



Briarwood Terraces

Homeowners Association, Inc.

- Articles of Incorporation
- Bylaws
- Declaration of Covenants, Conditions and Restrictions
- Forms

Articles of Incorporation

Briarwood Terrace
Homeowners Association, Inc.

JAN 31 1979

ARTICLES OF INCORPORATION
OF
CORPORATION AND
FRANCHISE TAX DEPTS.

BRIARWOOD TERRACE HOMEOWNERS' ASSOCIATION

THE UNDERSIGNED, being a New Mexico corporation and being desirous of forming a non-profit corporation under the laws of the State of New Mexico, has prepared and hereby adopts the following Articles of Incorporation:

ARTICLE I

Name

The name of the corporation shall be BRIARWOOD TERRACE HOMEOWNERS' ASSOCIATION.

ARTICLE II

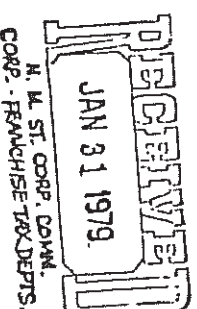
Purpose

The corporation shall not afford, directly or indirectly, pecuniary gain or profit to its members. The purposes of the corporation are:

A. To operate exclusively for the benefit of the owners and residents of living units situate within Briarwood Terrace, an addition to the City of Albuquerque, Bernalillo County, New Mexico, as shown on the "Summary Plat of Briarwood Terrace", filed for record on June 27, 1978 in the Official Records of Bernalillo County, New Mexico, in Vol. D8, page 152 (all property shown on said plat being hereinafter called "the Properties");

B. To own, hold and manage all portions of the Properties, except the living units (hereinafter called "the Common Areas") for the benefit of the owners and residents of the living units situate within the Properties; and

C. To enforce the provisions of and perform the duties set forth in the Declaration of Covenants, Conditions and Restrictions



(hereinafter "the Declaration") filed for record with respect to the Properties on January 26, 1979, in the Official Records of Bernalillo County, New Mexico.

ARTICLE III

Powers

The corporation shall have the following powers:

A. To perform any and all acts necessary and proper to

promote the health, safety and welfare of the owners and residents of living units situate within the Properties, including without limitation, any of the following acts:

1. To provide or supplement municipal or utility services, including garbage and trash collection, fire protection and security or police protection;

2. To establish and collect annual and special assessments or charges to be levied against the living units located within the Properties as provided in the Declaration;

3. To enforce any and all covenants, conditions and restrictions as set forth in the Declaration, including any amendments thereto;

4. To own, acquire, build, operate and maintain recreation parks, landscaping, parking areas, private streets and utilities located within the Common Areas;

5. To pay taxes, if any, assessed against the Common Areas and to discharge any liens or claims of lien against the Common Areas;

6. To construct buildings, structures or other capital improvements on the Common Areas and to adequately insure same; and

7. To receive, administer and apply funds generated by annual and special assessments for the common benefit of the owners and residents of Living Units located within the Properties.

B. To perform all acts and exercise all powers authorized by the Non-Profit Corporation Act, Sections 53-8-1 through 53-8-99, N.M.S.A., 1978 Comp., as now or hereafter amended, and to perform all acts and exercise all powers which a non-profit corporation is authorized to do under all applicable statutes of New Mexico, as now or hereafter amended, including without limitation, the following:

1. To receive and administer funds and contributions received by gift, deed, bequest or devise and to hold, invest, expend, contribute or otherwise dispose of such funds and contributions for the purposes for which this corporation is organized;
2. To borrow money and make, execute or issue bonds, debentures, promissory notes or other corporate obligations for money borrowed, or in payment for property acquired, and to secure the payment of any such corporate obligations by pledge, mortgage, indenture, agreement or otherwise;
3. To lend money, make loans and engage in financing arrangements of all types for the purposes for which this corporation is organized;
4. To acquire by purchase or otherwise personal property of every kind whatsoever and to hold, invest and reinvest same for the purposes for which the corporation is organized;
5. To acquire by purchase or otherwise real property and to hold, use, improve, lease, rent, sell, convey or encumber same for the purposes for which this corporation is organized;
6. To enter into, make, perform and carry out contracts, agreements, commitments and assurances of every kind for the

purposes for which this corporation is organized; and

7. In doing, exercising or performing any of the foregoing, to do the same as a contractor, subcontractor, principal, agent, employee or on its own behalf, or in association, partnership, corporation or joint venture with any person, partnership, corporation, joint venture or other business entity.

