

**APPENDED BYLAWS
OF
SIERRA LOS PINOS PROPERTY OWNERS' ASSOCIATION**

ARTICLE I

NAME AND LOCATION

The name of the corporation is **SIERRA LOS PINOS PROPERTY OWNER'S ASSOCIATION**, hereinafter referred to as the 'Association.' The address of the corporation shall be ~~P.O. Box 674, Los Alamos, New Mexico, 87544~~¹. Meetings of members and directors may be held at such places within the State of New Mexico as may be designated by the Board of Directors.

ARTICLE II

MEMBERS

Section 1. Eligibility.

Every owner of a lot within Sierra Los Pinos Subdivision, Sandoval County, New Mexico, shall be considered a member of the Association, but not until such owner shall have executed a restrictive covenant **binding the lot** to assessment obligations as herein provided. All memberships shall be appurtenant to and may not be separated from ownership of a lot within Sierra Los Pinos Subdivision, which lot is subject to membership assessments. When more than one (1) such person holds an interest in any such lot, all such persons shall be members. One (1) vote for each such lot shall be exercised as they among themselves determine. Those lots that are delinquent in assessment payments cannot exercise this voting privilege.

Section 2. Annual Meetings.

Each regular annual meeting of the members shall be held on the second Saturday of September, at the hour of 2:00 o'clock p.m.

Section 3. Special Meetings.

Special meetings of the members may be called at any time by the President or the Association or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the membership.

Section 4. Notice of Meetings.

Written notice of each meeting of the members shall be given by, or at the discretion of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice at least fifteen (15) days before such meeting to each member, addressed to the members address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, ballots when used or a list of nominees and, in the case of a special meeting, the purpose of the meeting.

Section 5. Quorum.

The members present at the meeting shall constitute a quorum for any action except as otherwise provided in these Bylaws or as required by law, but in no event shall a quorum consist of less than one-third of the shares entitled to vote at the meeting.

¹ 950 Forest Rd. 10, Jemez Springs, NM 87025 (updated 2/15/2001 / SLPPOA Board meeting)

Section 6. Proxies.

At all meetings of members, the vote may be cast in person or by proxy or by mail when a ballot is provided. All proxies shall be in writing, signed, with the date(s) the proxy was executed and is in effect, and filed with the secretary not later than one-half (1/2) hour prior to the commencement of such meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

Section 7. Adjournment.

Any motion to adjourn a meeting of the members shall be out of order until the entire order of business has been completed. The only exception shall be for the Chair to declare adjournment.

ARTICLE III

BOARD OF DIRECTORS, SELECTION; TERM OF OFFICE

Section 1. Number.

The affairs of this Association shall be managed by a Board of nine (9) directors, all of whom must be members of the Association. The number of Directors may be changed at any time by amendment of these Bylaws.

Section 2. Term of Office.

At each annual meeting, the member shall elect three (3) Directors for a term of three (3) years.

Section 3. Removal.

Any director may be removed from the Board, with or without cause, by a majority of all the votes of the membership, or by a two-thirds (2/3) vote of the Board of Directors. The directors may declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive meetings, regular or special, of the Board of Directors. In the event of death, resignation, or removal of a director, his successor may be selected by majority vote of the remaining members of the board to serve until the next general meeting of the membership or may be selected by a majority of all the votes of the membership to serve for the unexpired term of his predecessor.

Section 4. Compensation.

No director shall receive compensation for any service he may render to the Association except for activities outside his normal duties as a board member when such activities are approved by a unanimous vote of the board members present at that meeting. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties upon the majority approval of such expenses by the Board.

ARTICLE IV

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination.

Nomination for election to 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 consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association who are not on the Board of Directors. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve until the close of the 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. The Nominating Committee shall provide a written list of nominees prior to or simultaneously with the notice of the annual meeting or else all nominations shall be made from the floor.

Section 2. Election.

Election of members to the expire terms of the Board of Directors shall be by secret written ballot. At such election the members shall be entitled to cast a total number of votes equal to their number of votes as specified herein, multiplied by the number of directors to be elected, and the members may cast all of such votes for a single director or may distribute them among the number to be voted for as the member shall see fit. The persons receiving the largest number of votes (pluralities) shall be elected. All vacancies shall be filled by decreasing order of votes.

