

BYLAWS OF
DESERT INN ESTATES OWNERS ASSOCIATION
October, 2005

ARTICLE I – HOME AND LOCATION

The name of the Corporation is Desert Inn Estates Owners Association. The principal office of the Association shall be located at the Desert Inn Estates clubhouse, 5280 Muir Woods Parkway, Las Vegas, Nevada 89122. All meetings of the Members and Directors may be held at that location. Any change of a meeting site further than ten miles from the Desert Inn Estates must be approved by a majority of Members attending a monthly executive meeting or a special Homeowners Meeting.

ARTICLE II – DEFINITIONS

Section 1. “Association” shall mean and refer to Desert Inn Estates Owners Association, a not-for-profit Corporation.

Section 2. “Properties” shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, and Restrictions and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. “Common Properties” shall mean and refer to those areas of land designated as Common Areas on the Properties owned by the Association for the common use and enjoyment of the Owners.

Section 4. “Lot” shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the Common Properties as heretofore defined.

Section 5. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties but, notwithstanding any applicable theory of the Mortgage, shall not mean or refer to the Mortgagee unless and until such Mortgagee has acquired title pursuant to the foreclosure or any proceeding in lieu of foreclosure.

Section 6. “Declaration” shall mean and refer to the Amended and Restated Declaration of Covenants, Conditions and Restrictions and any supplemental Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the office of the Recorder of Clark County, Nevada.

Section 7. “Member” shall mean and refer to all those owners who are Members of the Association as provided in Article III, Section 1 of the Declaration.

ARTICLE III – MEMBERSHIP AND RIGHTS THEREOF

Section 1.

Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2.

The Association shall have one class of voting Membership. Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be a Member. The vote for such Lot shall be exercised as they among themselves determine. Refer to Article III, Section 2 of the Declaration.

Section 3.

Each Member shall be entitled to the use and enjoyment of the Common Area and facilities as provided in the Declaration. Any Member may delegate their right of enjoyment of the Common Area and facilities to members of their family who reside with them or to the tenants or contract

purchasers who reside on the Lot, provided that no Member shall be reimbursed for any privilege which they may delegate or grant to others by virtue of their Membership. Any Member who delegates their right of enjoyment to tenants or contract purchasers shall forfeit their right of enjoyment during such delegation.

Section 4. Suspension of Membership

During any period in which a Member or members of the household shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use the recreational facilities of such Member shall be suspended until such assessment has been paid. Such rights of a Member and members of the household may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days, for the violation of any rules and regulations established by the Board of Directors governing the Common Ground Areas and facilities.

ARTICLE IV – MEETING OF MEMBERS

Section 1. Annual Meeting

Part (a) Election of Directors

Election of Members to the Board of Directors will be held on the third Tuesday of March.

Part (b) Special Membership Meeting

A Membership Meeting will be held seven (7) days after the election. If the day of the meeting is a legal holiday, the Membership meeting will be held on the first weekday following the legal holiday. The Membership Meeting shall include, but not be limited to, presentation of the current Board of Directors and a brief list of the accomplishments and improvements of the previous year.

Section 2. Special Meetings

Special meetings of the Members may be called at any time by the President or by a majority of the Board of Directors, or by a written petition filed by ten percent (10%) of all the votes of the Membership.

Section 3. Notice of Meetings

The notice of any Membership or open Board meeting must be sent not less than ten (10) days nor more than sixty (60) days in advance of the meeting. The notice of the meeting must include:

- a. The date, time and place of the meeting.
- b. A copy of the agenda for the meeting.
- c. Notify each Owner of the right to have a copy of the minutes provided upon request if the Member pays the Association for the cost of the preparation.
- d. Inform each Lot Owner of their right to speak at any such meeting of the Association or the Board of Directors meeting, unless the Board is meeting in Executive Session.

Section 4. Meeting Agenda

The agenda for the meeting 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, Bylaws and/or Rules and Regulations; any fees or assessments to be imposed or increased by the Association, any budgetary change, or any proposal to remove a Director of the Executive Board.
- b. A period devoted to comments by Members and discussion on those comments. Each Member wishing to be heard will generally be limited to two (2) minutes of speaking time on each topic.
- c. A period not to exceed twenty (20) minutes shall be devoted to Member questions and comments which will be held at the beginning of each meeting. Time will be allotted to each Member based on the number of Members who want to speak. Members will generally be limited to a two-minute maximum.

- d. Except in emergencies, no action may be taken upon a matter not on the agenda or on an amended agenda posted in the Clubhouse not less than ten (10) days prior to the meeting.
- e. The agenda must state whether an item is to be voted on by the Membership.