C. All powers which the corporation is authorized to exercise pursuant to these Articles of Incorporation shall be exercised exclusively for such benevolent, charitable, civic, community welfare, educational, health, recreational and social purposes as are within the meaning of Section 501(c)(3) of the Internal

Revenue Code of 1954, as now or hereafter amended. The corporation shall neither have nor exercise any power, nor shall it directly or indirectly engage in any business activity, that would prevent it from obtaining or cause it to lose tax exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code of 1954, as now or hereafter amended. The Corporation shall not engage in any "prohibited transaction" as that term is defined in Section 503 of the Internal Revenue Code of 1954, as now or hereafter amended.

ARTICLE IV

Duration

The period of duration of the corporation shall be perpetual.

ARTICLE V

Registered Agent and Office

The registered agent of the corporation is HUGH E. HOOD and the address of the registered office of the corporation is 3820 Academy Parkway North, N.E., Albuquerque, New Mexico.

ARTICLE VI

Board of Directors

The management of the affairs of the corporation shall be

vested in a Board of Directors consisting of not less than three (3) persons each to be elected for one (1) year terms at each Annual Meeting of Members. Directors may be non-members of the Association. Until the first Annual Meeting of Members, the initial Board of Directors shall consist of the persons whose names and addresses appear below:

HUGH E. HOOD	3820 Academy Parkway North, N.E. Albuquerque, New Mexico
JOYCE M. HOOD	3820 Academy Parkway North, N.E. Albuquerque, New Mexico
DENNIS M. MCCARY	6400 Uptown Blvd., N.E. Suite 200-W Albuquerque, New Mexico 87110

ARTICLE VII

Name and Address of Incorporator

The name and address of the incorporator is as follows:

HOOD CORPORATION	3820 Academy Parkway North, N.E. Albuquerque, New Mexico
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ARTICLE VIII

Membership and Voting Rights

A. Membership. Every person or entity who is the record owner of a fee simple or undivided fee interest in any Living Unit or Building Site subject to the Declaration filed for record with respect to the Properties, shall be a member of the Association; provided that any person or entity holding such interest as security for the payment of a debt or performance of an obligation shall not be a member; provided, however, that any person or entity who acquires such interest at a judicial sale or by conveyance in lieu of foreclosure shall be a member. Membership shall be appurtenant to and may not be separated from ownership of any living Unit or Building Site which is subject to the Declaration.

B. Voting Rights. The Association shall have two (2) classes of voting membership:

1. Class A. Class A members shall be all those members as defined in Section A of this Article VIII with the exception of HOOD CORPORATION, a New Mexico corporation, the Developer of the Properties. Class A members shall be entitled to one vote for each Living Unit or Building Site in which they hold the interests required for membership as provided in Section A of this Article VIII. When more than one person or entity holds such interest, all such persons or entities shall be members, but only one vote shall be cast with respect to any Living Unit or Building Site.

2. Class B. The Class B member shall be the Developer, its successors and assigns. The Class B member shall be entitled to three (3) votes for each Living Unit or Building Site in which it holds the interest required for membership, as provided in Section A of this Article VIII, provided that the Class B membership shall cease and become converted to Class A membership upon the first to occur of the following events:

a. When the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership; or

b. On January 1, 1984.

Upon the conversion of Class B membership to Class A membership, as provided above, the Class B member shall be entitled to one vote for each Living Unit or Building Site in which it holds the interest required for membership by Section A of this Article VIII.

C. Suspension of Membership and Voting Rights. The rights of membership, including the right to vote, the right to participate in Association affairs, and the right to use the Common Areas, are subject to suspension by the Board for: (1) Failure or refusal to pay any assessment levied by the Association for a period of

Thirty (30) days after the due date of such assessment; or (2) an infraction of, default in or breach of any provision of the Declaration, the Articles, the By-laws or the Rules and Regulation of the Association.

