

**BY LAWS**  
**OF**  
**VISTA REDONDA PROPERTY OWNERS ASSOCIATION**

The affairs of the Vista Redonda Property Owners Association, Inc., a New Mexico nonprofit corporation (hereunder referred to as the "Association"), shall be administered and regulated pursuant to the following Bylaws, to-wit:

**ARTICLE I**  
**PURPOSE**

**1.01 Purpose.** The purpose of the Association is to provide a voluntary forum for discussion of issues pertinent to the quality of the community life of all residents; provide for the establishment of committees, which shall be appropriate and pertinent to the needs of the community; provide a means for residents to take collective action through the Association to protect the interests of the community should the need arise; provide an organized way for working with the Vista Redonda Mutual Domestic Water Consumers Association and the Vista Redonda Architectural Committee; provide insurance for the protection of the Vista Redonda Architectural Committee and the Association; and preserve and improve the quality of the environment and the quality of life in the Vista Redonda community in the County of Santa Fe, New Mexico.

**ARTICLE II**  
**DEFINITIONS**

**2.01 Definitions.**

- (a) "Association" shall mean and refer to the Vista Redonda Property Owners Association, Inc. a New Mexico non-profit corporation, created by the filing of the Articles of Incorporation on July 22, 2013 as required by law.
- (b) "Board" shall mean the Board of Directors of the Association.
- (c) "Architectural Committee" shall mean the Architectural Committee of the Association, consisting of three (3) or more Owners appointed and approved by the Board of Directors, as authorized by the Deed Restrictions and any amendments thereto.
- (d) "Deed Restrictions" means the Deed Restrictions covenants, conditions, reservations, easements and restrictions, and any amendments thereto, filed of record with the Clerk of Santa Fe County, New Mexico.
- (e) "Design Standards" mean the Vista Redonda Design Standards proposed and utilized by the Architectural Committee to make decisions concerning conformity and harmony of exterior design of buildings in accordance with existing Deed Restrictions, any

amendments to the Deed Restrictions, and applicable New Mexico law.

- (f) "Lot" means any lot shown on the plats of survey for the Subdivision as such surveys are amended from time to time, and specifically includes the subdivided lots within each of the seven (7) units known as Vista Redonda Units A, B, C, D, E, F and G of the Vista Redonda Subdivision as shown on the plats of survey filed for record with the Clerk of Santa Fe County, New Mexico. Lot also means any other properties within the vicinity of the Subdivision that are controlled by or subject to the Deed Restrictions. Lot also means any such other lots within the vicinity of the Subdivision as the Board or the Association votes to include in the Vista Redonda Property Owners Association upon the request of the Owner or Owners of such other Lot, and upon the Majority Vote of either the Association or a majority vote of a quorum of the Board.
- (g) "Member" shall mean and refer to every person or any entity or Owner or Lot that belongs to the Association.
- (h) Unless otherwise stated in these Bylaws, "Majority Vote" means the vote of a majority of a quorum of Members attending, in person or by proxy or through absentee ballot, any annual or special meetings of the Association.
- (i) "Owner" means the persons or entities holding legal title or beneficial ownership of the fee of a Lot, including the purchaser under an installment sales contract of a Lot. Owner shall not include a seller under an installment sales contract or any persons or entities holding a security interest in the Property or Lot(s).
- (j) "Plats of Survey" means the plats of survey of the Subdivision filed of record with the Clerk of Santa Fe County, New Mexico.
- (k) "Subdivision" shall refer to the totality of the subdivided lots within each of the seven (7) units known as Vista Redonda Units A, B, C, D, E, F and G of the Vista Redonda Subdivision as shown on the plats of survey filed for record with the Clerk of Santa Fe County, New Mexico.