Section 5. Quorum of Voting Requirements

- a. A quorum of the Board of Directors is present for purposes of Board voting if at least half of the Board Members entitled to cast votes are present in person or by proxy for each vote.
- b. Except as otherwise provided in this Section, a quorum is present throughout any meeting of the Association if persons entitled to cast twenty (20) percent of the Association's total membership are present in person or by proxy at the beginning of the meeting.
- c. The number of Lot Owners voting for any item requiring a clubhouse voting day will be considered a quorum. A clubhouse voting day is defined as:
 - 1. The Member's right to cast a secret ballot.
 - 2. The opportunity for Members to vote at the clubhouse between 7 a.m. to 12 noon and 3 p.m. to 7 p.m.
 - 3. A public counting of the votes following the close of the polls.
 - 4. All requirements for notification, agenda and homeowners meetings must be followed.
- d. A quorum will consist of the number of Members voting to move the site of any future meeting further than ten (10) miles from the clubhouse.
- e. The following items require the approval of 2/3 of all Lot owners:
 - 1. Mergers.
 - 2. The borrowing of money to improve the common grounds.
 - 3. Transfer of common property.
 - 4. Monthly assessment of greater than 10% over the prior year's assessment (temporary or permanent).
 - 5. Any special assessment for capital improvement.

Section 6. Proxy Procedure

- a. A Lot Owner(s) may give a proxy to an immediate family member, another Lot Owner or a tenant who resides in the Association Community.
- b. A proxy must be dated and signed by a majority of the Owners of the Lot who are executing the proxy.
- c. Designate the votes that must be cast on behalf of the Owner(s) who executed the proxy.
- d. A proxy will be valid for one (1) meeting only.
- e. A copy must be filed with the Board Secretary prior to the meeting.
- f. At the beginning of the meeting for which the proxy is to be executed, the holder must disclose the number of proxies held.
- g. A Lot Owner(s) may revoke a proxy by filling a written and dated revocation with the office secretary and obtain a copy for Owner(s) records.
- h. The Lot Owner(s) must notify the person presiding over the meeting that the proxy executed for that meeting is revoked.
- i. A proxy cannot be utilized at the Annual Election of Members to the Board.

Section 7. Minutes

Written minutes of Board and Homeowners meetings will be posted on the clubhouse bulletin board within thirty (30) days of meetings. Upon request, and payment of the cost to prepare, each Member has the right to receive a copy of the minutes or a summary of the minutes of all meetings, except Executive meetings of the Board of Directors.

ARTICLE V – BOARD OF DIRECTORS REMOVAL AND COMPENSATION

Section 1. Removal

- a. Any Director may be removed from the Board by a vote of the Members of the Association. Article IV, Section 5b and c of the Bylaws, as per NRS 116.31036, Section 1.
- b. A Director is automatically removed from the Board after missing three (3) consecutive monthly Board meetings.
- c. A Director may be removed from the Board by a majority vote of the Directors at an Executive Meeting for inciting physical violence to any member.
- d. In the event of death, resignation or removal of a Director, the successor shall be selected by the remaining Members of the Board in Executive Session. The Board may accept applications for the position of Director. The appointee(s) shall serve for the unexpired term of the vacant seat(s) on the Board.

Section 2. Compensation

No Director shall receive compensation for a service they render to the Association as a Director. No Director shall receive compensation directly or indirectly from the Association by contract, wage, hire, or by any other means, nor from any vendor or contractor who may be doing business with the Association while said Director is a Member of the Board. Directors may be reimbursed for expenses incurred in the performance of their duties. No two persons from the same family shall be employed by the Association. No Director shall be authorized to write checks payable to a relative or hold the office of Treasurer or President of the Association if a relative is an employee of the Association.

ARTICLE VI – NOMINATION AND ELECTION OF DIRECTORS

Section 1. Number of Directors

The affairs of the Association shall be managed by a Board of not less than five (5) Directors who must be resident Members of the Association. Only one Member from each Lot may serve on the Board at the same time.

Section 2. Term of Office

Election to the Board shall be for a term of two (2) years.

Section 3. Nominating Committee

The Board of Directors will appoint a Nominating Committee Chairman who will then form a committee to accept names submitted for nomination to fill open positions on the Board of Directors. The annual Nominating meeting will be held on the second Tuesday of February following the Board Meeting. The Chairman of the Nominating Committee will also accept nominations from the floor. A Member must be in good standing in order to be placed on the ballot. A description of the duties of the Board of Directors will be available at the Association office. Nominees will prepare and submit within six (6) days a brief resume/statement for publication in the Roadrunner.

Section 4. Nomination

Candidates may be nominated by Members of the Board, the Nominating Committee or from the floor at the Nominating Meeting. All Members must be advised of their right to run for the Board at least thirty (30) days prior to the Nominating Meeting.

