tortoise fees, grading fees, permit fees, water fees, permits, disclosure of any public or government entities such as road ways .gas lines .water lines .power lines .or any other land use changes, belt ways etc. **The Lot Owners acknowledge they have checked with any and all government entities regarding new developments into and around the area and accept the existing, current, or future developments that may or may not occur. The Lot Owners further acknowledge that no representations have been made by Declarant or any entity owned by Declarant as to the existing, current or future developments that may occur into and around the area where Serenity Brook Estates is located.**

ARTICLE IV

ARCHITECTURAL COMMITTEE

1. **ESTABLISHMENT OF COMMITTEE** - The Declarant or its designee shall establish an Architectural Review Committee of not less than one (1) or more than three (3) members to perform the functions of the Architectural Review Committee set forth in this Declaration.

So long as the Declarant or its designee owns one or more Lots, the Declarant or its designee shall have the sole right to appoint and remove members of the Architectural Review Committee. At such time as the Declarant no longer owns any Lot, the members of the Architectural Review Committee may be appointed and removed by the Owners of more than fifty percent (50 %) of the Lots. No appointment or removal of a member of the Architectural Review Committee by the Owners of more than fifty percent (50 %) of the Lots shall be effective until a notice setting forth the name and address of the person or persons appointed or removed from the Architectural Review Committee is signed by the Owners of more than fifty percent (50 %) of the Lots and recorded with the County Recorder of Clark County, Nevada. If the Owners of more than fifty percent (50 %) of the Lots do not appoint an Architectural Review Committee in accordance with the requirements of this Section or if all persons appointed have resigned so that there are no members of the Architectural Review Committee, then the provisions of this Declaration

requiring the approval of the Architectural Review Committee shall revert back to the Declarant or its designee and be subject thereafter to Declarant or its designee's approval in their sole discretion.

2. **TERMS OF OFFICE** - The term of office for members of the Architectural Review Committee shall be a period of one (1) year, or until the appointment of a successor. Any new member appointed to replace a member who has resigned or been removed shall serve such member's unexpired term. Members who have resigned, been removed or whose terms have expired may be reappointed.

3. **RESIGNATIONS** - Any member of the Architectural Review Committee may at any time resign from the Architectural Review Committee by recording a written notice of the resignation with the Board of Directors. Records of the appointments and resignations will be maintained by the Board Secretary.

4. **MEETINGS AND COMPENSATION** - The Architectural Review Committee shall meet from time to time as necessary to perform its duties. The vote as noted in the written minutes of the Architectural Review Committee or written consent of a majority of the members of the Architectural Review Committee, at a meeting or otherwise, shall constitute the act of the Architectural Review Committee unless the unanimous decision of the Architectural Review Committee is required by any other provision of this Declaration. The Architectural Review Committee shall keep and maintain a written record of all actions taken by the Architectural Review Committee at a meeting or otherwise. Reasonable compensation, as approved by the Association, may be paid members of the Architectural Review Committee and Declarant or its designee.

5. **WAIVER** - The approval of the Architectural Review Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Review Committee under this Declaration shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or other matter subsequently submitted for approval.

6. **LIMITATION OF LIABILITY** - No member of the Architectural Review Committee and Declarant or its designee's or any Person acting on behalf or at the instruction of the Architectural Review Committee shall be personally liable to any Owner or other Person for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Architectural Review Committee or of any Person acting on behalf of or pursuant to the instructions of the Architectural Review Committee unless such Person has acted in bad faith or engaged in willful or intentional misconduct.

7. **ARCHITECTURAL REVIEW COMMITTEE RULES** - The Architectural Review Committee may promulgate architectural guidelines, standards and procedures to be used in rendering its decisions subject to the specific terms of this Declaration which shall control. Such additional guidelines, standards and procedures may include, without limitation, provisions regarding: (i) the size of Residential Units; (ii) architectural design, with particular regard to the harmony of the design with the surrounding structures and typography; (ii) placement of

Residential Units and other buildings; (iv) landscaping design, content and conformance with the character of the Property and permitted and prohibited plants; (v) requirements concerning exterior color schemes, exterior finishes and materials; (vi) signage; and (vii) perimeter and screen wall design and appearance. No member of the committee may vote on matters in which he/she has a direct financial interest or stand to gain a disproportionate financial advantage except for the Declarant or its designee's. The decision of the Architectural Review Committee or Declarant or its designee's shall be final on all matters submitted to it pursuant to this Declaration.

