

By-Laws

ROD ALFONSO
2690 PONCHO CT.
MINDEN 89423

ARTICLE I

NAME AND LOCATION

The name of the corporation is WILDHORSE HOMEOWNERS ASSOCIATION, hereinafter referred to as the "ASSOCIATION." The principal office of the corporation shall be located at the home of the sitting President of the association. The mailing address shall be 2750 Wildhorse Lane, Minden, NV 89423.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to WILDHORSE HOMEOWNERS ASSOCIATION, its successors and assigns.

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

Section 3. "Common Area" shall mean those portions of the subdivision which is owned by the Association for the common use and enjoyment of the owners. The Common Area shall include the following:

- (a) Any central recreational facilities,
- (b) Open space areas which will be planted, landscaped and irrigated by the Association,
- (c) Any other property reflected by the map or conveyance, as being owned by the Association, or by way of easement.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with exception of the Common Area.

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Section 5. "Owner" shall mean and refer to the record owner, or owners, if more than one, of the fee simple title to any Lot which is a part of the Properties, including Declarant, and including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Goshute Corporation, a Nevada corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the original Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the County Recorder of Douglas County, State of Nevada.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration and amendments thereto.

ARTICLE III

MEETINGS

Section 1. General Membership. Meetings of the general membership shall be held each quarter (January, April, July and October).

Section 2. Board of Directors. The board of directors shall meet quarterly, prior to the general membership, without notice.

Section 3. Elections. The elections of members of the board of directors shall be held at the July general membership meeting.

Section 4. Notice. Written notice of the time, date, location and the agenda of the quarterly general membership meeting shall be mailed, a minimum of 15 days prior to the meeting date, to all members in good standing. A notice shall also be posted on the common area bulletin boards. A member in "good standing" is current in all assessments and in compliance with the CC&R's.

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Section 5. Special Meetings. Special meetings of the general membership may be called by the President, the Board of Directors or by written petition of 10% of the general membership, in good standing, upon delivery of said petition to the President. Notice of these meetings shall follow the procedures as covered in Article III, Section 4. Special meeting notices will also include the purpose of the meeting. Special meetings of the Board of Directors may be called by the President or by any three (3) directors, after not less than three (3) days notice to all board members.

Section 6. Voting rights. All owners shall be entitled to one vote for each residential lot owned in the Wildhorse subdivision. If more than one person holds an interest in any residential lot, all such persons shall be members. The vote for said residential lot shall be exercised as they, among themselves, determine. In no event shall more than one vote be cast for each residential lot. Fractional votes are not allowed. If the multiple owners of a residential lot cannot agree, among themselves, as to how their vote should be cast, they shall lose their right to vote on the matter in question.

Section 7. Quorum. A simple majority of the members, in good standing, in attendance at the general membership meeting, including proxies properly filed with the secretary, shall constitute a quorum for general membership meetings. A majority of the Board of Directors, shall constitute a quorum for Board of Directors meetings. Any approved motion or action requested by the simple majority at the general membership meeting, will be voted on by all members, in good standing, via mailed ballot. Ballots will be mailed within 15 days after the general membership meeting.

Section 8. Proxy Votes. At all general membership meetings, a member may vote by proxy. The proxy shall be given in writing, identifying the party conveying the proxy and the specific meeting date, the specific purpose of the vote and filed with the Secretary, within a minimum of five (5) calendar days prior to the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the designated member.

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ARTICLE IV

BOARD OF DIRECTORS

Section 1. Designate. The affairs of this Association shall be managed by a Board of Directors consisting of a President, a Vice-President, a Secretary, a Treasurer and three (3) members at large. All directors need to be a member, in good standing, of the Association and reside in the subdivision.

Section 2. Term of Office. The President and Treasurer shall serve a three year term. The Vice-President and Secretary shall serve a two year term. The three members at large shall serve a one year term. Sitting officers or directors may run for re-election.

Section 3. Nomination. Nomination for election to the Board of Directors shall be made from the floor at the July general membership meeting.

Section 4. Election. Election to the Board of Directors shall be by secret written ballot. The members or their proxy may cast, for each position being voted, one vote for each Lot owned. The person receiving the largest number of votes shall be elected.

Section 5. Removal/Resignation. Any member of the Board of Directors may be removed, by a majority vote of the members, in good standing, of the Association. Any vacancy due to removal, resignation or death shall be filled by the President, with the approval of the Board of Directors, by appointment, for the unexpired term.

Section 6. Compensation. The Treasurer shall be paid a maximum of \$200.00 per month, as a fee, for bookkeeping duties. This fee will be paid from the transfer fees collected by the escrow companies and not from the general fund. Members shall be reimbursed for expenses incurred in the performance of their duties, only if pre-approved by the Board of Directors.

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ARTICLE V

DUTIES OF BOARD OF DIRECTORS

Section 1. President. The President shall preside over all board and general membership meetings, see that all orders and resolutions of the board and membership are carried out, serve as a liaison, to represent the will of the general membership, between the Association and the County or City governments and other organizations.

Section 2. Vice-President. The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act.

Section 3. Secretary. The Secretary shall record the minutes and the votes of all meetings and proceedings of the Association and report them at the next general membership meeting for approval, post the minutes on the Common Area bulletin boards and insure the delivery of a copy of those minutes to each member in good standing, receive and file all proxy declarations, keep the corporate seal and affix it to any papers requiring the seal, mail notices of each general membership meeting and post same notice on the Common Area bulletin boards, keep a current listing of the members of the Association including address and telephone numbers.

