

BY-LAWS OF  
CEDAR CREEK HOMEOWNERS ASSOCIATION, INC.

ARTICLE I  
NAME AND LOCATION

The name of the corporation is CEDAR CREEK HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be located at Post Office Box 747, Placitas, New Mexico, 87043, but 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  
DEFINITIONS

Section 1. "Association" shall mean and refer to CEDAR CREEK HOMEOWNERS ASSOCIATION, INC., 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 additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Lot" shall mean and refer to any plat of land shown upon any recorded plats of the Properties.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple interest to any Lot, but excluding sellers under real estate contract and including purchasers under real estate contract, but excluding those having such interest merely as security for the performance of an obligation.

Section 5. "Declarant" shall mean and refer to Cedar Creek, Inc., a New Mexico Corporation, its successors and assigns.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the County Clerk of Sandoval County, New Mexico on April 18, 1988

Section 7. "Member" shall mean and refer to those persons or entities who are members of the Association as provided in the Declaration.

Directors shall be by secret written ballot at the annual meeting. At such election the members or their proxies may cast

ARTICLE III  
MEETING OF MEMBERS

Section 1 - Annual Meetings. There shall be a meeting of the Members on the 30th day of November, of each year at 7:00 p.m. at the office of Placitas Land Co., Ltd., Placitas, New Mexico, or at such other place or time (not more than sixty days before or after such date) as may be designated by written notice of the Board of Directors delivered to the Owners not less than fifteen (15) days prior to the date fixed for said meeting. At the annual meeting, the Board of Directors shall present an audit of the expenses, itemizing receipts and disbursements for the preceding calendar year, the allocation thereof to each Owner, and the estimated budget for the coming calendar year, and any other business which may properly be brought before the Association.

Section 2 - Special Meetings. Special meetings of the Members may be called at any time for the purpose of considering matters which require the approval of all or some of the Members, or for any other reasonable purpose. Said meeting shall be called by written notice, signed by a majority of the Board of Directors, or by the Members having one-third (1/3) of the total votes and delivered not less than fifteen (15) days prior to the date fixed for said meeting. Said notices shall specify the date, time and place of the meeting, and the matters to be considered thereat.

Section 3 - Notices. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered twenty-four (24) hours after a copy of same has been deposited in the United States Mail, postage prepaid, addressed to each such member at the address given by such member to the Association for the purpose of service of such notice or to the Lot of such member if no address has been given. Such address may be changed from time to time by notice in writing to the Association.

Section 4 - Quorum. The quorum requirements for any meeting shall be presence of the members with fifty-one percent (51%) of the total votes in the Association.

Section 5 - Proxies. At all meetings of members each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary prior to the meeting. Every proxy shall be revocable and shall automatically be revoked upon conveyance by the member of his Lot. Any member who has failed to pay any assessment levied by the Association shall not be in good standing and shall not be allowed to cast his/her vote(s) or to participate in the meetings of members until all assessments and interest, penalties, and fees

thereon have been paid in full.

#### ARTICLE IV

##### BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1 - Number. The affairs of this Association shall be managed by a Board of five (5) directors, who shall be members of the Association.

Section 2 - Term of Office. At the first annual meeting the members shall elect one director for a term of one year, two directors for a term of two years and two directors for a term of three years; and at each annual meeting thereafter the members shall elect one or two directors for a term of three years.

Section 3 - Resignation and Removal. Any director may resign at any time by giving written notice to the remaining directors. Any director may be removed from the Board, with or without cause, by two-thirds (2/3) vote of all votes cast at a meeting of the Association called for this purpose. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve until the next meeting of the Association, when another director will be elected.

Section 4 - 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 in the performance of his duties.

Section 5 - Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting of the directors 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

Section 1 - Nomination. Nomination for election to the Board of Directors may be made by any member from the floor at the annual meeting. Such nominations may be made from among members.

Section 2 - Election. Election to the Board of Directors shall be by secret written ballot at the annual meeting. At such election the members or their proxies may cast their votes in respect to each vacancy. The Nominee receiving the largest number of votes for each vacancy shall be elected.

#### ARTICLE VI

## MEETINGS OF DIRECTORS

Section 1 - Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

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 directors, after not less than three (3) days notice to each director.