ARTICLE V

MEETINGS OF DIRECTORS

Section 1. Regular Meetings.

Regular meetings of the Board of Directors shall be held without notice immediately following each annual and special meeting of the members.

Section 2. Special Meetings.

Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two (2) directors after not less than ten (10) days notice to each director.

Section 3. Quorum.

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

Section 4. Member Attendance.

Any member may attend any meeting of the Board of Directors but will have no vote and may speak to the Board only upon invitation by the President.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers.

The Board of Directors shall have power to:

- (a) Adopt and publish rules and regulations governing the use of the common areas and other properties managed or owned by the Association;
- (b) Take actions as provided herein regarding a member during any period such member shall be in default in the payment of any assessment levied by the Association;
- (c) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or otherwise expressly provided;
- (d) Employ a manager, an independent contractor or such other employees as it deems necessary and prescribe their duties; and
- (e) Interpret the Restrictive Covenants, and these Bylaws.

Section 2. Duties.

It shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and present a statement thereof to the members at the annual meeting of the members at the annual meeting of the members or at any special meeting when such statement is requested in writing by one-tenth (1/10) of the members;
- (b) Supervise all officers, agents and employees of this Association and see that their duties are properly performed;
- (c) As more fully provided hereafter, to:
 - (1) Fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period; and
 - (2) Send written notice of each assessment to every member subject thereto at least thirty (30) days in advance of each annual assessment period;
- (d) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (e) Cause all officers and employees having fiscal responsibilities to be bonded, as the Board may deem appropriate; and
- (f) Cause fulfillment of the obligations created by the receipt of funds from the assessments and special assessments as provided herein.
- (g) Cause an audit of the Associations books every three years or sooner at the boards discretion.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices.

The officers of this Association shall be President, Vice President, Secretary, Treasurer, and any special officers as the Board may from time to time by resolution create.

Section 2. Election of Officers.

The directors shall elect the President, Vice President, Secretary, Treasurer, and any special officers as the Board may from time to time by resolution create.

Section 3. Term.

Each officer of this Association shall hold office until his successor is elected and qualified unless he shall sooner resign or shall be removed or otherwise become disqualified to serve.

Section 4. Special Officers.

The Board may elect such other special officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may from time to time determine. Those special officers will not have voting powers on the Board of Directors.

Section 5. Resignation and Removal.

Any officer may be removed from office with or without cause by a two-thirds (2/3) vote of the Board of Directors. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein.

Section 6. Vacancies.

A vacancy in any office may be filled by appointment by a majority of the members of the Board of Directors.

Section 7. Multiple Offices.

The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article. The President shall be an ex-officio member of all committees except the Nominating Committee.

Section 8. Duties.

The duties of the officers are as follows:

President

The President of the Association shall preside at all meetings of the members and of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all written instruments.

Vice President

The Vice President of the Association shall act in the place and stead 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 the Vice President by the Board of Directors.

Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as required by the Board.

Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association; disburse such funds as directed by resolution of the Board of [Directors; co-sign with either the President, Vice President or Secretary all checks of the Association; and keep proper books of account. Additionally, the Treasurer shall cause and prepare a review of the Association books to be made at the completion of each fiscal year or at the completion of his/her term by (1) committee members appointed by the President from the membership at large, exclusive of board members, or (2) a public accountant. When a public accountant is utilized, that accountant will be selected by a vote of the Board. Also, the treasurer shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting; and perform such other duties as required by the Board.

ARTICLE VIII

COMMITTEES

The Board of Directors shall appoint a Nominating Committee and other committees as deemed appropriate in carrying out its purpose.

ARTICLE IX

BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times during reasonable business hours be subject to inspection by any member. The Articles of Incorporation and the Bylaws of the Association and all other official documents and record of the Association shall be available for inspection by any member at an office of the Association.

ARTICLE X

ASSESSMENTS

Section 1. Creation of Personal Obligation of Assessments.