ARTICLE V

THE ASSOCIATION

1. **FORMATION** - The Association shall adopt Bylaws promulgated by Declarant or its designee and establish regulations and assessments for Owners and members at its first meeting, which shall be held no sooner than six (6) months after all Lots in the Parcels have been sold, exchanged or conveyed by Declarant or its designee. Declarant or its designee shall have the right to govern and/or amend any of the Covenants, Conditions and Restrictions pertaining to Serenity Brook Estates, until such time as Declarant or its designee deems it necessary to relinquish such right, which shall be done in writing.

Each Owner is automatically a member of SBE HOA, upon its formation as contained in Section 1 of Article V and shall remain a member until he no longer is an Owner. Individuals who jointly own a single lot shall together be considered a single member of the Association for purposes of this Declaration but shall be jointly and severally liable for compliance within the terms of this Declaration.

An initial Association Fee of \$150.00 shall be due immediately upon becoming a member of the Association, half of which may be refunded to the member upon termination of membership so long as no sums are owing to the Association, in which case any such sums may be set-off against the amount refundable.

2. **MAINTENANCE PRIOR TO FIRST MEETING** - Until such time as the Association conducts its first meeting and organizes in accordance with Section 1 of this Article V, the Owners shall bear maintenance expenses and responsibilities for general maintenance, planter and common area maintenance, and perimeter walls in the same proportion as the number of Lots owned by each member bears to the total of Lots in the Parcels. If in the future the monthly electrical and maintenance fee exceeds the initial fee, expenses will be split equally among Owners of the Lots. Monthly payments of this assessment shall be due and owing on the first of each month in twelve equal installments. Such payments shall commence with each Lot Owner on the first month after they have closed escrow. Any Lot Owner not timely paying the monthly assessment fee is subject to a Twenty- Five Dollar (\$25.00) late fee per month. Declarant or its designee is exempt from assessment for fees of any Association.

3. **MAINTENANCE SUBSEQUENT TO FIRST MEETING** - Each Lot Owner shall be responsible for their proportionate share of fees to maintain the landscaping, road maintenance, power bill, utilities, insurance, community well maintenance and any and all other costs incurred by the Association. The amount of these items times 1.25 is the total maximum amount owed by each Lot Owner on a yearly basis. The exact amount shall be set by the Association's Board of Directors. Monthly payments of this assessment shall be due and owing on the first of each month in twelve equal installments. Such payments shall commence with each Lot Owner on the first month after they have closed escrow. Any Lot Owner not timely paying the monthly assessment fee is subject to a Twenty-Five Dollar (\$25.00) late fee per month.

The decision to undertake road maintenance and to incur expense and liability therefore, shall be made by the Association (or Declarant or its designee, if the Association has not been formed). All expenses incurred pursuant to this Section 2 shall be assessed against the Owners in the same proportion as each Lot bears to the total number of Lots in the Parcels. For purposes of this Declaration, road maintenance shall include the maintenance, repair, replacement, or other work with respect to any improvements, facilities, or equipment ("Road Facilities and Equipment") incidental to or connected with the roads, or any other facilities or improvements placed or maintained on non-exclusive easements for the benefit of each of the Lot Owners, including, without limitation, perimeter fencing, entry standards, landscaping, curbs, gutters, sewers, paving, striping, signs, any equipment or facilities used in connection with such road maintenance and the payment of any utilities used in connection with such maintenance, replacement, or other work, such as water, power, and gas.

4. **PENALTIES**

- a) Owners of Lots violating any Covenants, Conditions, or Restrictions with regards to the final "**Build Out**" date of **January 1, 2013** and with regards to Plan Design Review submission, Construction Commencement and Completion agree to pay the following scale:

Plan Design Review – Plans must be submitted to the Architectural Review Committee for design review on or before **January 1, 2011**. The penalties for non-compliance will be **\$5.00** a day starting **January 1, 2011**, increasing to **\$15.00** a day on **July 1, 2011**, and to **\$30.00** day on **January 1, 2012**.