## **ARTICLE I11** **MEMBERSHIP**

**3.01 Membership in the Association.** All Lots in Units A, B, C, D, E, F and G of Vista Redonda Subdivision (as shown on Schedule A, attached hereto), through their present or future Owners or co-Owners, shall be Members of the Association for purposes related to assessments to protect and indemnify the Architectural Committee as set forth in these Bylaws. Otherwise, all Lots in Units A, B, C, D, E, F and G of Vista Redonda Subdivision (as shown on Schedule A, attached hereto), through their present or future Owners or co-Owners, and all Lots controlled by the Deed Restrictions applicable to Units A, B, C, D, E, F and G of Vista Redonda Subdivision, are eligible to be Members of the Association and may participate in the Association. Any Lots within the vicinity of Vista Redonda Subdivision may become Members of the Association,

through their present or future Owners, upon application by such Owners to the Association or the Board of Directors of the Association, and upon a Majority Vote of the Association or a majority vote of a quorum of the Board of Directors. Membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot. Members of the Association may be described in these Bylaws as Owners or Lots.

#### **ARTICLE IV ORGANIZATION**

**4.01 Organization.** The Association is organized as a voluntary, non-profit corporation, charged with the duties and empowered with the rights set forth in the Articles of Incorporation.

**4.02 Governance.** The Association's affairs shall be governed by the Articles of Incorporation, the Bylaws of the Association, the Deed Restrictions applicable to Vista Redonda Units A through G, and any amendments to the Deed Restrictions.

**4.03 Principal Office.** The principal office of the corporation shall be located at the home of the current President.

**4.04 Separate Water Association.** The Association is separate and apart from the Vista Redonda Mutual Domestic Water Consumers Association, which is a corporation organized pursuant to the Sanitary Projects Act, and none of the provisions included in these Bylaws shall be construed to confer any rights or obligations of the Vista Redonda Mutual Domestic Water Consumers Association, to Members hereof and vice versa.

#### **ARTICLE V RIGHTS AND OBLIGATIONS OF THE ASSOCIATION**

**5.01 Enforcement of Deed Restrictions.** The Board of Directors shall be the primary entity responsible for implementation and enforcement of these Bylaws, the Deed Restrictions and any amendments thereto. This shall in no way hinder individual Owners' or Members rights to enforce the Deed Restrictions and any amendments thereto as to other Owners, Members or Lots.

**5.02 Funds, Assessments and Collections.** Each Member of the Association shall pay to the Association, on an equal basis per Lot owned by said Member or Members, annual property owners fees or dues determined, approved and levied in accordance with these Bylaws.

**5.03 Liability of the Association.** The Association is a voluntary, non-profit corporation, and the Association, the Members of the Association, the Members of the Association's Board of Directors, and the Members of the committees of the Board of Directors, including but not limited to the Architectural Committee, shall not be liable for damages of any kind to any party for failing to enforce any of the provisions of these Bylaws, the Deed Restrictions, any

amendments to the Deed Restrictions or the Architectural Guidelines. No breach of any provisions of these Bylaws, the Deed Restrictions, amendments to the Deed Restrictions or the Architectural Guidelines shall cause any forfeiture of title or rescission or bestow any right of re-entry whatsoever.

## **ARTICLE VI** **MEMBERSHIP, VOTING AND MEETINGS**

**6.01 Member in Good Standing.** Members shall be in good standing when and if all billings for fees or dues applicable to his or her property or Lot have been paid in full.

**6.02 Voting Rights.** Each Lot belonging to the Association shall have one (1) vote and, when co-Owners who belong to the Association hold an interest in any Lot, the vote for such Lot shall be exercised as the co-Owners among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. Members who own more than one Lot shall have one (1) vote for each Lot owned, but in no event shall more than one (1) vote be cast with respect to any Lot. Only Owners who are Members in Good Standing are authorized to vote.

**6.03 Voting.** The President or any Member may call for a voice vote on any matter coming before a meeting of the Members. Any Member may move that a written ballot be taken. Voting may also be made pursuant to paragraph 6.06 hereof.

**6.04 Quorum.** A majority of the Lots belonging to the Association, represented by the Owners of said Lots, attending a meeting in person or by proxy or by absentee ballot, shall constitute a quorum of the Members.