ARTICLE IX

Amendment

These Articles of Incorporation may be amended, changed, modified or repealed in the manner now or hereafter provided by law upon the affirmative vote of two-thirds (2/3) of the members in each class of membership entitled to vote in person or by proxy at a meeting duly called for that purpose, written notice of which shall have been sent to all members not less than thirty (30) nor more than fifty (50) days prior to such meeting. Such written notice of meeting must set forth the purpose of the meeting.

IN WITNESS WHEREOF, the undersigned incorporator of this corporation has made and signed these Articles of Incorporation. this 26th day of January, 1979.

HOOD CORPORATION
A New Mexico corporation

BY Hugh E. Hood
HUGH E. HOOD, PRESIDENT

ATTEST: Dorothy M. Hood
SECRETARY

Bylaws

Briarwood Terrace
Homeowners Association, Inc.

BY-LAWS
OF
BRIARWOOD TERRACE HOMEOWNERS' ASSOCIATION

ARTICLE I

Definitions

Section 1: The following words, when used in these By-Laws, or any amendment hereto, shall have the following meanings:

(a) "Association" means the BRIARWOOD TERRACE HOMEOWNERS' ASSOCIATION, a non-profit New Mexico corporation, and its successors and assigns.

(b) "Declaration" means the Declaration of Covenants, Conditions and Restrictions of BRIARWOOD TERRACE, an addition to the City of Albuquerque, New Mexico, filed for record with the County Clerk of Bernalillo County, New Mexico, on January 26, 1979, including any amendment or modification thereto set forth in any "Supplemental Declaration" filed for record in the Office of the County Clerk of Bernalillo County, New Mexico.

(c) "The Property" or "The Properties" mean all the real property described in Article II of the Declaration, including, without limitation, all Living Units and Common Areas within the legal description set forth in Article II of the Declaration.

(d) "Common Areas" mean all portions of the Properties described in Article II, except lots numbered One (1) through Twenty-Two (22), inclusive, as shown and designated on that certain "Summary Plat of Briarwood Terrace" filed for record in the office of the County Clerk of Bernalillo County, New Mexico, on June 27, 1978, in Vol. D8, page 152. The term "common areas" expressly includes, without limitation, all open areas, private streets, parking areas and utility easements located within the Properties described in Article II and shown on the aforesaid plat.

(e) "Owner" means the record owner of fee simple title to any Living Unit or Building Site, but does not include any person or entity who holds title merely as security for the payment of a debt or performance of an obligation. Provided, however, that the term "Owner" does include any record owner of fee simple title who acquired such title pursuant to a judicial sale or conveyance in lieu of foreclosure.

(f) "Member" means those Owners who are members of the Association as provided in Article II, Section ~~10~~ ^{10.1}.

RECEIVED
10th Floor
10th Floor

MAR 30 1979

N.M. ST. CORP. COMM.
Corp./Franchise Tax Depts.

(g) "Building Site" means lots numbered One (1) through Twenty-Two (22), inclusive, as shown on the "Summary Plat of Briarwood Terrace", an addition to the City of Albuquerque, New Mexico, which said plat is more particularly identified in subparagraph (e) above, or any numbered lot shown on any replat or supplemental plat of Briarwood Terrace hereafter recorded.

(h) "Living Unit" means (1) any portion of a building situated upon the Properties designated and intended for use and occupancy as a family residence, or (2) any Building Site intended for residential facilities. "Living Unit" includes the term "Building Site", unless otherwise indicated. The use herein of the phrase "Living Unit or Building Site" is for the purpose of clarity and is not intended to limit the meaning of the term "Living Unit".

(i) "Class I Living Unit" means any Building Site upon which a residence has been constructed and is occupied.

(j) "Class II Living Unit" means any Building Site upon which construction of a residence has been completed, but is not occupied and is still owned by the Developer.

(k) "Class III Living Unit" means any vacant Building Site intended for residential use, but upon which construction of a residence has not been completed.

(l) "Developer" means HOOD CORPORATION, a New Mexico corporation, and its successors or assigns.

(m) "Articles" mean the Articles of Incorporation of the Association.

