

AMENDED April 8, 2014
BYLAWS OF CASAS BELLAS HOMEOWNERS ASSOCIATION

ARTICLE I. Name and Location

The name of the Association is the CASAS BELLAS HOMEOWNERS ASSOCIATION (the "Association"). Meetings of members and directors of the Association may be held at such places as may be designated by the Board of Directors.

These Bylaws are subordinate to the Declaration of Protective Covenants and shall not conflict with them.

ARTICLE II. Definitions

A. "Association" shall mean the Casas Bellas Homeowners Association which Association shall consist of all the owners of Lots located in the following described property, and acting as a group in accordance with these Bylaws:

a 12.62 acre parcel comprising a portion of the SANTA TERESA
GRANT situated within Township 28 South, Range 3 East; New
Mexico Principal Meridian, Dona Ana County, New Mexico

B. **Definitions** for these Bylaws shall be those appearing in Article 1 of the Declaration of Protective Covenants. If further definitions are required, they shall be inserted in these Bylaws as appropriate.

C. "**Protective Covenants**" shall mean the protective covenants covering the property which are recorded in Book 153, starting at page 434 of the Miscellaneous Records of Dona Ana County, State of New Mexico.

D. "**Member**" shall mean an owner of a residential unit in Casas Bellas.

ARTICLE III. Meetings of Members

A. **Annual Meeting.** The annual meeting of the Association shall be held in January at a date and place to be determined by the Board of Directors.

B. **Special Meetings.** Special meetings of the members may be called by the President or Board of Directors of the Association, or upon written request of twenty-five percent cent (25%) of the members then entitled to vote. Such written request shall be delivered to the Secretary of the Association.

C. **Notice of Meetings.** Written notice of each meeting of the members shall be given by the Secretary of the Association, at least fifteen days (15) before the meeting is scheduled, to each member entitled to vote. Such notice shall specify the

place, date and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

D. Quorum. A quorum shall consist of fifty percent (50%) of members entitled to vote (including proxies). If, however, a quorum shall not be present at any meeting, the members entitled to vote at such a meeting shall have the power to adjourn the meeting, without notice other than an announcement at the meeting, until a quorum shall be present or be represented.

E. Proxies. At all meetings of members, each member may vote in person or by proxy. Proxies shall be in writing and filed with the secretary. Each proxy shall be revocable. The format of the proxies shall ensure anonymity of the voter and include blank lines for voter input. Proxies will remain sealed and opened at the time of the vote.

F. Membership Action. A simple majority vote (51%) of the quorum shall be required for every act or decision done or made by the membership except as stipulated in the Covenants. Each owner will have one vote for every lot owned.

ARTICLE IV. Board of Directors

A. Number. The affairs of this Association shall be managed by a board of at least five (5) and no more than nine (9) directors who shall be members of the Association.

B. Term of Office. Directors of the Board will serve a three (3) year term.

C. Removal. Any director may be removed from the board, with or without cause, by a majority vote of the members of the Association in a special meeting called for such purpose. In the event of death, resignation or removal of a director, his successor may be appointed by the remaining members of the Board to serve for the balance of the year; or a new director may be elected at a special meeting of the members and shall serve for the unexpired term of his predecessor.

D. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred on behalf of the Association.

E. Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V. Nomination and Election of Directors

A. Nominations. Nominations for election of the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall be appointed by the Board of Directors in October, to serve until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. All members will be invited to submit their names to the Nominating Committee. Such nominations may be made from among members only.

B. Election. Election to the Board of Directors shall be by secret written ballot. At such elections the members, or their proxies, may cast, in respect to each vacancy, one vote. The nominee receiving the largest number of votes shall be elected. At the end of the meeting, all ballots and proxies will be destroyed after being verified by a qualified homeowner who is not a member of the Board.

ARTICLE VI. Meetings of Directors

A. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly, at such place, date and time as may be determined by the Board.

B. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days notice to each director. Any notice may be waived in the case of emergency.

C. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every decision made by a simple majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board.

ARTICLE VII. Powers and Duties of the Board of Directors

A. Powers. The Board of Directors shall have power to:

1. Adopt and publish Rules and Regulations governing the use of any common property, and the personal conduct of the members and their guests on the common property and to establish penalties for the infraction to the Rules and Regulations. All published Rules and Regulations governing the use of the common property, and any penalties or fines to be levied for the violation of the Covenants or Bylaws or adopted Rules and Regulations shall be published and maintained in the official records.

2. Suspend the voting rights and right to the use of the common area of a member during any period in which such member shall be in default in the payment of the annual dues, special assessments and/or fines levied by the Association. Such rights may also be suspended for other infractions of the published Rules and Regulations.

3. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provision of these Bylaws.

4. Remove a member of the Board of Directors in the event such member shall be absent from three consecutive regular meetings of the Board of Directors.

5. Authorize the Board of Directors to enter into one or more management agreements, and contracts, with third parties in order to facilitate the efficient operation of the property. The primary purposes of such management agreements, and contracts, shall be to provide for the administration, management, repair and maintenance of any common property. The terms of said management agreements shall be as determined by the Board of Directors.

B. Duties and responsibilities. It shall be the duty of the Board of Directors to:

1. Cause to be kept a complete record of all its acts and Association affairs and to present a statement to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by twenty five percent (25%) of the members who are entitled to vote.

2. Oversee any contract or management agreement and supervise all agents and employees of the Association to ensure that their duties are properly performed.

3. From time to time, at least annually and not less than thirty (30) days prior to the beginning of each fiscal year, prepare a budget for the Association, determine the amount of the Annual Common Assessment (dues) required to meet the common expenses of the Association and allocate and assess such common expenses against the unit owners, and levy and collect any Special Assessments which may be required.

4. At least thirty (30) days before due date, advise each unit owner in writing of the amount of the Annual Common Assessment [dues] payable by him and, if requested, furnish copies of budgets on which such common expenses are based.

5. Issue upon demand by any owner, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such certificates. Such a certificate shall be conclusive evidence of the fact of payment.
6. Cause the common property to be maintained.
7. Take such other actions as may be required in serving the best interest of the Association.
8. Procure and maintain insurance in adequate amounts for liability and hazard on all property owned by the Association.

ARTICLE VIII. Officers and Their Duties

A. Officers. The officers of the Association shall be a president, vice-president, secretary, treasurer and such other officers as the Board may from time to time by resolution establish. There shall be no salary for any officer. Officers must be members of the Board.

B. Election. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

C. Term. The officers of the Board shall hold office for one (1) year unless they resign or be removed or otherwise become disqualified to serve.

D. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board. Resignation shall take effect on the date of receipt of notice or at any later time specified. Unless otherwise specified, acceptance of a resignation shall not be necessary.

E. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

F. Multiple Offices. No person may simultaneously hold more than one office, with the exception of the office of Secretary/Treasurer which may be held by one person.

G. Duties of Board Members.

1. All board members shall serve as an officer, a chair of a committee or as a member of a committee.

2. All board members shall have a working knowledge of the Declaration of Protective Covenants, the Bylaws and Rules and Regulations.
3. President. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, lien statements, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes. The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall also recommend to the Board of Directors all committee chairs; these recommendations shall be appointed subject to the approval of the Board. He may serve as an ex-officio member of all committees.
4. Vice-President. The vice-president shall act in the place of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.
5. Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; shall serve notice of meetings of the Board and the Members; shall keep appropriate current records showing the members of the Association together with their addresses; shall perform such other duties as required by the Board. The secretary is also responsible for insuring that all documentation necessary to be filed each year with the State Corporation Commission or the Internal Revenue Service is completed in a timely fashion and filed with the appropriate agency.
6. Treasurer. The treasurer may receive and deposit in appropriate bank accounts all monies of the Association and may disburse such funds as directed by resolution of the Board of Directors; shall co-sign all checks and Promissory Notes of the Association; shall keep proper books of account; shall cause an annual audit of the Association books to be made at the end of each fiscal year by an auditing committee composed of up to three members appointed by the President of the Association who shall not be officers or directors of the Association; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting. In the event that a property management firm is employed by the Association, the property management shall receive and deposit all monies of the Association and shall disperse funds as directed by the Board; the treasurer shall oversee the financial aspect of the contract.

ARTICLE IX. Committees

A. Appointment. The Board of directors shall appoint such committees as it deems appropriate in determining and carrying out the purposes of the Association.

B. Duties and Authority. In designating a committee, the Board of Directors shall determine the duties of the committee and shall vest the committee with such authority as it deems appropriate.

C. Architectural Review Committee. This committee shall consist of one (1) member of the Board and at least two (2) but no more than four (4) members of the Association. The committee shall function as detailed under Article V of the Covenants.

D. Nominating Committee. This committee shall consist of one member of the Board of Directors, and at least 2 but not more than four members of the Association. Consecutive terms may be served by the committee. Members shall be named by the Board. Duties of the committee shall consist of determining the qualifications required for Board membership, selecting Owners who qualify and obtaining the agreement of the Owners selected as candidates. The Committee shall name the number of candidates necessary to fill all vacancies on the Board. The Committee shall announce the names of the selected candidates, in writing, to all Owners, at least thirty days before the annual meeting.