Construction Commencement and Completion – Construction must be commenced on or before **January 1, 2012**. The penalties for non-compliance will be **\$5.00** a day starting **January 1, 2012**, increasing to **\$15.00** a day on **July 1, 2012**, and to **\$30.00** a day on **January 1, 2013** violation fee until project is completed (issued a Certificate of Occupancy from appropriate governing agencies).

- b) Owners of Lots violating any Covenants, Conditions or Restrictions agree to pay **\$30.00** per day violation fee to the Association until the violation is corrected. If the Covenant being violated is corrected post haste after receiving written notice (within the time specified in such notice) the violation will be waived.

- c) The violating Association member agrees to pay reasonable fees for the time and effort of the entity or persons who is responsible for collecting the violation fees or assists in seeing that the violation is corrected. Violation fees collected will be deposited into the Community Account. The Executive Board of Director's, in their sole discretion, may waive the requirements of this paragraph for any one or more than one Lot Owner / Member.

5. **DUTIES AND POWERS OF THE ASSOCIATION**

- a) **Road and Facility Maintenance** - The Association shall take all actions necessary for the preservation and protection of the Private Drive, which has not been accepted for dedication by the County of Clark and for the preservation and protection of the common areas. Such preservation and protection of the Private Drive and common areas shall include all items of road maintenance, planter areas, and maintenance (as needed). The decision of the Association to incur expenses for road maintenance, planter areas, and maintenance shall be approved by the Association's Board of Directors. The Association may incur expenses for purposes other than road maintenance of the Private Drive or the common areas, including all items of road maintenance, planter areas, and maintenance, but before expending funds on any additional items it shall require the written approval of not less than Five Lot Owners.
- b) **Street Lights and Gated Entry** - Improvements to the realty Serenity Brook Estates are at the discretion of the Lot Owners. At least five of the Lot Owners in Serenity Brook Estates must agree in writing for the installation of the improvements to occur.

If such agreement is reached on either or both of these improvements each Lot Owner will pay its percentage of the assessment within 30 days prior to the commencement of the specific phases of an improvement. It is intended that there will be numerous separate assessments as each phase of each separate improvement is constructed.

If such improvements are agreed to the Maintenance sections of this Article V both prior and subsequent to formation of the Association shall include maintenance costs for such items without further approval needed by the Lot Owners.

- c) **Relinquishment** - The Association shall not relinquish responsibility for road maintenance or any portion thereof unless (i) title to such portion passes to a duly constituted governmental authority or (ii) all members served by such portion give their written approval for such relinquishment. The Association shall not relinquish responsibility, monitoring and maintenance unless a duly constituted governmental authority accepts the responsibility for such monitoring and maintenance.
- d) **Standard of Maintenance** - The Association shall maintain the Private Drive and Road Facilities and Equipment in accordance with the standard of maintenance set forth in Section 7 of this Article V.

6. **REPAIRS BY INDIVIDUAL OWNERS** - From and after the formation of the Association, no individual Owners shall conduct road maintenance or other repairs with respect to the Private Drive, Road Facilities and Equipment, or other property (other than such Owners Lot), without the approval of the Association's Board of Directors. Prior to such formation, no individual Owner or Owners shall be authorized to make repairs unless such repairs have been approved by a majority of the Owners. Any owner or any agent, contractor, tenant, occupant, or invitee of an Owner, who causes damage to the Private Drive (other than normal wear and tear), shall be liable for the cost of repair or other work necessary to restore the damaged road, automatic gate, street lights, (if approved) and common areas to its prior condition.

7. **STANDARD OF ROAD MAINTENANCE** - The Private Drive shall be kept in such condition as to be safely usable for access, ingress and egress on, over and through such roadways by ordinary automobile traffic and emergency vehicles at all times, except in cases of natural disaster or other acts of God when a reasonable time period may be necessary for corrective action. The Private Drive and Road Facilities and Equipment shall be maintained in good order and repair. Maintenance shall be performed no less frequently than annually. In no event, however, shall, the Private Drive be allowed to deteriorate to such a condition as to fail to meet the Clark County standards to which such roads were constructed. The street lights, and automatic gate shall be kept in such condition as to be ready for continuous automatic operation in accordance with its design and manufacturers specifications at all times, except in cases of natural disaster or other acts of God when a reasonable time period may be necessary for corrective action. The streetlights, and automatic gate shall be maintained in good order and repair with maintenance performed in accordance with the manufacturers guidelines.