Section 5. Meet the Candidates Meeting

During the first week of March, a “Meet the Candidates” meeting will be held to acquaint the Members with the candidates. The Election Committee Chairperson shall coordinate this meeting.

Section 6. Election Committee

The Board of Directors will appoint a Chairman of the Election Committee. The Election Committee Chairman will form a committee to conduct the election and count the votes. There will be an open count of the votes at the clubhouse.

Section 7. Orientation Meeting

The Board of Directors will meet with the nominees, at a time convenient to all, before and after the election to acquaint the nominees with the documents, duties, procedures and other requirements necessary to conduct the business of the Association. An additional orientation meeting will be held for newly elected Directors within thirty (30) days of the election.

Section 8. Election

- a. A notice of election, a secret ballot and a return envelope will be sent by U.S. mail to each Lot address within the Estates, or to the address designated in writing by the Lot Owner, or to the last recorded address.
- b. Secret ballots must be returned to the office by mail or hand delivery no later than the close of business of the third Tuesday of March.
- c. A ballot will be invalid if received late, cannot be verified, Member not in good standing, or the selection of candidates exceeds the number of positions open.
- d. Ballots will be verified and counted at the clubhouse at 7:00 p.m. on election day. All Members are encouraged to observe.

ARTICLE VII – MEETINGS OF DIRECTORS

Section 1. Executive Meetings

- a. An Executive Meeting may be called in case of extreme emergency.
- b. Regular meetings of the Board of Directors shall be held on the second Tuesday of the month at 7:00 p.m. in the clubhouse. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next weekday after the holiday. All regular Board of Director meetings must follow the procedure of Article IV, Section 3, 4, and 5a of the Bylaws.
- c. The President of the Board of Directors may, for cause, cancel a regularly scheduled monthly meeting of the Board of Directors by introducing a motion to cancel such meeting and approval by a majority of the Directors present.

Section 2. Emergency Executive Meeting

- a. Executive Sessions of the Board of Directors may be called at any time by the President of the Board of by any two Directors, after not less than three (3) days notice to each Director or by the three (3) day notice being waived by a majority vote prior to the meeting. Should a Board member be unable to attend, the Director may vote by a written dated and signed statement provided before the meeting.
- b. The Board of Directors may meet in Executive Session to:
 1. Consult with the attorney for the Association on matters relating to proposed or pending litigation.
 2. Discuss matters relating to personnel.
 3. Discuss a violation of the governing documents of the Association alleged to have been committed by a Lot Owner. The Lot Owner may have the right to speak at this meeting and, upon request, receive a copy of those minutes pertaining to the violation.
 4. Any matter discussed in Executive Session must be generally noted in the minutes of the Executive meeting of the Board.

Section 3. Action Taken Without a Meeting

The Directors shall have the right to take any action needed in case of an emergency without a meeting. Such actions need a majority vote of the Directors and shall be included in the minutes of the next Board meeting. The Directors shall have the right to take any action needed for the day-to-day operations without a meeting.

ARTICLE VIII – POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers

The Board of Directors shall have the power to:

- a. Adopt, amend and publish the Bylaws and the Rules and Regulations governing the use of the Common Properties, the personal conduct of the Members and their guest(s) thereon and to establish penalties for violations.
- b. Make contracts and incur liabilities.
- c. Adopt and amend budgets for revenues, expenditures and reserves.
- d. Hire and discharge employees.
- e. Regulate the use, maintenance and repair of the Common Properties.
- f. Impose reasonable charges for the preparation and recording of documents for filing liens.
- g. Ensure that all fines for violations do not show bias.
- h. Declare the office of a Board Member to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors.
- i. Ensure that the Association adheres to the laws of the State of Nevada, Clark County, H.U.D. and all other governmental regulations that apply.
- j. Direct the removal of vehicles improperly parked on Common Grounds.
- k. Cause additional improvements to be made as part of the common elements.
- l. Exercise all other powers that may be exercised in this State by legal entities of the same type as the Association.
- m. Exercise any other powers necessary and proper for the governance and operation of the Association.
- n. Have the power to act in all instances on behalf of the Association within the confines of the Declaration and the Bylaws.
- o. The Board of Directors is required to exercise good and fair business judgment in their duties.