E. Covenants Committee. This committee, consisting of (1) member of the Board and at least two (2) but no more than four (4) members of the Association, shall be responsible for an ongoing review and for making recommendations to the Board concerning the Covenants, Bylaws and Rules and Regulations. It will provide an orientation for new board members.

F. Grounds Committee. This committee shall consist of one (1) member of the Board and at least two (2) but no more than four (4) members of the Association. It shall be responsible for supervising the ongoing maintenance of the common grounds and all association property. It shall oversee the administration of the Grounds Maintenance Contract. In October of each year, it shall review and recommend to the Board any changes to the Contract.

G. Social and Special Activities Committee. This committee shall consist of one (1) member of the Board and at least two (2) but not more than four (4) members of the Association. It shall be responsible for planning and coordinating social and special activities.

ARTICLE X. Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Bylaws of the Association, as well as any management agreements, shall be available for inspection. Copies may be purchased at a reasonable cost.

ARTICLE XI. Obligations of Members

A. Assessments (dues). All members are obligated to pay annual, monthly, and special assessments imposed by the Association by an act of the Board of Directors. Assessments shall be due and payable immediately upon receipt of notice of assessment.

B. Assessments [dues] not paid when due shall be subject to a late fee.

Article XII. Amendments

A These Bylaws may be amended, at a regular or special meeting of the members, by an affirmative vote of seventy-five percent (75%) of the members eligible to vote present or by proxy at said meeting.

B. Resolution of Conflicts. In the case of conflict between these Bylaws and the Protective Covenants, the provisions contained in the Covenants shall prevail.

ARTICLE XIII. Miscellaneous

A. Fiscal Year. The fiscal year of the Association shall be the calendar year.

B. Action on Behalf of Member. In the event a member of the Association fails to take action required by the Protective Covenants, these Bylaws, the authorized resolutions and policies published by the Board of Directors, or any laws, rules or regulations of the United States, the State of New Mexico, the County of Dona Ana, or any other governmental agency or entity, the Board of Directors may take such action on behalf of the Association for the member at his expense and collect costs so incurred, in the same manner as provided for the collection of assessments.

C. Common Property. The common property shall include all real and personal property owned by the Association including all landscaping improvements, sprinkler systems, easements and maintenance equipment.

D. Damage to or Destruction of Structures. In the event of damage to or destruction of any structure located within the property, the structure so damaged or destroyed shall be repaired or restored, the owner paying the full expense. Such repair or restoration shall be in accordance with the uniform architectural plan and in accordance with the original plans and specifications.

E. Rebuilding or Repair of Units. Each unit owner shall be required to rebuild or repair his unit within three (3) months of the date on which destruction of or damage to the unit has occurred. In the event any member fails to take such action, the Association is empowered to take such action on behalf of the member.

F. Decoration and Maintenance. Subject to the terms and provisions of the Covenants, Bylaws, and Rules and Regulations, the owner of each dwelling unit shall keep all exterior walls of the unit in good repair and condition at the owner's sole cost and shall maintain the overall appearance of the unit; that is maintain the white stucco exterior, the red tile roof, Russian Red (known as Russian Black) trim and garage doors. No owner shall do or permit to be done any act or thing which would adversely affect or depreciate the value of any unit or portion thereof. It is expressly understood that each Owner shall be responsible for the maintenance, inspection and repair of the roofing and skylight structures of the individually owned homes. The Association shall only be responsible for the maintenance, inspection and repair of the roof and skylight structures on any commonly owned improvements on the subject property.

G. Arbitration. Any dispute or conflict arising under these Bylaws may be submitted to arbitration, in which event each owner involved in the dispute or controversy shall select a disinterested person as an arbitrator. The two arbitrators so selected shall choose a third arbitrator. If the two arbitrators are unable to agree on a third arbitrator, the third arbitrator shall be appointed by the Board of Directors. Within fifteen (15) days after the third arbitrator has been selected or appointed, a hearing will be held, at which hearing each owner involved in the controversy shall be entitled to submit evidence. The decision by a majority of the arbitrators shall be conclusive. The expense of such arbitration shall be borne equally by the owners, unless the arbitrators shall decide that the expense shall be borne by the one of the parties or in some other proportion, and such decision of the arbitrators shall be binding upon the parties.

H. Attorney's Fees. In the event it shall be necessary for the Association on behalf of the members to place these Bylaws in the hands of an attorney for the enforcement of any rights arising or for the recovery of any moneys due, and if it is necessary to bring suit for the enforcement of such rights or recovery, the prevailing party in any such suit shall recover all court costs and reasonable attorney's fees as determined by the court in addition to any other relief or recovery awarded by the court.