8. **EXCESSIVE BURDEN** - If an Owner uses his Lot, or any portion thereof, or any improvements thereon for nonresidential purposes and such use increases traffic on the Private Drive in excess of normal residential traffic, such Owner shall be liable for a surcharge over and above any normal maintenance assessment established by the Association or the Owner's pro rata share of maintenance cost set forth in Section 8 of this Article IV. Such surcharge shall increase such Owner's share of maintenance expense in the same proportion as the traffic has been increased by such nonresidential use. Such surcharge shall be approved by the Association's Board of Directors. Nothing contained in this Section 8 shall be construed as permitting or authorizing any commercial or other use which is prohibited by any other provision of this Declaration.

9. **LANDSCAPING** - Declarant shall install the initial landscaping. Thereafter, whether or not the initial landscaping flourished or falters, lives or dies, is damaged or preserved, all responsibility therefore shall lie with the Association and Declarant or its designee shall have not responsibility whatsoever. A gratuitous act by Declarant or its designee in contradiction with this provision does not act as a waiver.

10. **LIMITATION OF LIABILITY** - No member of the Board of Directors for the Association when acting as a Board of Director's Member, Declarant or its designee's or any Person acting on behalf or at the instruction of the Association shall be personally liable to any Owner or other Person for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Association or of any Person acting on behalf of, or

pursuant to the instructions of the Association unless such Person has acted in bad faith or engaged in willful or intentional misconduct.

11. **LIEN** - The Association shall have an automatic statutory lien against each Unit to secure payment of delinquent assessments, as well as interest, late charges, the value of the time spent enforcing this provision, and costs of collection (including attorneys' fees).

12. **CONSTRUCTION BOND** - The Owner of an unimproved lot shall cause a cash bond to be posted with the Declarant or its designee's and in favor of the Declarant or its designee's in the amount of \$2,500.00 to cover any damages, debris or expenses occasioned by the Lot Owner by reason of the construction or installation of the improvement by Owner, his/her builder, installer, or the like. Any unused portion of said bond shall be promptly refunded to Owner once the improvements are completed. The Declarant or its designee's shall determine when the improvements are completed.

ARTICLE VI

ARCHITECTURAL CONTROL

1. **ARCHITECTURAL RESTRICTIONS** - No building, fence, wall, landscaping or other structures shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition, change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same have been submitted to the Architectural Review Committee in writing at least thirty days prior to construction and approval, in writing, is received back from said Committee or Declarant or its designee's no later than two weeks prior to start of construction.

ARTICLE VII

ENFORCEMENT

1. **RIGHT OF ENFORCEMENT** - The Association, Declarant or its designee and any Owner shall be authorized to prosecute in any proceedings at law or equity all restrictions, covenants, conditions, reservations, liens, late fees and charges now or hereafter imposed by the provisions of this Declaration or any amendment thereto, including the right to prevent the violation of any such restrictions, covenants, conditions or reservations and the right to recover damages or other amounts due for such violations. In any litigation or other proceeding including arbitration arising out of this Declaration (whether such proceeding or litigation is brought by the Association, the Declarant or its designee or an individual Lot Owner or Owners), all costs, statutory interest and all attorneys fees of the prevailing party without limitation and including the value of time spent by Declarant or its designee or any Association, shall be made a part of the judgment of the court. Nothing contained herein shall be construed to limit the rights and remedies to which any Owner is entitled as a result of a breach of any provision of this

Declaration.