**6.05 Proxies and Absentee Votes.** Votes by Members may be cast in person, or if absent by absentee ballot in written or any digital form, including, but not limited to, electronic mail. Votes by Members may also be cast by proxies, unless otherwise precluded by the Board or these By-laws. Absentee votes and proxies must be in writing or any digital form, including but not limited to electronic mail, and must be dated and signed or otherwise dated and identified to ensure accurate identification and shall be filed with the Secretary or his or her designated representative before the appointed time of each meeting. Revocation of or change to any proxy or absentee ballot may be made at any time by written notice, including but not limited to email notice or fax notice, to the Secretary or to his or her designated representative. A revocation of or change to a proxy shall not affect any vote or act taken or authorized pursuant thereto prior to such notice to the Secretary. A proxy shall terminate eleven months after its date, unless it specifies a shorter term. Conveyance of a Lot or undivided interest therein by an Owner shall be deemed revocation of any proxy executed by such Owner.

**6.06 Place of Meetings.** Meetings of the Members of the Association shall be held at such place as the Board of Directors may determine.

**6.07 Annual Meeting.** The first annual meeting of the Members of the Association shall be held

on a date selected by the Board of Directors within thirteen (13) months from the date of incorporation. Thereafter, the annual meetings of the Association shall be held on the third Monday of July of each year, or immediately subsequent to the annual meeting of the Vista Redonda Mutual Domestic Water Consumers Association, unless otherwise determined and promptly advertised to the Association by the Board of Directors not less than forty-five (45) days in advance thereof. At such subsequent meetings there shall be appointment or election for the members of a Board of Directors in accordance with the requirements of these Bylaws. The Members may also transact such other business of the Association as may properly come before the meeting, with proper notice of such business as required by these Bylaws.

**6.08 Special Meetings.** It shall be the duty of the President to call a special meeting of the Members of the Association as directed at his or her discretion, or by resolution of a majority of a quorum of the Board of Directors, or upon petition signed by Members representing at least twenty percent (20%) of the Lots in the Association, which resolution or petition shall be presented to the President. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice. Any such meeting shall be held within thirty (30) days after receipt by the President of such resolution or petition, or within sixty (60) days after the receipt by the President of such resolution or petition if amendments or additions to the bylaws are the subject of the special meeting.

**6.09 Notice of Meeting.** It shall be the duty of the Secretary or his or her designated representative to mail and email a notice of each annual or special meeting, stating the specific purpose or purposes thereof, the specific agenda for such annual or special meeting, and any supporting documentation available for the agenda items, as well as the time and place where the annual or special meeting is to be held, to each Member of the Association. In the event that changes to the property owners fees or dues will be discussed or proposed at such annual or special meeting, the Secretary or his or her designated representative shall also mail and email notice to each Member concerning the purpose and amounts of the proposed changes. The Secretary or his or her designated representative shall mail and email these notices to all Members at least forty-five (45) days prior to the meeting, or at least sixty (60) days for proposed changes to these Bylaws, or as otherwise provided herein. Notice of all meetings, with information relevant to the issues to be discussed or voted on at the meeting, shall also be posted on the Association website at least thirty (30) days before the meeting.

**6.10 Adjourned Meetings.** If any meeting of Members of the Association cannot be organized because a quorum is not present, the Members who are present, either in person or by proxy, may adjourn the meeting, from time to time, until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without additional notice, except that at least ten (10) days notice concerning the re-convened meeting, as well as the agenda for the re-convened meeting, must be provided to all Members in the manner described in paragraph 6.09.

**6.11 Conduct of Meetings.** The President or any board member designated by the President shall preside over all meetings of the Association and the Secretary or his or her designated representative shall keep the minutes of the meeting and keep a record of all resolutions adopted at the meeting as well as a record of all transactions occurring thereat.

## **ARTICLE VII** **BOARD OF DIRECTORS**

**7.01 Number and Qualification.** The affairs of the Association shall be governed by a Board of Directors composed of between five (5) and eleven (11) directors, each of whom shall be Lot Owners and Members of the Association. The number of directors may be increased by an amendment of these Bylaws; provided, however, that the number of directors shall not be reduced to less than five (5). The Architectural Committee shall be non-voting, ex-officio Members of the Board of Directors. Up to five (5) Members of the Association may also serve as adjuncts to the Board of Directors. Such adjunct directors may attend and participate in the meetings of the Board but shall not be voting Members thereof.