Section 4. Treasurer. The Treasurer shall prepare an annual budget and statement of income and expenditures to be presented, for approval, at the January general membership meeting, deliver a copy of the final approved budget to the members, bill and collect any and all assessments, deposit into and maintain general and reserve bank accounts, disburse funds as approved by the Board of Directors and/or the general membership, sign all checks of the Association, keep proper books and present a quarterly report of the expenditures made against the budget, present an annual financial review, by an independent third party, of the previous fiscal year at the January general membership meeting.

Section 5. Member at Large. The three (3) members at large are to represent the general membership on the Board and serve in any capacity that the Board decides is necessary.

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ARTICLE VI

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Section 1. Responsibilities. The Board of Directors is responsible to assure the following functions are carried out;

- (a) assure that all officers of the Board certify, in writing, that they have read and understand the provisions of law governing homeowner associations as well as the Association's governing documents,
- (b) adopt, publish and enforce the rules and regulations regarding the use of the Common Area facilities and the personal conduct of members and their guests,
- (c) suspend the voting rights and the right to use any recreational facilities of any member during any period in which said member is in default of any assessment levied by the Association. Those rights may also be suspended for infraction of published rules and regulations,
- (d) exercise, on behalf of the Association, all authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, Articles of Incorporation or the Declaration,
- (e) vacate any director position due to the absence of three (3) consecutive meetings of the Board of Directors,
- (f) employ an independent, licensed and properly insured contractor, manager, accountant or any other employee, as deemed necessary,
- (g) assure that all Covenants, Conditions and Restrictions are followed by the members,
- (h) maintain adequate liability and hazard insurance for the Common Area,
- (i) file the lien against any property for default on the payment of any and all assessments that are past due for 12 consecutive months. A demand notice will be mailed, by certified letter, to the property owners. A no response after 30 days will initiate the proper filing with Douglas County,
- (j) assure that any expenditures, exceeding the membership approved budget levels, have Board of Directors approval.

Section 2. Capital Expenditures. General membership approval shall be necessary for any capital expense in excess of one thousand (\$1000) dollars. Capital expenditure is defined as "any item or items that is not the replacement of a like and kind item that the Association already owns".

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ARTICLE VII

COMMITTEES

The Association shall have the following standing committees; Architectural, By Laws/CC&R's, Property Maintenance and Newsletter. The Board shall appoint other temporary committees as deemed necessary to carry out its purpose. Any expenditures in the operations of these committees shall be pre-approved by the Board of Directors.

ARTICLE VIII

BOOKS and RECORDS

The books, records, papers, the Articles of Incorporation, the Declaration and By-Laws of the Association shall be subject to inspection, at the President's residence, by any member, during reasonable business hours. The Secretary shall maintain and store the archive copies.

ARTICLE IX

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association semi-annual and special assessments which are secured by a continuing lien upon the property which the assessment is made. The Treasurer will issue bills 30 days in advance of the due and payable dates of January 1st and July 1st of each calendar year. Any assessments not paid by the due date shall be delinquent. A fifteen (15%) late charge shall be charged on any assessment collected fifteen (15) days after the due date, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclosure the lien against the property. Interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment.

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ARTICLE X

CORPORATE SEAL

The Association may have a seal in circular form having within its circumference the words: WILDHORSE HOMEOWNERS ASSOCIATION.

ARTICLE XI

INDEMNIFICATION OF OFFICERS, DIRECTORS and OTHER PERSONS

Section 1. Indemnification. The Association shall indemnify any director or officer of the Association against expense (including legal fees), judgements, fines and amounts paid in settlement, actually and reasonably incurred by him to the fullest extent now or hereafter permitted by law in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, brought or threatened to be brought against him, including actions or suits by or in the right of the Association by reason of the fact that he is or was a director or officer of the Association, its parent or any of its subsidiaries, or acted as a director or officer, or in any other capacity on behalf of the Association, its parent or any of its subsidiaries, or is or was serving at the request of the Association as a director, officer, employee or agent of another association, partnership, joint venture, trust or other enterprise.

Section 2. Attorney's Fees. In the event either the Association or parties mentioned above in Article XI, Section 1 shall be required to resort to legal action for damages for breach of the Declaration or to enforce same, then the prevailing party shall be entitled to court costs and reasonable attorney's fees.

ARTICLE XII

AMENDMENTS

Section 1. Amendments. These By-Laws may be amended, at a regular or special meeting, by a vote of 25% of the membership, in good standing, present in person or by proxy.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation or the Declaration and these By-Laws, the Articles or the Declaration shall take precedence.

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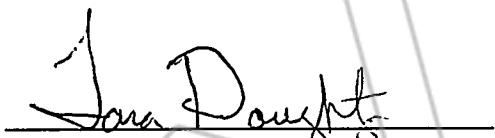
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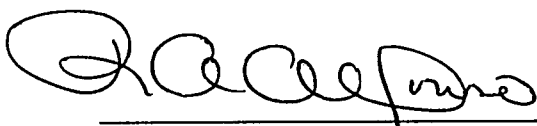
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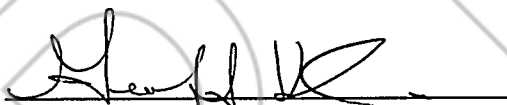
We, the undersigned, officers of the Wildhorse Homeowners Association, do hereby certify that the attached By-Laws were ratified, in total, as the new amended By-Laws of the Association on July 23, 1998 by a vote of YES-81, NO-14 and ABSTENTIONS-3.

Dated 7-25-98


Jill Kratz-President


Tara Doughty-Vice President


Rod Alfonso-Secretary


Geoff Keogh-Treasurer

REQUESTED BY
Rod Alfonso
IN OFFICIAL RECORDS OF
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RECORDER
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