I. Nuisances. No noxious or offensive activity shall be carried on in any dwelling unit or Lot nor shall anything be done by any member, his family, employee or invitees, either willfully or negligently, which may be or become an annoyance or nuisance to the other members, their families and invitees. No member shall make or permit any disturbing noises in the dwelling unit by himself, his family, pets, employees or invitees nor permit anything by such persons or pets that will interfere with the rights, comforts or convenience of the other members. This provision is in addition to and not in lieu of the Declaration of Protective Covenants.

J. Enforcement. The Association on behalf of all the members shall have the right to enforce by any proceeding at law or in equity all of the covenants, conditions, easements, restrictions, rights, duties and obligations herein contained. If any suit for injunction is brought for the enforcement (whether to prevent a violation or a

threatened violation) of any such covenants, conditions, easements, restrictions, rights, duties and obligations, no bond or other security shall be required of the party bringing such action in order to secure the issuance of a temporary restraining order, temporary injunction or final injunction. If the application for injunction is contested, the successful party in such action shall be entitled to recover all court costs and reasonable attorney's fees as determined by the court. Further, the Covenants allow assessments, fines or penalties as agreed to by the Association Directors and such fines are set forth in the schedule of assessments, fines, and penalties maintained with the Association's official records. Any disputes as to the levy of such a fine, assessment or penalty shall be determined by the Directors of the Association, and upon a written notice of appeal, and after any appropriate hearing is held, the action of said Directors shall be affirmed or modified as the Directors shall deem appropriate. Each member of the Association agrees that there shall be no other rights of appeal from said determination and each member agrees to abide by and fully conform with the decision of the Directors of the Association in this regard.

K. Landscaping. All landscaping shall be in harmony with the landscaping of the other members of the Association, and any plans for landscaping which shall be extraordinarily deviant from this harmony must be first submitted to the Architectural Review Committee for review and approval by the Board of Directors.

L. Severability. The invalidation of any portion of these Bylaws by a judgment or court order shall in no way affect the other provisions. Such other provisions shall remain in full force and effect.

M. Covenants Running with the Land. All of the easements, covenants, conditions, restrictions, rights, duties and obligations contained are declared to be and shall be covenants running with the property (including all improvements constructed) and shall be binding upon all parties having or claiming any right, title or interest in the above described real estate or any part thereof, their heirs, successors, executors or assigns. Such covenants, conditions, easements, restrictions, rights, duties and obligations shall inure to the benefit of each owner of any one or more of the Lots.

N. Term. The covenants, conditions, easements, restrictions, rights, duties and obligations contained in these Bylaws shall be in full force and effect as long as any dwelling, common fence or any portion is used for residential purposes, provided, however, that such a covenant, condition, easement, restriction, right, duty and obligation may be amended, modified or terminated as provided in this document.

O. It shall be the duty and responsibility of any home owner, lot owner, developer or builder to notify the Board of Directors of the sale or resale of any home or lot in order that the Board of Directors may relieve the former owner of the responsibilities of the Protective Covenants, Bylaws, and Rules and Regulations. Notice will be given in writing including the names and address of the new owners and date of occupancy. Until such time as the notice is given to the Secretary of the Association, the owner of record shall be responsible for all dues and penalties and subject to the terms and conditions of the Declaration of Protective Covenants, Bylaws, and the Rules and Regulations.

IN WITNESS WHEREOF, we, the undersigned, being at least 3 / 4 of the Lot owners do hereby adopt the foregoing as the Bylaws of the Casas Bellas Homeowners Association, effective the date of signing hereof by the lot owner whose signature shall represent the attainment of seventy-five percent (75%) vote of the lot owners.