ARTICLE VIII

PROTECTION OF MORTGAGES

1. **MORTGAGES PERMITTED** - Any Owner may encumber his Lot with a mortgage or deed of trust (either or both referred to herein as a “mortgagee”).
 2. **SUBORDINATION** - Any lien created or claimed under the provisions of this Declaration is expressly made subject and subordinate to the rights of any first mortgage encumbering all or a portion of the Parcels, or any Lot therein, made in good faith and for value, and no such lien shall in any way defeat, invalidate or impair the obligation or priority of such mortgage unless the mortgagee there under shall expressly subordinate his interest, in writing, to such lien.
 3. **EFFECT OF BREACH HEREOF** - No breach of any provision of this Declaration shall invalidate the lien of any first mortgage made in good faith and for value, but all of said provisions shall be binding upon any owner whose title is derived through foreclosure sale, trustee’s sale or otherwise.
 4. **FORECLOSURE** - A lien for regular or special assessment against an Owner is herein made subordinate to the lien of any first mortgage or first deed of trust (hereafter collectively referred to as first encumbrance), which is pending against the Lot at the time the lien comes into existence. In the case of a subordination of a lien for assessments to a first encumbrance, the transfer of an Owner’s interest in a Lot as the result of the exercise of a power of sale or a judicial foreclosure involving a default under the first encumbrance shall extinguish the lien for assessments which were due and payable prior to the transfer of the Owners interest.
- No transfer of the Lots interest as the result of a foreclosure or exercise of a power of sale shall relieve the new Owner, whether it be the former beneficiary of the first encumbrance or another person, from liability for any assessments thereafter becoming due on said Lot. Nothing herein should be construed to relieve the Owner of his responsibility to pay the regular or special assessments and he may be proceeded against even if he is no longer the record owner of the Lot.
5. **NON-CURABLE BREACH** - Any mortgagee who acquires title to a Lot by foreclosure shall not be obligated to cure any breach of this Declaration which is non-curable or of a type which is not practical or feasible to cure.
 6. **LOAN TO FACILITATE** - Any mortgage given to secure a loan to facilitate the resale of a Lot after acquisition by foreclosure shall be deemed to be a loan made in good faith and for value and entitled to all of the rights and protection of this Article VIII.
 7. **APPEARANCE AT MEETINGS** - Because of its financial interest in the Lots, any institutional mortgagee, upon request, may appear at meetings of the Association and the Board,

or designate a representative to attend all such meetings to draw attention to violations of this Declaration, the Bylaws, or the Association's Rules and Regulations which have not been corrected or made the subject of remedial proceedings or assessments. Said mortgagee shall, upon request, receive written notice of all meetings of the Association.

8. **RIGHT TO FURNISH INFORMATION; COLLECTION OF INSURANCE**

PREMIUMS - Any mortgagee shall have the right to furnish information to the Board concerning the status of any mortgage. The Board may also delegate to any mortgagee the right to collect such portion of a Lot's assessments, or installments, thereof, representing premiums payable for insurance coverage.

9. **LOSS PAYABLE CLAUSES** - All applicable fire and all physical loss or extended coverage insurance policies shall contain loss payable clauses naming the mortgagees, as their interests may appear.

ARTICLE IX

MISCELLANEOUS

1. **RESCISSION OR TERMINATION** - No breach of this Declaration shall entitle any party or Owner to cancel, rescind, or otherwise terminate this Declaration or excuse the performance of such party's or Owner's obligations hereunder; provided, however, that this limitation shall not affect in any manner any other rights or remedies which the parties or Owners may have by reason of any such breach.

2. **NO WAIVER** - No waiver of any default by any party to this Declaration shall be implied from any omission by any party to take any action in respect of such default even if such default continues or is repeated. The failure by any party to enforce any provision of this Declaration shall not be deemed a Waiver of the right to do so thereafter.

3. **CONSTRUCTION AND SEVERABILITY** - The provisions of this Declaration shall be liberally construed to effectuate its purposes. The provisions hereof shall be deemed independent and severable and the invalidity or partial invalidity or enforceability of any one provision, or portion thereof, shall not affect the validity or enforceability of the remainder. The various headings are for convenience only and shall not affect the meaning or interpretation of this Declaration.

4. **ATTORNEYS' FEES** - In any action (suit or arbitration) brought to declare the rights granted herein or to enforce any of the terms hereof, the prevailing party shall be entitled to an award of reasonable attorneys' fees, costs incurred and statutory interest in an amount determined by the Arbitrator or Judge.

5. **SUCCESSORS AND ASSIGNS** - This document shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assigns of the parties hereto.