Each owner of a lot within Sierra Los Pinos Subdivision, Sandoval County, New Mexico, shall be deemed to covenant and agree to pay to the Association:

- (a) Annual assessments or charges, and
- (b) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

To the extent that future owners of said lots may not personally agree to be bound to the aforesaid covenant and agreement, a covenant shall be recorded in the Sandoval County, New Mexico, land records imposing the assessment obligations herein provided as a lien against real estate and may be foreclosed in the same manner as a real estate mortgage. Such binding covenant against the real estate shall be imposed as a condition precedent to the admission of owners of lots in any other units within Sierra Los Pinos Subdivision to membership within this Association or to eligibility for and privileges of membership in this Association or to enjoyment of any property or rights owned or lawfully controlled by this Association; provided, however, that this condition shall not be interpreted to preclude arms-length business transactions between this Association and non-member third parties.

Section 2. Purpose of Assessments.

The assessments levied by the Association shall be used exclusively to promote the privacy, recreation, health, safety, welfare, and environmental protection of the members and their properties; for the maintenance, repair, improvement, and supervision of the members' commonly owned property; for the Association's administrative expenses; for applicable taxes and other legal obligations; and for providing, operating and maintaining a water system or systems for the benefit of members.

Section 3. Annual Assessment.

- (a) The initial assessment and, if necessary subsequent interim annual assessments for members owning lots within Sierra Los Pinos Subdivision shall be set by the Board of Directors, subject, however, to countermand by a majority of members present at a regular or special meeting of members. The base annual assessment shall be established by the Board of Directors at such time as sufficient experience shall have been obtained to justify such establishment. The base annual assessment established by the Board of Directors shall be subject to countermand by a majority of members present at a regular or special meeting of members, but if not so countermanded by the time of adjournment of the first annual meeting of

members after establishment thereof by the Board then that established by the Board shall be deemed to be the established base annual assessment. Initial assessments for new owners of lots within Sierra Los Pinos Subdivision shall be as specified by the Board of Directors.

(b) After establishment of the base annual assessment, the regular annual assessment shall be determined by the Board of Directors and may not be increased more than ten percent (10%) above the annual assessment rate for the previous year, except as provided in Subsection (c) below. Such annual assessments shall be based on a calendar-year operation.

(c) The annual assessment rate may be increased more than ten percent (10%) upon the affirmative vote of two-thirds (2/3) of the members who are voting in person, by proxy or by mail at a meeting duly called with written previous notice concerning this purpose.

Section 4. Special Assessments.

In addition to the annual assessments authorized above, the Association may levy, a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement or for the purpose of retiring a debt incurred by the Association in furtherance of the aforesaid purposes; provided, that any such assessment shall have the assent of two-thirds (2/3) of the votes of the members who are voting in person, by proxy or by mail, at a meeting duly called with written previous notice concerning this purpose. Special assessments, as approved by the members, shall be binding on, members in the future whether or not the persons were members at the time of passage of the special assessments.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4.

Written prior notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 above shall be sent to all members not less than fifteen (15) days nor more than forty (40) days in advance of the meeting. At the first such meeting called, the presence of members, of proxies or of mailed-in votes entitled to cast sixty percent (60%) of all the votes of the membership shall constitute a quorum. If the required quorum is not present, a second meeting may be called subject to the same notice requirement, and the required quorum at this subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Assessment.

Both annual and special assessments shall be fixed at a uniform rate for each lot within a single unit of Sierra Los Pinos Subdivision; provided, however, that the Board of Directors may establish a deadline for membership compliance by the owner of a lot within any unit of Sierra Los Pinos Subdivision, and if the owner shall not comply by the established deadline, then a penalty may be imposed by the Board of Directors as a condition of late admission to membership. Such penalty, if assessed by the Board, shall be collected prior to admission to membership. Such penalty assessment shall not be deemed to violate the provision for uniformity of assessments among lots within a single unit.

Section 7. Date of Commencement of Annual Assessments; Due Dates.