Section 2. Duties

- a. Prepare a budget for the fiscal year and adhere to that budget barring unforeseen circumstances.
- b. Cause an audit to be conducted each year.
- c. Keep a complete and written record of all its acts and corporate affairs. Such records shall be available to all Association Members upon request. A reasonable fee shall be charged for preparation and labor.
- d. All contacts with the Association attorney(s) must be approved by a majority of the Board and limited to Association business. The Board shall be advised of the legal opinions being sought and will prepare the questions to be presented to ensure time-cost effectiveness. All Board Members shall be given the opportunity to participate in the conference. All conversations with the attorney(s) must be recorded and a complete written record made. The attorney(s) advice may not supersede our governing documents.
- e. Hire and supervise all employees of the Association and ensure that their duties are properly performed.
- f. Fix the amount of the annual assessment against each Lot for the following year.
- g. Procure and maintain adequate liability and hazard insurance on property owned by the Association. Ensure that all taxes are paid when due.
- h. Each Member of the Board of Directors shall, within thirty (30) days after appointment or election, certify in writing that they have read and understand the governing documents of the Association and the NRS 116's to the best of their ability.
- i. Ensure that all Directors adhere to these documents.

ARTICLE IX – OFFICERS OF THE BOARD OF DIRECTORS & THEIR DUTIES

Section 1. Enumeration of Officers

The Officers of the Association shall be a President, Vice President, Secretary, and Treasurer who shall at all times be Members of the Board of Directors. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of the other offices.

Section 2. Election of Officers

The election of officers shall take place before the first meeting of the Board of Directors following each annual election meeting. Each officer shall hold office for one (1) year unless they resign or are removed.

Section 3. Resignation or Removal

Any officer may be removed from office by the Board. Any officer may resign at any time by giving written notice to the Board. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein.

Section 4. Vacancies

A vacancy in any office may be filled by appointment by the Board. The Director appointed to such vacancy shall serve for the remainder of the term of the Director replaced.

Section 5. Duties

The duties of the officers are as follows:

- a. **President:**
The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board and Association are carried out; shall sign all leases, mortgages, deeds, and other written instruments involving the Common Areas or facilities and shall co-sign promissory notes and all contracts. Three bids must be submitted prior to accepting a final contract.
- b. **Vice President:**
The Vice President shall act in the place of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such duties as may be required by him/her by the Board.
- c. **Secretary:**
The Secretary shall record the votes and keep complete and accurate minutes of all meetings and proceedings of the Board and the Members; be responsible for the corporate Seal of the Association and affix on all papers requiring such seal; serve notice of meetings of the Board and the Members; keep appropriate records identifying the Members of the Association together with their addresses and proof of age eligibility and shall perform such other duties as required by the Board.

ARTICLE X – COMMITTEES

To ensure compliance with the laws and documents that govern this Association, the Board shall at all times have the following committees:

- a. **Architectural Committee**
This committee will conform to Article VIII of the Declaration.

- b. Social & Recreational Committee
This committee will provide the services mandated but not limited to the laws that govern our senior status. The Board shall appoint a chairperson from the Association Membership.
- c. Election Nominating Committee
This committee will conform with Article IV of the Bylaws. The Board shall appoint a chairperson from the Association Membership.
- d. Standing and Ad Hoc Committees
Standing committees shall include, but not be limited to, the Social & Recreational Committee and the Architectural Committee. Ad Hoc committees may be convened at any time for a specific purpose and serve at the direction of the Board. All Members are entitled to full participation in committees. The Board shall provide guidelines for these committees.

ARTICLE XI – 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 of the Association. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII – ASSESSMENTS

Assessments shall be imposed and governed by Article VI, Section 1 through 11 in the Declaration.

ARTICLE XIII – CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words “Desert Inn Estates Owners Association”. The seal must be kept in a secured locked box in the Association office located at 5280 Muir Woods Parkway, Las Vegas, NV 89122. The keys to the box will remain in the custody of the Secretary and the President of the Association. Should the Secretary become unable to perform his/her duties, the Board will appoint an interim Secretary.

ARTICLE XIV – AMENDMENTS

Section 1.

These Bylaws may be amended following Article IV, Section 1. (j) 1. through 6. of the Declaration.

Section 2.

In the case of any conflict between the Articles of Incorporation and the Bylaws, the Articles will control, and in the case of any conflict between the Bylaws and the D.C.C.R.’s, the D.C.C.R.’s will control. In case of any conflict between the Bylaws and the NRS 116’s, the NRS 116’s will control.

ARTICLE XV – MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end the thirty-first day of December of every year.

ARTICLE XVI – NOTICE OF SALE OR LEASE

Each owner shall notify the Association of the names, and proof of age, of all persons to whom they sold, leased, rented, or is occupying their Lot and whether or not they have assigned all their rights to use facilities of the Association to the occupant.

ARTICLE XVII – AMENDMENTS TO DECLARATION

The President and/or the Secretary of the Association shall be entitled to prepare, execute, certify and record any amendment to the Declaration once approved by the Membership of the Association in accordance with the Association’s governing documents D.C.C.R.’s, Article X, Section 1.