**7.02 Term.** The directors and adjunct directors shall be those same persons duly elected to serve as directors and adjunct directors for the Vista Redonda Mutual Domestic Water Consumers Association, unless the Members of the Association decide by Majority Vote at the annual meeting to elect different directors and/or adjuncts. Directors and adjuncts shall be appointed or elected for a term of approximately twelve (12) months dating from the time of their election until the appointment or election of their successors at the next Annual Membership Meeting.

**7.03 Power and Duties.** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association in accordance with the Articles of Incorporation, these Bylaws, and the Deed Restrictions and any amendments thereto.

**7.04 Vacancies.** Vacancies in the Board of Directors caused by any reason other than the removal of a director by a Majority Vote of the Members of the Association shall be filled by Majority Vote of the remaining directors; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Members of the Association

**7.05 Removal or Resignation of Directors or Officers.** At any regular or special meeting of the Board of Directors, duly called, any one or more of the directors or officers may be removed for cause by the vote of a majority of a quorum of the Board, and a successor may then and there be elected by a majority of a quorum of the Board to fill each vacancy thus created for the unexpired term(s) of said removed director(s). At any annual or special meeting of the Members of the Association duly called, any one or more of the directors or officers may be removed with or without cause by the Majority Vote of the Members, and a successor may then and there be elected by a Majority Vote of the Members to fill each vacancy thus created for the unexpired term(s) of said removed director(s). Any director or officer whose removal has been proposed by

the Board or the Members shall be given the opportunity to be heard at the meeting.

Any officer or director 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, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. If an officer or director resigns, his or her successor shall be appointed by a majority of a quorum of the Board at any regular or special meeting called for that purpose, and shall serve until the election of officers and directors by the Members at the next annual meeting.

**7.06 Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors but at least one such meeting shall be held each year. Notice of regular meetings of the Board of Directors shall be given to each director and all Members of the Association by mail, electronic mail, facsimile, or telephone at least ten (10) days prior to the day named for such meetings. Notice shall state the time, place and specific purposes of and agendas for the meeting. The Board shall also post the specific agendas for the meetings, and any information necessary to keep the community informed of the Board's activities or proposed activities, on the community website at least ten (10) days prior to the day named for such meeting. Members of the Association may attend at their pleasure, and may participate in the meeting, ask questions, and provide or obtain information.

**7.07 Special Meetings.** Special meetings of the Board of Directors may be called by the President or on the written request of at least two (2) directors by providing at least three (3) days notice to each director, given personally, or by mail, electronic mail, facsimile, or telephone, which notice shall state the time, place (as herein provided) and purpose of the meeting. The Members of the Association shall be notified of special meetings of the Board of Directors in the same manner as provided for notice to directors, or notice to the Members may be given at least three (3) days prior to the meeting by directly mailing or emailing the Members that a meeting has been scheduled and then posting the time, place, and agenda for the meeting on the community website. Members may attend at their pleasure, and may participate in the meeting, ask questions, and provide or obtain information.

**7.08 Board of Directors' Quorum.** At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. Members of the Board of Directors may attend board and committee meetings via phone or other video conference means if they cannot be physically present. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted with notice to directors and Members as outlined above.

**7.09 Action Taken Without a Meeting.** The directors 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 (including, but not limited to, electronic mail) of a majority of a quorum of the directors, or a majority of the directors if otherwise required by these Bylaws, after notice is given to all directors and Members as outlined above. Any action shall have the same effect as though taken at a meeting of the Board. Regular or special meetings of the Board of Directors may be held by telephone conference, video conference or by electronic mail after notice is given to directors and Members as outlined in Paragraphs 7.06 and 7.07.

**7.10 Compensation.** The members of the Board of Directors, including officers, shall serve without salary or compensation, but may be reimbursed for actual and reasonable out-of-pocket expenses authorized by the Board of Directors.

**7.11 Fidelity Bonds and Directors & Officers Liability Insurance.** The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds, furnish adequate fidelity bonds. The Association shall also carry Directors and Liability Insurance and other insurance in amounts deemed necessary and adequate by the Board. The premiums on such bonds and Directors and Officers Liability Insurance and other insurance shall be paid by the Association.