6. **NOTICE** - Any notice sent to any Owner or to Declarant or its designee under the provisions hereof shall be deemed to have been received when mailed with proper postage prepaid to the last known address of such Owner or Declarant or its designee, or in the case of hand delivery, upon delivery to such last known address or directly to Owner or Declarant or its designee by certified return requested mailings.

7. **BINDING ARBITRATION** - Any disputes arising between the Association and Lot Owner(s) that cannot be resolved, must be resolved through the American Arbitration Association. The parties agree that they will arbitrate their dispute through the American Arbitration Association. The Arbitrator shall enter findings of fact and conclusions of law to support his or her award. The decision will be final subject only to the trial court's review of the findings of fact and conclusions of law entered by the Arbitrator. The standard of review for the trial court shall be the same as if the Nevada Supreme Court were reviewing findings and conclusions of a trial court after a trial. Any decision by the trial court that results in a remand must be remanded back to binding arbitration through the American Arbitration Association. Any disputes arising between Lot Owners, must also be resolved through the American Arbitration Association in accordance with the terms of this provision.

8. **CHANGE OF CIRCUMSTANCES** - Except as otherwise expressly provided in this Declaration, no change of conditions or circumstances shall operate to extinguish, terminate or modify any of the provisions of this Declaration.

9. **AMENDMENTS TO CERTAIN PROVISIONS** - All amendments to these Covenants, Conditions and Restrictions require the written consent of the Declarant or its designee.

10. **AMBIGUITY AND INTERPRETATION** - Any ambiguity or interpretation of this Declaration shall be resolved by the Declarant or its designee.

11. Any inconsistency between the rights, powers, interpretations, decisions, or elections of Declarant or its designee shall supersede and prevail over all other documents, Associations, Committees, Boards and Owners to the fullest extent allowable by law.

12. Declarant or its designee reserves the right to do marketing surveys, poles, letters, questionnaires, and to use any other marketing tool it desires during its Declarant Control Period.

13. No Owner shall protest or object, and Owners do hereby waive their right to protest or object, to the same object or protest and zone issue, variance in height, variance, waiver, administrative deviation, special use permit, vacation, variance in lot size, or the use or modified use of any easement or other approvals, applications, submittals or requests regarding land use issues whether relating to Residential, Business, Commercial, Transportation or other real property components or improvements thereon made by Declarant it Associates, or its designate within a four mile radius. All Owners Agree to allow the Declarant it Associates, or it's designate to apply for a reduction in lot size and underground tunnels or overhead walkways for pedestrian and vehicular traffic as well as buildings for commercial or residential use that may exceed height restrictions, for any parcels within a four mile radius.

14. **DISCLOSURES AND DISCLAIMERS OF CERTAIN OTHER MATTERS** - Without limiting any other provision in this Declaration, by acceptance of a deed to a Unit, each Owner shall conclusively be deemed to understand, and to have acknowledged and agreed to, all of the following:

- a) That there is and/or will be a electrical power substations located on or adjacent to the Community (which term, as used throughout this Article 24, shall include all Units arid Common Elements), and there are presently and may be further major electrical power system components (high voltage transmission or distribution lines, transformers, etc.) from time to time located within or nearby the Community, which generate certain electric and magnetic fields (“EMF”) around them; that, without limiting any other provision in this Declaration, Declarant or its designee specifically disclaims any and all representations or warranties, express and implied, with regard to or pertaining to EMF; and that Owner hereby releases Declarant or its designee from any and all claims arising from or relating to said EMP, including, but not .‘ necessarily limited to, any claims for nuisance or health hazards; and
- b) That the Community is or may be located adjacent to or nearby major roadways, and subject to levels of traffic thereon and noise, dust, and other nuisance from such roadways and vehicles; that Declarant or its designee hereby specifically disclaims any and all representations or warranties, express and implied, with regard to or pertaining to roads and/or noise, dust, and other nuisance there from; and that Owner hereby releases Declarant or its designee from any and all claims arising there from or relating thereto; and
- c) That the Community may be located nearby water and drainage channels, and washes (all, collectively, “Channel”), the ownership, use, regulation, operation, maintenance, improvement and repair of which are not within Declarant’s control, and over which Declarant has no jurisdiction or authority, and, in connection therewith: (1) the Channel may be an attractive nuisance to children; (2) maintenance and use of the Channel may involve various operations and applications, including (but not necessarily limited to) noisy electric, gasoline or other power driven vehicles and/or equipment used by Channel maintenance and repair personnel during various times of the day, including, without limitation, early morning and/or late evening hours; and (3) the possibility of damage to Improvements and property on the Properties, particularly in the event of overflow of water or other substances from or related to the Channel, as the result of non-function, malfunction, or overtaxing of the Channel or any other reason; and (4) any or all of the foregoing may cause inconvenience and disturbance to Owner and other persons in or near the Unit and/or Common Elements, and possible injury to person and/or damage to property; and that Owner hereby releases Declarant or its designee from any and all claims arising there from or relating thereto; and