(n) "Regulations" mean the rules and regulations promulgated by the Board of Directors of the Association pursuant to the By-Laws of the Association.

(o) "Board" means the Board of Directors of the Association.

ARTICLE II

Membership

Section 1. Membership. Every person or entity who is the record owner of a fee simple or undivided fee interest in any Living Unit or Building Site subject to the Declaration shall be a member of the Association; provided, that any person or entity holding such interest as security for the payment of a debt or performance of an obligation shall not be a member; provided, however, that any person or entity who acquires such interest at a judicial sale or by conveyance in lieu of foreclosure shall be a member. Membership shall be appurtenant to and may not be separated from ownership of any Living Unit or Building Site subject to the Declaration.

Section 2. Voting Rights. The Association shall have two classes of voting membership:

(a) Class A. Class A members shall be all those members as defined in Section 1 of this Article II with the exception of the Developer. Class A members shall be entitled to one vote for each Living Unit or Building Site in which they hold the interests required for membership as provided in Section 1 of this Article II. When more than one person or entity holds such interest, all such persons or entities shall be members, but only one vote shall be cast with respect to any Living Unit or Building Site.

(b) Class B. The Class B member shall be the Developer, its successors and assigns. The Class B member shall be entitled to three (3) votes for each Living Unit or Building Site in which it holds the interest required for membership as provided in Section 1 of this Article II, provided that the Class B membership shall cease and become converted to Class A membership upon the first to occur of the following events:

(1) When the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, or

(2) On January 1, 1984.

Upon the conversion of Class B membership to Class A membership as provided above, the Class B member shall be entitled to one vote for each Living Unit or Building Site in which it holds the interest required for membership by Section 1 of this Article II.

Section 3. Members' Easement of Enjoyment. Pursuant to Article IV, Section 2 of the Declaration, the Developer will convey legal title to the Common Areas to the Association prior to the sale of the first Living Unit sold by Developer. Each member shall have the right to use and an easement of enjoyment in the Common Areas. Such easement of enjoyment shall be appurtenant to and shall pass with the title to every Living Unit. Such easement of enjoyment shall, however, be subject to the following:

(a) The right of the Board to suspend membership, including the right to use the Common Areas and the right to vote, upon the default of any member with respect to the payment of annual and special assessments duly levied by the Board or upon the default of any member to perform his or her obligations under the Articles, By-Laws, Declaration or Rules and Regulations promulgated by the Board.

(b) The right of the Association, acting through the Board, to take any steps reasonably necessary to protect the Common Areas against foreclosure.

(c) The right of the Association, acting through the Board, to enter into contracts deemed necessary and appropriate for the discharge of its duties regarding the Common Areas, including maintenance and management of the Common Areas. Provided, however, that no such contract shall have a term in excess of three (3) years and all such contracts shall be terminable without cause upon not more than ninety (90) days written notice and without the payment of any termination or similar fee by the Association. These limitations shall be inapplicable with respect to contracts with the Developer.

(d) The right of the Association to dedicate or transfer all, or any part, of the Common Areas to any public agency, authority or utility for such purposes, and subject to such conditions, as may be agreed to by the members; provided, however, that any such action must be approved by two-thirds (2/3) of the membership of each class of membership of the Association who are voting in person or by proxy at a meeting duly called for such purpose after thirty (30) days written notice has been mailed to each member at the member's address as shown by the records of the Association. Provided, further, that the Association shall obtain the prior written consent of the holders of first mortgages against the Living Units to the extent such consent is required by Article X, Section 7 of the Declaration.

(e) The right of the Board to promulgate reasonable rules and regulations governing the use of the Common Areas.

Section 4. Delegation of Use. Any member may delegate his right to use and an easement of enjoyment in the Common Areas to members of his family, his tenants or his contract purchasers who reside in the Living Unit. Any member so delegating said rights and easement shall promptly notify the Association in writing of the names of such persons and their relationship to the member. Any person to whom said rights and easements are delegated shall be subject to the same conditions, restrictions and limitations applicable to the delegating member.