**7.12 Conflict of Interest of Directors.** Each member of the Board of Directors shall exercise his powers and duties in good faith and with a view to the best interests of the Association, and shall not act in conflict to the interests of the Association.

## **ARTICLE VIII** **OFFICERS**

**8.01 Designation.** The officers of the Association shall be members of the Board and shall be a President, a Vice President, a Secretary and a Treasurer.

**8.02 Election of Officers.** The officers of the Association shall be the same persons duly elected as officers of the Vista Redonda Mutual Domestic Water Consumers Association unless, by Majority Vote at an annual or special meeting, the Members of the Association elect different officers of the Association. Vacancies in the officers of the Association that occur before the next annual meeting of the Membership shall be filled by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced. One person may hold concurrently the office of Vice President and Secretary or Vice President and Treasurer.

**8.03 President.** The President shall be the Chief Executive Officer of the Association. The President or his or her designated representative shall preside at all meetings of the Association



and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of President of a nonprofit corporation, including, but not limited to, the preparation, execution, certification and recordation of amendments to the Declaration, and the power to appoint committees.

**8.04 Vice President.** The Vice President shall have all the powers and authority and perform all the functions and duties of the President, in the absence of the President, or due to the President's inability, for any reason, to exercise such powers and functions or perform such duties. The Vice President or his or her designated representative shall compile and keep up to date, at the principal office of the Association, a complete list of Members and their last known addresses and email addresses as shown on the records of the Association and the number of the Lot owned by said member. The Vice President or his or her designated representative shall send meeting notices to members and shall be the Vista Redonda website manager.

**8.05 Secretary.** The Secretary or his or her designated representative shall take and maintain all the minutes of the meetings of the Board of Directors of the Association, and shall promptly post such minutes on the Vista Redonda website. The Secretary or his or her designated representative shall have charge of such books and papers as the Board of Directors may direct; and shall, in general, perform all the duties incident to the office of Secretary, including responsibility for proxies. The Secretary or his or her designated representative shall compile and keep up to date, at the principal office of the Association, the complete records of the Association. Such records shall be open to inspection by Members and other persons lawfully entitled to inspect the same at reasonable times for a reasonable fee during regular business hours.

**8.06 Treasurer.** The Treasurer or his or her designated representative 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 or by majority vote of a quorum of the Members at any annual or special meeting. Designated Board Members shall sign all checks and promissory notes of the Association. The Treasurer or his or her designated representative shall pay all charges and obligations of the Association before same are due; keep proper books of account; and shall prepare a proposed annual budget for the upcoming fiscal year and a statement of income and expenditures for the previous fiscal year to be represented to the membership prior to and at the regular annual meeting of the Association. The Treasurer or his or her designated representative shall mail or email a copy of the proposed annual budget and the statement of income and expenditures to the Members at least thirty (30) days before the annual meeting.

**8.07 Compensation.** Officers shall serve without salary or compensation, but may be reimbursed for actual and reasonable out-of-pocket expenses authorized by the Board of Directors.

**8.08 Committees.** By majority vote of all directors, the Board of Directors shall appoint an Architectural Committee. By majority vote of a quorum, the Board of Directors shall appoint a

Nominating Committee as necessary, and the President shall appoint any other committee as deemed appropriate or as directed by a majority of a quorum of the Board of Directors. Members of the committees shall be defended and indemnified from personal or individual liability for any act they may perform on behalf of the Association in the same manner herein provided for indemnification of members of the Board of Directors.

**ARTICLE IX**  
**INDEMNIFICATION LIABILITY**

**9.01 Indemnification.** The Association shall defend, indemnify and hold harmless every officer, director, adjunct director, Architectural Committee member and member of any other committees against all reasonable expenses resulting from individual or personal liabilities incurred or imposed in connection with any action, suit, or other proceeding to which he or she may be an individual party by reason of being or having been an officer, director, adjunct director or committee member of the Association, except that any officers, directors, adjunct directors, or committee members shall not be defended, indemnified or held harmless for their intentional, willful, malicious acts or inactions; or for their own intentional, willful or malicious misfeasance, malfeasance or misconduct; or for their own fraud; for actions taken by them without legal authority; or for other reasons outlined in NMSA 53-8-26. The Association shall maintain adequate general liability and officers' and directors' or other liability insurance to assist in the funding of this obligation, if such insurance is reasonably available, and shall pay for such insurance through annual property owners' fees or dues.