- d) That construction or installation of Improvements by Declarant or its designee, other Owners, or third parties, may impair or eliminate the view, if any, of or from any Unit and /or Common Elements; and that Owner hereby releases Declarant or its designee from any and all claims arising from or relating to said impairment or elimination; and
- e) That: (1) the finished construction of the Unit and the Common Elements, while within the standards of the industry in metropolitan Las Vegas, Clark County, Nevada, and while in substantial compliance with the plans and specifications, will be subject to expected minor flaws; and (2) issuance of a Certificate of Occupancy by the relevant governmental authority with jurisdiction shall be deemed conclusive evidence that the relevant Improvement has been built within such industry standards; and
- f) That installation and maintenance of a gated Community, entry gate guard house, or any security device, operation, or method, shall not create any presumption, or duty whatsoever of Declarant or its designee or the Association (or their respective officers, directors, managers, employees, agents, and/or contractors), with regard to security or protection of person or property within or adjacent to the Community; and
- g) That Purchaser acknowledges that Purchaser has been informed that information regarding the zoning designations and the designations in the master plan regarding land use, adopted pursuant to NRS Chapter 278, for the parcels of and adjoining the Properties to the north, south, east, and west, if any there be, and the most recent gaming enterprise district map are available for public inspection by the jurisdiction in which the Unit is located, and related disclosures. Declarant or its designee makes no representation, and no warranty (express or implied), with regard to any matters pertaining to adjoining land or uses thereof or to any gaming uses. Purchaser is hereby advised that the master plan and zoning ordinances, and gaming enterprise districts, are subject to change from time to time. If current information concerning such matters is desired, Purchaser should contact the appropriate governmental planning department. Each Purchaser acknowledges and agrees that its decision to purchase a Unit is based solely upon Purchaser's own investigation, and not upon any information provided by any sales agent; and
- h) That Declarant presently plans to develop only those lots which have already been released for construction and sale, and that Declarant or its designee has no obligation with respect to future phases, any "custom lots," plans, zoning, or development of other real property contiguous to or nearby the Unit; (b) proposed or contemplated residential and other developments may have been illustrated in the plot plan or other sales literature in or from Declarant or its designee's sales office and/or Purchaser may have been advised of the same in discussions with sales personnel; however, notwithstanding such plot plans, sales literature, or discussions or representations by sales personnel or otherwise, Declarant or its designee is under no obligation to construct such future or planned developments

or units, and the same may not be built in the event that Declarant or its designee, for any reason whatsoever, decides not to build same; (c) Purchaser is not entitled to rely upon, and in fact has not relied upon, the presumption or belief that the same will be built; and (d) no sales personnel Or any other person in any way associated with Declarant or its designee has any authority to make any statement contrary to the provisions set forth in the foregoing or any provision of the written purchase agreement.

- i) That there is a major high-pressure gas transmission line that is plus or minus 42 inches in size that is near the development. Owner understands that this is the case and acknowledges this fact and understands that no digging or excavation is permitted without obtaining approval from the owner of the gas line: Kern River. Owner waives all liability relating thereto on the part of Declarant or its designee, the Association and those acting on their behalf.
- j) That any property which is contiguous or appurtenant to the parcels comprising this development is zoned to allow horses. Owner waives all liability relating thereto on the part of Declarant or its designee, the Association and those acting on their behalf.
- k) Any power, authority, approval, exception, or reservation granted or retained by Declarant may be delegated, appointed or assigned to a third party designated by Declarant in whole or in part, permanently or temporarily.