Section 5. Annual Assessments. Pursuant to Article V of the Declaration, each member shall be liable for the payment of annual assessments. As more particularly set forth in Article V of the Declaration, the Board shall, during December of each calendar year, establish the amount of the annual assessment for Class I Living Units for the following calendar year at an amount which does not exceed twenty percent (20%) above the amount of the current calendar year annual assessment for Class I Living Units. Any increase in the annual assessment for which exceeds twenty percent (20%) of the annual assessment for the previous calendar year must be approved by two-thirds (2/3) of the membership of each class of membership who vote in person

or by proxy at a meeting duly called for that purpose upon thirty (30) days prior written notice mailed to each member at his or her address as shown by the records of the Association. The annual assessment for Class II Living Units shall be fixed at thirty percent (30%) of the annual assessment for Class I Living Units. The annual assessment for Class III Living Units shall be fixed at ten percent (10%) of the annual assessment for Class I Living Units. The annual assessment shall be paid in twelve (12) equal monthly instalments on the first day of each month.

Section 6. Special Assessments. As more particularly set forth in Article V, Section 6 and Section 7 of the Declaration, the Board is authorized to levy a special assessment against any member who either fails to maintain adequate fire and hazard insurance on his individual Living Unit, or fails to repair, paint, or otherwise maintain the exterior of his Living Unit. The amount of any such special assessment shall be the cost of providing such insurance or exterior maintenance. As more particularly set forth in Article V of the Declaration, all other special assessments must be approved by two-thirds (2/3) of the members of each class of membership.

Section 7. Meetings. The Annual Meeting of the Members shall be held during December each year in Albuquerque, New Mexico, at the time and place fixed by the Board in the notice mailed to each member. Special meetings of the members may be called by the Board, the President or members entitled to vote at least twenty-five percent (25%) of the votes of any class of membership.

Section 8. Notice of Meeting. Written notice of each meeting shall be given by, or at the direction of, the Board, the President, or the members authorized to call meetings, by mailing a copy of such notice, postage prepaid, at least thirty (30) days before such meeting to each member entitled to vote thereat, addressed to the member's address as shown by the records of the Association. Such notice shall specify the place, date and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 9. Quorum. At all meetings of members, whether special or annual, a quorum shall consist of not less than sixty percent (60%) of the membership of each class of membership represented in person or by proxy. Provided, however, that whenever a higher quorum requirement is specified for certain actions as set forth in the Declaration, the higher quorum requirement set forth in the Declaration shall apply.

ARTICLE III

Board of Directors

Section 1. Number and Tenure. The property and affairs of the Association shall be managed by the Board of Directors. The first Board of Directors will consist of the three (3) Directors named in the Articles and will serve until the First Annual Meeting of Members, at which time a new Board consisting of three (3) Directors will be elected by the members to serve a one (1) year term. Thereafter, the Board will consist of three (3) Directors, each of whom will be elected annually for a one (1) year term by the members at their Annual Meetings.

Section 2. Qualifications, Removal, Vacancies. Directors need not be a member of the Association. Directors will hold office until their successor is elected and qualified. A Director may be removed with or without cause upon a majority vote of the members. A Director may be removed by majority vote of the Directors for persistent failure to attend regular meetings of the Board. 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 for the unexpired term of his predecessor.

Section 3. Compensation. Directors shall not be paid for services rendered as a Director, but shall be entitled to receive reimbursement for actual expenses incurred in the performance of their duties.

Section 4. Meetings of the Board. The Annual Meeting of the Board will be held immediately following the Annual Meeting of the Members. Regular Meetings of the Board shall be fixed from time to time by the Board. Special Meetings of the Board may be called by the President, or any two (2) Directors, by giving written notice to each Director at least three (3) days prior to such Special Meeting. Such notice of Special Meeting shall specify the time, place and purpose of the meeting.

Section 5. Action by Board. The Directors may only act as a Board. The Board may act by majority vote of the Directors present at a duly called meeting at which a quorum is present. A majority of the Directors then in office present in person constitutes a quorum. The Board may also act without a meeting, but only by unanimous consent in writing executed by all Directors then in office.