**9.02 Non-Liability of Association.** The Association is a voluntary, non-profit organization and shall not be liable for any failure to provide services or failure to take any actions unless such failure amounts to wrongful intent.

**ARTICLE X**  
**ARCHITECTURAL COMMITTEE**

**10.01 Architectural Committee.** The Architectural Committee shall be composed of three (3) or more Members of the Association. Members of the Architectural Committee shall be appointed by a majority vote of the Board of Directors. The Board of Directors may remove any Architectural Committee member at any time by a majority vote of the Board at any regular or special meeting. Additionally, the Members may direct the Board to remove any Architectural Committee member by a majority vote of a quorum of the Members present in person or by proxy at any annual or special meeting, and any replacements to the Architectural Committee shall be made by a majority vote of the Board of Directors. In the event of a vacancy on the Architectural Committee, the remaining Architectural Committee member(s) shall nominate a replacement, subject to Board approval by a majority vote of the Board attending any regular or special meeting. If all Architectural Committee positions become vacant at the same time, the Board shall nominate and approve replacements by majority vote of the Board attending any regular or special meeting.

**10.02 Permitted Structures.** Buildings or other structures that may be erected constructed, maintained or improved upon each Lot are governed and controlled by the Deed Restrictions and any amendments thereto. Construction and exterior renovation, improvements, changes or additions to buildings and structures that will not be erected or maintained on a Lot for more than four (4) consecutive months do not require the approval of the Architectural Committee. Construction trailers and portable field offices do not require the approval of the Architectural Committee.

**10.03 Architectural Design Standards.** The Architectural Committee is directed to create and/or amend reasonable Design Standards concerning the exterior construction or renovation or material alteration of permanent buildings or structures, on Lots owned by Members of the Association, and Lots otherwise governed by the Deed Restrictions. Such Design Standards shall conform to existing Deed Restrictions, any amendments thereto, and applicable law. The Design Standards shall be created and implemented to provide guidance for exterior construction and renovation of structures, and to provide greater detail and direction concerning the Architectural Committee decisions and approvals relevant to construction of permanent buildings and structures in conformity with the Deed Restrictions, amendments to the Deed Restrictions, and New Mexico law.

**10.04 Submittals and Approvals.** No building or structure shall be erected or placed on any Lot; and the exterior of any existing building or structure shall not be permanently materially renovated or altered on any Lot; and no site preparation for construction of buildings or structures shall occur, including but not limited to grading, removing trees, or running underground utilities within the boundaries of any Lot, until complete building plans and specifications have been submitted to the Architectural Committee and the requirements of the Deed Restrictions and any amendments thereto concerning submissions and/or approvals by the Architectural Committee have been followed. Likewise, no building permits shall be sought from Santa Fe County until complete building plans and specifications have been submitted to the Architectural Committee, and the requirements of the Deed Restrictions and any amendments thereto concerning submissions and/or approvals by the Architectural Committee have been followed. No building permit granted by Santa Fe County shall be considered as grounds for obtaining approval from the Architectural Committee.

**10.05 Enforcement.** The Association, through its Board of Directors, shall have the right to enforce, by any proceeding, at law or in equity, all architectural provisions imposed by the Deed Restrictions and any amendments thereto, as to any and all Lots or Owners subject to the Deed Restrictions, in accordance with the provisions of the Deed Restrictions, and any amendments thereto.

**10.06 Conflict of Interest.** No member of the Architectural Committee shall sit in consideration of plans for development or renovation of any Lot owned by him or her or contiguous to said Lot. When any member of the Architectural Committee is not qualified or is unavailable to sit for any reason, the Architectural Committee may proceed with the remaining member or members so long as a consensus can be achieved on the project being reviewed. If a consensus cannot be reached, the Board shall appoint a temporary member to sit with the Architectural

Committee. If more than one member is disqualified or unavailable to sit for any reason, the Board shall appoint sufficient members pro tem.