In the event that any of the provisions of this Declaration conflict with any other Articles herein, or with the Clark County planning ordinance-zoning regulations or with the provisions or regulations of any other municipal entity or agency, the more restrictive of the provisions or regulations shall govern. The Declarant or its designee will not be responsible for any county codes .tortoise fees .grading fees .permit fees .water fees .permits .disclosure of any public or government entities such as road ways .gas lines .water lines .power lines .or any other land use changes, belt ways etc. **The Lot Owners acknowledge they have checked with any and all government entities regarding new developments into and around the area and accept the existing, current, or future developments that may or may not occur. The Lot Owners further acknowledge that no representations have been made by Declarant or any entity owned by Declarant as to the existing, current or future developments that may occur into and around the area where Serenity Brook Estates is located.**

15. NOTICES - Any notice, request, or other communication permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally, by facsimile transfer, or by mail certified mail. If delivery is made by certified mail, it shall be deemed to have been delivered ten (10) business days after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the

residence of such person 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. If delivery is, made by facsimile transfer, such must be sent to a telephonic number which is known to be activated and known to be the business or personal number to the recipient. A facsimile transfer notice is ineffective unless the sender can produce an electronically generated report confirming that the transfer was successfully completed. Notice by personal delivery shall be deemed to have been given on the next business day following the actual date of delivery. No notice, request or other communication shall be deemed to have been satisfactorily made unless all of the following requirements are met: (1) it is in writing, (2) it must contain the word **“NOTICE”** or **“REQUEST”** in capital letters at the top of the page of said writing, and (3) the words **“NOTICE OR REQUEST”** must be in either Times New Roman or Arial type font of not less than 18 point.

Failure to comply with this requirement shall constitute a substantial and material defect in the notice or request.

This FIRST AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SBE HOA has been executed by the Association this 19TH day of February, 2010. The undersigned hereby certifies that this FIRST AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SBE HOA has been adopted and approved in accordance with the Act, that the undersigned has read the foregoing and knows the contents thereof

By: _____
Director

STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

On this 19th day of February, 2010, before me, the undersigned Notary Public in and for said County and State, personally appeared Jon Wojtowitz known to me to be the person whose name is subscribed to the within FIRST AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SBE HOA and acknowledged to me that he did so freely and voluntarily and for the purposes therein mentioned.

WITNESS my hand and official seal.

NOTARY PUBLIC

EXHIBIT "1"

A portion of the Northwest Quarter (NW1/4) of Section 3 1, Township 19 South, Range 60 East, M.D.B. & M., described as follows:

Lots One (1), Two (2) and Three (3) as shown by map thereof on file in File 109 of Parcel Maps, Page 17, in the Office of the County Recorder of Clark County, Nevada.

Lots One (1) and Two (2) as shown by map thereof on file in File 109 of Parcel Maps, Page 18, in the Office of the County Recorder of Clark County, Nevada.

Lots One (1), Two (2) and Three (3) as shown by map thereof on file in File 109 of Parcel Maps, Page 19, in the Office of the County Recorder of Clark County, Nevada.

Lots One (1), Two (2) and Three (3) as shown by map thereof on file in File 109 of Parcel Maps, Page 20, in the Office of the County Recorder of Clark County, Nevada.

Lots One (1), Two (2) and Three (3) as shown by map thereof on file in File 109 of Parcel Maps, Page 21, in the Office of the County Recorder of Clark County, Nevada.

Lots One (1), Two (2) and Three (3) as shown by map thereof on file in File 109 of Parcel Maps, Page 22, in the Office of the County Recorder of Clark County, Nevada.

Lots One (1), Two (2) and Three (3) as shown by map thereof on file in File 109 of Parcel Maps, Page 23, in the Office of the County Recorder of Clark County, Nevada.

Lots One (1), Two (2) and Three (3) as shown by map thereof on file in File 109 of Parcel Maps, Page 24, in the Office of the County Recorder of Clark County, Nevada.

Lots One (1), Two (2) and Three (3) as shown by map thereof on file in File 109 of Parcel Maps, Page 25, in the Office of the County Recorder of Clark County, Nevada.

Lots One (1), Two (2) and Three (3) as shown by map thereof on file in File 109 of Parcel Maps, Page 26, in the Office of the County Recorder of Clark County, Nevada.