Section 3 - Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Each act or decision done or made by the directors shall require the assent of a majority of the number of directors.

## ARTICLE VII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1 - Powers. The Board of Directors shall have power to:

- a) 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 By-Laws, the Articles of Incorporation, or the Declaration;
- b) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from four (4) consecutive regular meetings of the Board of Directors and fill that vacancy; and
- c) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.
- d) Suspend the voting rights of a Member during any period in which such Member shall be In default in the payment of any assessment levied by the Association.

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 to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the total votes of the membership;
- b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- c) As more fully provided in the Declaration, to:
  - (1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
  - (2) Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period;
  - (3) Fix the amount of any special assessment against each Lot as provided in the Declaration and send statements to each Owner as provided for therein;
  - (4) Send written notice of each special assessment to every Owner subject thereto at least thirty (30) days in advance of the due date; and
  - (5) Foreclose the lien of the Association against any Lot for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same when, in the discretion of the Board of Directors, such action would be in the best interests of the Association.
- d) Issue, or to cause an appropriate officer to issue, upon reasonable demand by any person, 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 these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

- e) Procure and maintain adequate liability and hazard insurance on property owned or maintained by the Association;
- f) Cause all officers or employees having fiscal responsibilities to be bonded, if in the discretion of the Board of Directors such bond is deemed appropriate.

ARTICLE VIII  
OFFICERS AND THEIR DUTIES

Section 1 - Enumeration of Officers. The officers of this Association shall be a president, vice-president, a secretary, and a treasurer, and such other officers as the Board of Directors may from time to time by resolution create, and who shall be members of the Association.

Section 2 - Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3 - Term. The officers of this Association, as enumerated in Article VII, Section 1 of these By-Laws, shall be elected annually by the Board from among their number and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4 - Special Officers. The Board may elect such other officers from the members 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.

Section 5 - Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time 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, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make

it effective.

Section 6 - 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.

Section 7 - Duties. The duties of the officers are as follows:

- a) President. The president shall preside at all meetings of the members and the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all written instruments on behalf of the Association and shall co-sign all checks and promissory notes.
- b) 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, and shall exercise and discharge such other duties as may be required of him by the Board.
- c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; shall keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their mailing address, and shall perform such other duties as required by the Board.
- d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditure to be presented to the membership at its regular annual meeting.

ARTICLE IX  
COMMITTEES

The Association shall appoint an Architectural Control Committee, with duties and powers as provided in the Declaration. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose.

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 Declaration, the Articles of Incorporation and the By-Laws 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 XI  
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or file and foreclose a lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein. The Board of Directors shall be entitled to record a notice of the lien of the Association for any assessment which is delinquent.

ARTICLE XII  
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: CEDAR CREEK HOMEOWNERS ASSOCIATION, INC., a New Mexico Corporation.

ARTICLE XIII  
AMENDMENTS

Section 1. These By-Laws may be amended, at an annual meeting or special meeting of the members, by the affirmative two-thirds (2/3) vote of a quorum.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws,, the Articles



shall control; and in the case of any conflict between the Declaration and these By-Laws, the declaration shall control.

ARTICLE XIV  
MISCELLANEOUS

Section 1 - 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.

Section 2 - Indemnification of Board of Directors and Association. Each member of the Board of Directors or officer of the Association shall be indemnified by the Owners against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon them in connection with any proceeding to which they may be a party, or in which they may become involved by reason of their being or having been an officer or member of the board of Directors, or any settlement thereof, whether or not they are a member of the Board of Directors or officer at the time such expenses are incurred except in cases wherein the officer or Board member is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association.

XV  
INTERESTED PARTIES

No transaction of the Association will be affected because a Member, Director, officer, or Employee of the Association is interested in the transaction. Such interested parties will be counted for quorum purposes, and may vote, when the Association considers the transaction. Such interested persons will not be liable to the Association for the party's profits, or the Association's losses from the transaction.

IN WITNESS WHEREOF, we, being the initial Board of Directors of CEDAR CREEK HOMEOWNERS ASSOCIATION, INC., and President of CEDAR CREEK HOMEOWNERS ASSOCIATION, INC., having adopted these By-Laws of the Association, have hereunto set our hands this 18th day of January 1990.