**10.07 Grandfathering.** All buildings, structures, activities, landscaping, rights-of-ways, access ways, and access easements that were in compliance with the Deed Restrictions and amendments thereto, the previous Bylaws of the Vista Redonda Water and Property Association or any previous Vista Redonda homeowners associations, or any previous Architectural Guidelines or standards in existence when the buildings or structures or landscaping were constructed, improved or renovated, or the activities were commenced, or the rights-of-ways, access ways or access easements were granted, are not required to be brought into compliance with any new Bylaws, Architectural Guidelines, Architectural Design Standards or Deed Restrictions or amendments. Any construction of new buildings or structures, or construction of new additions or exterior renovations to, or rebuilding of said existing buildings or structures must comply with all Deed Restrictions and amendments thereto, existing at the time of said new construction, additions or renovations.

**10.08 Conflicts.** In the event of any conflicts concerning this section of these Bylaws and the Deed Restrictions or any amendments thereto, the Deed Restrictions and any amendments thereto shall prevail. Additionally, these Bylaws are not intended to confer, and do not confer, any additional authority to the Architectural Committee beyond the authority conferred by the Deed Restrictions.

**ARTICLE XI**  
**EVIDENCE OF OWNERSHIP AND**  
**REGISTRATION OF MAILING ADDRESS**

**11.01 Proof of Ownership.** Membership in the Association may be evidenced by Members furnishing to the records custodian or the Secretary of the Board of Directors, a copy of the recorded instrument vesting that person with an interest or ownership in a Lot, or through copies of such recorded instruments previously on file, or through other evidence of membership previously on file with the records custodian or Secretary of the Vista Redonda Water and Property Owners Association. Said instruments or other evidence shall remain on file with the records custodian or Secretary as evidence of Membership in this Association until the Owner of a Lot affirmatively requests removal or withdrawal of such instrument and/or evidence and affirmatively requests termination of membership in the Association.

**11.02 Registration by Owner of Mailing Address.** Each owner shall register his or her then current mailing address and email address with the Association upon becoming an owner of a Lot and shall immediately advise the Association of any change in mailing or emailing address thereafter. In the event an Owner fails to register his mailing address, email address or changes of addresses with the Association in accordance herewith, the Association shall not be responsible for the non-deliverance of any statements, notices or demands.

**ARTICLE XII**  
**CONTRACTS, SIGNATORIES, ETC.**

**12.01 Contracts.** The Board of Directors is authorized to enter into only those contracts necessary to procure insurance or bonds as set forth in these Bylaws, or to hire employees, independent contractors or representatives such as CPAs, bookkeepers, lawyers, records custodians or clerical employees necessary to conduct the affairs of the Association, such insurance premiums or employees, independent contractors or representatives to be paid from annual property owners fees or dues.

**12.02 Checks and Drafts, Etc.** All checks, drafts, other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Association shall be signed by such officer(s) or agent(s) of the Association and in such manner as from time to time shall be determined by written resolution of the Board of Directors.

**12.03 Deposits.** All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, financial institutions or other depositories as the Board of Directors may select.

**ARTICLE XIII**  
**BOOKS, RECORDS AND INSPECTION THEREOF**

**13.01 Maintenance.** The Association shall keep correct and complete books and records of account and shall also keep minutes of the meetings of the Members of the Association, and of the Board of Directors, and shall keep a record giving the names and addresses and email addresses of all Members of the Association. All books and records of the Association shall be open for inspection by any Member, Owner or holder of a bona fide lien of record against any Lot, or any representative of either, duly authorized in writing, at such reasonable time or times as may be requested by such Member, Owner, lien holder or representative. The Board of Directors may charge a reasonable fee to cover the expenses of such inspection.

**ARTICLE XVI**  
**FISCAL YEAR**

**14.01** The fiscal year of the Association shall begin on the first day of July and end on the 30th day of June of every year, except that the first fiscal year shall begin on the day of incorporation and end on the 30<sup>th</sup> of June, 2014.

**ARTICLE XV**  
**ASSESSMENTS**

**15.01 Mutual Covenants.** The fees and assessments authorized by these Bylaws and levied and

collected by the Association, shall be used for the purpose of promoting the recreation, health, safety and welfare of the Members of the Association.