The annual assessments provided for herein shall commence as to each lot owned within Sierra Los Pinos Subdivision on the first day of the month following adoption of the Bylaws. The first assessment for a partial calendar year shall be adjusted according to the number of months remaining in the calendar year. The amount of the annual assessment against each lot shall be set at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every member of the Association and every owner of a lot affording eligibility for membership. The due dates for payment of such assessments shall be established by the Board of Directors.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at 1.5% per month (18% per annum) with a minimum interest charge of \$5.00 per month being charged to accounts considered to be "past due". Assessments shall be considered "past due" three (3) months from the original due date. Further legal action will begin six (6) months after the due date. If assessments due from any lot owner become past due, the Association may invoke remedies as enumerated in (a) through (e) below:

- (a) Withhold all services rendered by the association from such lot owner including but not limited to water, snow removal and road maintenance.
- (b) Suspend the voting rights of the member.
- (c) Withhold any and all privileges of belonging to the Association.
- (d) File Suit to foreclose its lien securing any assessments and/or file suit for judgment against the delinquent member for sums due the Association. In addition to the assessments and other charges due, the Association shall be entitled to its court costs and reasonable attorneys' fees should collection efforts be necessary in the opinion of the Board of Directors.
- (e) At the Boards discretion, employ the service of a collection agency to recover past due assessments.

In the event that the Association must file suit to recover unpaid assessments, such action must be taken within three (3) years of the date that the payments are due.

The Association has the right to bid at any foreclosure sale an amount not to exceed the total of all unpaid assessments against the real estate, fines, default fees, court costs and other expenses incurred by the association in connection with the foreclosure proceedings.

The failure to enforce any covenant or provision of the bylaws should not be deemed to be a waiver of the right to enforce such restrictions.

Section 9. Water Lawsuit Assessments.

The assessment for the litigation of the water lawsuit shall be levied by the Board of Directors when the billing is received from the Jemez River Basin Water Users Coalition of which the Association is a member.

- (a) An assessment in excess of \$100.00 per member per year shall require the approval of 2/3 vote of eligible members at a special meeting called by the Board of Directors. The Board of Directors is empowered to call such meeting with fourteen (14) days notification.
- (b) The assessment shall, by current Bylaws of the Jemez River Basin Water Users Coalition, be by "per family" membership. If the assessment becomes contingent upon a "per water right" basis, then the Association will assess on a "per lot" basis.
- (c) The assessment for the water lawsuit shall be due thirty (30) days after billing.
- (d) The terms of Section 9 will terminate upon final judgment on the litigation.

ARTICLE XI

AMENDMENTS

These Bylaws may be amended at a regular or special meeting of the members by a vote of at least sixty (60) percent of the members eligible to vote either in person or by proxy or by mail when a ballot is supplied, provided that the proposed amendment has been submitted in writing and discussed at the

previous meeting or provided that the proposed amendment has been mailed to all members at least thirty (30) days prior to the meeting at which same is to be voted upon.

ARTICLE XII

FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XIII

LOTS

Section 1. Definition of a Lot.

A lot shall be:


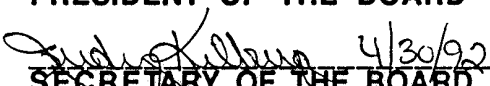
- (a) A parcel of real property situated in Sierra Los Pinos Subdivision, as originally platted by the subdivider, and on file in the office of the County Clerk of Sandoval County, New Mexico, or
- (b) A combination of no more than two (2) of said original parcels of real property, repeated and on file in the office of the County Clerk of Sandoval County, New Mexico.
- (c) No lot except for lot 16, Unit 2, can be divided. All other lots are for single family residences. Lot 16, Unit 2, may be divided for a public service department with the approval of the Board of Directors. The divided lot would be designated as lots 16A and 16B, Unit 2. Lot 16A may be under the control of the La Cueva Volunteer Fire Department, but only if a binding written agreement is reached that is satisfactory to the Board of Directors. Except as specifically otherwise provided in these bylaws, Lot 16A would be subject to the Association's bylaws and covenants for Unit 2.

Section 2. Restrictive Covenants.

Such lots are subject to the subdivision limitations contained in the Restrictive Covenants on file for each unit of Sierra Los Pinos Subdivision.

Section 3. Assessment of Lots.

Each lot except 16A, Unit 2, as defined herein is subject as provided in these bylaws. No combination of lots, except to assessment except as allowed in the definition of "lot" in Section I above, shall be effective to prevent or limit the assessment of a lot as provided in these Bylaws.

 04/30/92
PRESIDENT OF THE BOARD
 4/30/92
SECRETARY OF THE BOARD