Section 6. Nomination of Directors. Nominations for election to the Board shall be made by the Nominating Committee at least twenty (20) days prior to the Annual Meeting of Members. Such nominations shall be delivered to the Secretary. The

Nominating Committee may make as many nominations as it desires, but shall nominate not less than the number of directorships to be filled. Such nominations may be made from among members and/or non-members of the Association.

Section 7. Election of Directors. The Secretary will prepare a ballot describing the vacancies to be filled, setting forth the nominees selected by the Nominating Committee, and providing a space for a write-in vote for each vacancy. The ballot will be included with the notice of the Annual Meeting to be mailed to each member pursuant to Article II, Section 8 of these By-Laws. Each member or proxy holder will be entitled to one vote for each directorship to be filled. The completed ballot must be returned by mail or delivered to the Secretary before the commencement of the Annual Meeting of Members. The ballot must be signed and dated by the member or proxy holder. The Secretary will count the ballots and announce the results at the Annual Meeting of Members. The names receiving the largest number of votes will be elected as Directors. Any controversy as to the validity of any ballot or the right of any member or proxy holder to vote will be determined by the Board of Directors.

Section 8. Powers and Duties of Board.

(a) The Board shall have power:

- (1) To call special meetings of the members at its discretion.
- (2) To enter into such contracts with third parties as it deems necessary and desirable for the discharge of its duties, including the maintenance, repair and restoration of the Common Areas.
- (3) To appoint and remove, at its discretion, all officers, agents and employees of the Association, to fix their compensation, and to require of them such security or fidelity bond as may be deemed expedient.
- (4) To establish, levy, assess and collect annual and special assessments pursuant to Article V of the Declaration.
- (5) To adopt and publish rules and regulations governing the use of the Common Areas and the personal conduct of the members and their guests thereon.
- (6) To engage or employ attorneys, accountants and such other professional assistance as may be deemed necessary.

(7) To bring such suits in the name of the Association, at law or in equity, as may be deemed necessary to enforce the covenants, conditions and restrictions set forth in the Declaration.

(8) To exercise all powers in the name of the Association set forth in the Declaration, Articles or these By-Laws, except such powers as are reserved to the members.

(b) The Board shall have the duty:

(1) To maintain a complete record of its actions and corporate affairs and to report thereon at the Annual Meeting of Members.

(2) To supervise all officers, agents and employees of the Association.

(3) As more particularly set forth in Article V of the Declaration:

(1) To fix the amount of the annual assessment against each Living Unit during December of each year;

(iv) To prepare a roster of the annual assessments applicable to each Living Unit to be maintained in the office of the Association and to be kept open for examination by any member;

(iii) To send written notice of the annual assessment to each member; and

(iv) To issue, or cause to be issued, upon demand by any member or interested person a certificate setting forth whether any annual or special assessment has been paid.

~~X~~ (4) To maintain, repair, rebuild and keep in good condition all the Common Areas.

(5) To pay all valid taxes, liens or other charges against the Common Areas; to promptly reimburse any advances made by first mortgagees as required by Article X, Section 6 of the Declaration; and to take such steps as are necessary to protect the Common Areas against foreclosure.

(6) To maintain fire and hazard insurance on the Common Areas as required by Article X, Section 5 of the Declaration and to require members to maintain fire and hazard insurance on their individual Living Units as required by Article V, Section 6 of the Declaration.

(7) To procure and maintain comprehensive public liability insurance and fidelity insurance as required by Article X, Section 5 of the Declaration.

(8) To enforce the provisions relating to Architectural Control set forth in Article VII of the Declaration and the use restrictions set forth in Article IX of the Declaration.

(9) To perform all other obligations of the Association set forth in the Declaration, Articles and these By-Laws.

Section 9. Committees. The Board shall appoint the following standing committees, each of which shall consist of a chairman who shall be a Director and two (2) members who need not be Directors or members each of whom shall serve from the close of the Annual Meeting of Members to the close of the next Annual Meeting of Members.

(a) The Nominating Committee, which shall have the duties set forth in Section 6 of this Article III.

~~*~~(b) The Architectural Control Committee, which shall have the duties and functions described in Article VII of the Declaration.

(c) The Audit and Budget Committee, which shall prepare the annual budget for the next-ensuing year, approve or disapprove the balance sheet and operating statement for the previous year, and supervise the annual audit of the Association's books. The Treasurer shall serve as an ex-officio member of this committee.