**15.02 Property Owners Fees.** The Members shall initially determine, by a majority vote of the Association as a whole, the amount of the basic property owners' fees or dues that shall be paid annually by each Lot belonging to the Association on an equal basis per Lot. The property owners' fees or dues shall thereafter remain the same from year to year, and shall be assessed annually against the Members on an equal basis per Lot, without the need for further approvals by the Members. If the Board or the Members at any annual or special meeting propose that the basic property owners' fees or dues should be increased or decreased, said increase or decrease must be approved and ratified by a majority of a quorum of the Members attending any such annual or special meeting, except that, if any alterations to the basic property owners fee would result in a fee over \$400 per year per property, then such alteration must be approved and ratified by the vote of a majority of all of the Members of the Association as a whole. The property owners' fees or dues shall be sufficient to cover all costs reasonably or necessarily incurred by the Association to carry out the provisions of Article XI and X of these Bylaws.

**15.03 Annual Accounting.** Prior to the annual meeting, the Board shall furnish to all Owners, for the preceding fiscal year, an accounting of all expenses actually incurred, paid or accrued, or expected to be incurred paid or accrued through the end of the fiscal year, together with a statement of the total fees or assessments collected, showing the net operating loss or gain. Any such gain, in excess of the amount required for incurred or accrued expenses and replacement and contingency reserves, shall be added to the general reserves of the Association or, upon a Majority Vote of the Members, may be returned to the Members

**15.06 Annual Budget.** Prior to the annual meeting, the Board shall furnish to all Owners, for the upcoming fiscal year, a proposed budget of all expenses expected to be incurred, paid or accrued through the end of the upcoming fiscal year, together with a statement of the total fees or assessments expected to be collected, showing the net operating loss or gain. Any such gain, in excess of the amount required for incurred or accrued expenses and replacement and contingency reserves, shall be added to the general reserves of the Association.

## **ARTICLE XVI** **CORPORATE SEAL**

**16.01** The Association is not required to have a corporate seal. The absence of a seal from any documents to be executed in behalf of said Association shall not affect the validity of such documents.

**ARTICLE XVII**  
**CHARACTER OF ASSOCIATION**

**17.01 Nonprofit Association.** This Association is voluntary and is not organized for profit. No Member, member of the Board of Directors or officer may receive pecuniary gain from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any Member, member of the Board of Directors or officer; provided, however, (1) that reasonable compensation may be paid to any Member, director, or officer while acting as an agent or employee of the Association for service rendered in effecting one or more of the purposes of the Association, and (2) that any Member, director or officer may, from time to time, be reimbursed for this actual and reasonable expenses incurred in connection with the administration of the affairs of the Association; all in accordance with the provisions of applicable conditions contained herein.

**ARTICLE XVIII**  
**BYLAWS**

**18.01 Bylaws.** Except as specifically stated herein, provisions in these Bylaws may be altered or amended at a regular or special meeting of the Members by a majority vote of a quorum of the Members present at any annual or special meeting in person or by absentee vote (in writing, by email or by electronic means), but may not be altered or amended by proxy, provided, however, that the power to amend or alter the Bylaws as aforesaid shall not authorize any amendment that alters the existing rights of Lot Owners or Members to use their Lots as previously authorized by the Deed Restrictions, any prior Architectural Guidelines, and any prior Bylaws of the Vista Redonda Water and Property Owners Association. Before these Bylaws can be amended or additions made thereto, Members must receive notice of the proposed amendments or additions, by mail and email, at least sixty (60) days prior to any annual or special meeting where the amendments or provisions will be considered and/or voted upon.

**18.02 Governing Law.** The terms and provisions of these Bylaws shall be governed by the laws of the State of New Mexico.

**18.03. Conflicts.** In the event of any conflicts between any provisions of these Bylaws and the Deed Restrictions or any amendments thereto, the Deed Restrictions and any amendments thereto shall prevail.

**ARTICLE XIX**  
**DISSOLUTION**

**19.01** The Association may be dissolved by resolution adopted by a vote of not less than two-thirds (2/3) of a quorum of the Members attending any annual or special meeting. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the

