

**SECOND AMENDMENT
TO
THE CANCELLATION AND RESTATEMENT OF
PROTECTIVE COVENANTS AND RESTRICTIONS FOR
LOS RANCHOS DEL RIO SUBDIVISION IN THE CITY OF SUNLAND PARK**

This is the Second Amendment (the "Amendment") to the Cancellation and Restatement of Protective Covenants and Restrictions for Los Ranchos del Rio Subdivision in the City of Sunland Park dated the 22nd day of September 1995 and recorded in the Real Property Records of Dona Ana County, New Mexico as Reception No. 22350 on the 12th day of October 1995, as amended by the First Amendment to the Cancellation and Restatement of Protective Covenants and Restrictions for Los Ranchos del Rio Subdivision in the City of Sunland Park dated the 8th day of January 2013 and recorded in the Real Property Records of Dona Ana County, New Mexico as Instrument No. 1301013 (collectively, the "Protective Covenants and Restrictions").

WHEREAS, the provisions of Article XVI of the Protective Covenants and Restrictions allow for the amendment of such covenants by "an affirmative vote of the then record holders of title representing a majority (fifty-one [51] percent) of the total single family residential lot owners in the subdivision."

WHEREAS, pursuant to the provisions of Article XVI of the Protective Covenants and Restrictions, the Property Owners Association desires to amend the Covenants as follows:

A new Article VII Section 14 is added as follows:

"Section 14. Notwithstanding the subordination of liens as provided in Section 13 immediately above, all Regular Annual Assessments, Special Group Assessments, and Special Member Assessments provided herein shall be the personal and individual debt of the owner of a lot, covered by such assessments. No owner may, for any reason, exempt itself from liability for such assessments levied in accordance with the provisions of these Protective Covenants and Restrictions or the Bylaws of the Association. In the event that any assessment or installment thereof is not paid when due, and remains unpaid for a period of thirty (30) days thereafter, then the unpaid amount of any such assessment or installment thereof shall become delinquent and shall, together with interest thereon as herein provided and costs of collection thereof, become a continuing personal obligation and debt of the non-paying owner, secured by a self-executing lien on the lot, including all improvements thereon, to which such assessment or installment pertains. The Association shall have the right to reject any partial payment of any assessment or installment thereof and demand full payment, or the Association may, in its sole discretion, elect to accept any such partial payment on account only, without waiving any rights established hereunder with respect to any remaining balance due. To the extent that any superior lien against a lot or improvements is foreclosed upon or the lot is otherwise conveyed to the lienholder relating thereto, whether voluntarily or involuntarily, such action shall not impair the legal right of the Association to pursue the owner of the lot prior to such foreclosure or conveyance for the full amount of the indebtedness owner to the Association plus interest thereon as provided in these Protective Covenants and Restrictions, and all costs of pursuing and collecting indebtedness, whether third party collection fees,

attorney fees, court costs, or other expenditures made by or on behalf of the Association to collect that indebtedness.

The obligation of any owner to pay any assessment imposed on a lot during such owners' period of ownership shall remain its personal obligation, and a sale or other transfer of title to such lot shall not release such former owner from said liability notwithstanding an assumption of liability by the purchaser or transferee. The lien for any unpaid assessments shall be unaffected by any sale or transfer of full or partial ownership interest in a lot, and shall continue in full force and effect. In the event of full or partial sale or transfer of an ownership interest in a lot, it shall be the sole obligation of the owner selling or transferring such interest (and not the Association) to disclose to any buyer or transferee that an unpaid assessment and associated lien against the ownership interest exist prior to the date at which such sale or transfer is to be consummated. A copy of such notice shall be sent to the Association at the same time. Upon written request, the Association shall provide an owner with a statement reflecting the amount of any unpaid or delinquent assessments with respect to a lot owned by said owner.

The unpaid amount of any assessment shall bear interest from its due date at eighteen percent (18%) per annum or the maximum legal rate of interest then prevailing, whichever is lesser. In addition, the Board of Trustees may elect to retain the services of an attorney of its choice for the purpose of collecting any unpaid assessment and interest charges thereon, and/or to foreclose the lien against the property subject thereto and/or to pursue any other legal or equitable remedy which the Association may have and there shall be added to the amount of unpaid assessment and interest charges thereon, any and all collection costs incurred by the Association, whether judicial or non-judicial, and including, without limitation, reasonable attorneys' fees and court costs.

Upon delinquency, all sums assessed in the manner provided in these Protective Covenants and Restrictions or in the Bylaws of the Association, together with all interest costs as herein provided shall be secured by the lien set forth in these Protective Covenants and Restrictions. As further evidence and notice of such lien, the Association may prepare a written notice of such lien setting forth the amount of delinquent indebtedness, the name of the owner of the property covered by such lien, and a description of the property that is the subject of the lien. Such notice shall be signed by a duly authorized Officer of the Association and shall be recorded on the Office of the County Clerk of Dona Ana County, New Mexico, or such other place as may be required by law for the recording of liens affecting real property at such time as such notice is recorded. Such lien for payment of assessments shall attach from the date such payment becomes delinquent and may be enforced after recording said notice through: (i) non-judicial foreclosure of such lien on the lot and any improvements thereon in like manner as a deed of trust on real property, and in accordance with N.M.S.A. § 48-10-1 et. seq. or any successor statute (the "Deed of Trust Act"), it being understood that each owner of a lot expressly grants to the Board of Trustees a power of sale, through a trustee designated in writing by the Board of Trustees, (ii) suit against the owner personally obligated to pay the assessment, and/or (iii) foreclosure of the aforesaid lien judicially. In any foreclosure proceeding whether judicial or non-judicial, the owner shall be required to pay the costs, expenses

and reasonable attorneys' fees incurred by the Association. The Association shall have the power to bid on the property being foreclosed.

Each owner, by his or her assertion of title or claim of ownership or by his acceptance of a deed to a lot, whether or not it shall be so recited in such deed, shall be conclusively deemed to have expressly vested in the Association, and in its officers and agents, the right, power and authority to take all action which the Association shall deem proper for the collection of assessments and/or for the enforcement and foreclosure of the liens securing the same, including the right to delegate collection and enforcement responsibilities to the City Sunland Park subject to the approval and consent of the City of Sunland Park."

[Signatures on Following Page]