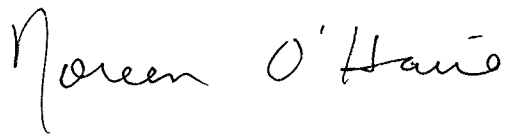
NAME	ADDRESS	SIGNATURE
JOAN LYNDE	230 Casas Bellas	Joan Lynde
DOROTHY MCNEEMEE	242 CASAS BELLAS	Dorothy McNeemee
Russell Scherfger	213 CASAS BELLAS	Russell Scherfger
LOUIE NAVAR	219 CASAS BELLAS	Louie Navar
JEANNINE NOBLES	112 Casas Bellas	Jeannine Nobles
D.L. PIETZEL	104 Casas Bellas	D.L. Pietzel
D.L. PIETZEL	108 Casas Bellas	D.L. Pietzel
D.L. PIETZEL	214 Casas Bellas	D.L. Pietzel
PATRICIA JOHNSON	232 Casas Bellas	Patricia Johnson
LISA TELFORD	104 Bernice Pl.	Lisa Telford
SHIRLEY CLOUD	123 Casas Bellas	Shirley Cloud
CHARLES MAIS	221 CASAS BELLAS	Charles Mais
EDWARD PATERN	115 CASAS BELLAS	Edward Patern
WARREN GREEN	236 CASAS BELLAS	Warren Green
Virginio Manto	117 Casas Bellas	Virginio Manto
Josephine Wisseping	208 Casas Bellas	Josephine Wisseping
JIM KELLEY	207 CASAS BELLAS	Jim Kelley
FRANCA PEDIGO	109 Bernice	Franca Pedigo
NANCY SUMMERS	217 Casas Bellas	Nancy Summers
Noreen O'Haire	210 Casas Bellas	Noreen O'Haire
Sofy Emmans	100 Bernice	Sofy Emmans
Rosa Lee Yarbrough	206 Casas Bellas	Rosa Lee Yarbrough
Lynn Arnold	202 Casas Bellas	Lynn Arnold
DON BURK	203 Casas Bellas	Don Burk
WARREN GREEN	238 CASAS BELLAS	Warren Green

<u>name</u>	<u>address</u>	<u>signature</u>
MARY WERNER	352 CASAS BELLAS	Mary Werner
Lucy Longoria	211 CASAS	Lucy Longoria
Lucy Longoria	105 CASAS Bellas	Lucy Longoria
Donali F. Amador	246 Casas Bellas	Donali F. Amador
Gabriel Mendez	127 Casas Bellas	Gabriel Mendez
GURGE POWELL	108 " "	GURGE POWELL
Jean Goodman	101 Casas Bellas	Jean Goodman
Martha Gadea	218 " "	Martha Gadea
Martha Gadea	201 " "	Martha Gadea
Valentine Hahn	209 " "	Valentine Hahn
Valentine Hahn	256 " "	Valentine Hahn
Josephina Garcia	116 Casas Bellas	Josephina Garcia
Don SETTLE	215 " "	Don Settle
LESLIE SLAPE	131 " "	Leslie Slape
Doug Baird	135 " "	Doug Baird
SALLY STREITZ	106 BERNICE PL.	Sally Stritz
Becki Hayes	254 " "	Becki Hayes
Cheral Brown	102 Casas Bellas	Cheral Brown
Jeanne Tyson	106 CASAS BELLAS	Jeanne Tyson
ROBERT REYER	119 Casas Bellas	Robert Reyer
Mimi & Beamy	103 Casas Bellas	Mimi & Beamy
EARL MANTIQUE	129 CASAS BELLA	Earl Mantique
Howard Gray	109 CASAS BELLAS	Howard Gray
John A Ferdette	18 105 CASAS Bellas	John A Ferdette

I hereby attest that the following Casas Bellas Homeowners voted by proxy in the Affirmative:

Ken Blankenship
Pedro Avila Davilla
Julie Loomis
Fernando Moya
Mike Rea
Robert Najera

President
Noreen O'Haire

A handwritten signature in cursive script that reads "Noreen O'Haire". The signature is written in black ink and is positioned below the printed name of the president.

EXECUTED this 23 day of April, 2014

ATTEST:

Casas Bellas Homeowners

Joan C. Lynde
Secretary

Noreen O'Haire
President

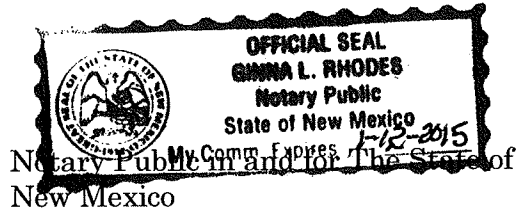
STATE OF NEW MEXICO, COUNTY OF DONA ANA

The forgoing instrument was acknowledged before me

this 23 day of April 2014 by Noreen O'Haire & Joan Lynde

of Casas Bellas homeowners Association, a New Mexico corporation, on behalf of said corporation.

My commission expires:



Jan. 12, 2015

Anna L. Rhodes



COUNTY OF DONA ANA) BYLAWS
STATE OF NEW MEXICO) ss PAGES: 14

I Hereby Certify That This Instrument Was Filed for Record On APR 23, 2014 12:01:13 PM And Was Duly Recorded as Instrument # 1408108 Of The Records Of Dona Ana County



Witness My Hand And Seal Of Office,
Lynn J. Ellins, County Clerk, Dona Ana, NM

Deputy Cynthia Chavez