ARTICLE IV

Officers

Section 1. Number, Tenure, Qualifications and Vacancies. The officers of the Association will be a President, a Vice President, a Secretary, a Treasurer, and such other officers as the Board may choose, each of whom will be elected annually by the Board at its Annual Meeting to hold office at the pleasure of the Board for one (1) year and until his successor is elected and qualifies, unless he shall sooner resign or shall sooner be removed or disqualified to serve in such office. An officer may be removed with or without cause by the Board. The President and Vice President must be Directors. Vacancies and newly-created offices may be filled by the Board. One person may not hold more than one office. Officers will perform the duties and have the powers provided in these By-Laws and those assigned by the Board.

Section 2. President and Vice President. The President will be the chief executive officer of the Association, will preside at all meetings of the Members and of the Board, and, when authorized, will execute and deliver documents in the name and on behalf of the Association. The President shall be the principal executive officer of the Association, and subject to the control and direction of the Board of Directors, shall supervise control of all the properties and affairs of the Association. He shall in general perform all duties incident to the office of President and such other duties as may be assigned from time to time by the Board of Directors. In the absence of the President, or in the event of his death, inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 3. Secretary. The Secretary, or any Assistant Secretary during the absence, disability or refusal to act of the Secretary, will have custody of the Seal (if any), Minute Books, and Membership Roll of the Association; will keep the minutes of all meetings; will give all notices required; when authorized, will execute, attest, deliver and seal documents of the Association; and in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 4. Treasurer. The Treasurer, or any Assistant Treasurer during the absence, disability, or refusal to act of the Treasurer, will have custody of the funds, property and books of account of the Association; and will keep strict account of all funds and property received, owned and disbursed by the Association. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and properties of the Association, receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, or other depositories, as shall be selected by the Board of Directors and in general shall perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. The Treasurer shall prepare an annual budget for the next-ensuing year and balance sheet and operating statements to be presented to the membership at its Annual Meeting, after such budget and statements have first been considered and approved by the Audit and Budget Committee.

Section 5. Salaries. The salaries, if any, of the officers shall be fixed from time to time by the Board of Directors, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a Director of the Association.

ARTICLE V

Financial Matters

Section 1. Funds and Borrowing. The depository for the Association's funds, the persons entitled to draw against those funds, the persons entitled to borrow on behalf of the Association, and the manner of accomplishing these matters will be determined by the Board of Directors from time to time.

Section 2. Compensation and Pecuniary Benefits. No member, Director of officer will receive, directly or indirectly, any of the net earnings of the Association, or any of the assets of the Association upon dissolution, or any other pecuniary benefit from the Association, except that they may be reimbursed from corporate funds upon proper documentation for expense incurred on behalf of the Association and may receive compensation for services rendered. The Board may establish compensation for officers, agents and employees of the Association, and may require any of them to post appropriate security. The Association may employ and compensate any Member, Director of officer, despite their status as such, and pay any such person compensation for services rendered.

Section 3. Receipts and Disbursements. The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds either as directed by resolution of the Board, or without a resolution of the Board when done in the ordinary course of business conducted within the limits of the approved budget. The Treasurer shall be one of the signatories on all checks and notes of the Association.

Section 4. Annual Audit and Annual Balance Sheet and Operating Statements. The Treasurer shall prepare an annual budget for the next-ensuing year and annual balance sheet and operating statements to be presented to the membership at its Annual Meeting, after such budget and statements have first been considered and approved by the Audit and Budget Committee. The Board may order an annual audit to be undertaken by an auditor selected by the Board. The scope of any such audit will be defined by the Board taking into account the best interests of the Association and its Members, but it is not contemplated that any such audit to be undertaken shall call for an unqualified opinion and certificate of the auditor, unless such is deemed appropriate by the Board from time to time.

Any such annual audit will be supervised and the results thereof considered by the Audit and Budget Committee after the Board of Directors has selected the auditor, defined the scope of the audit, and engaged the services of the auditor at the expense of the Association.

Section 5. 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 VI

Miscellaneous Provisions

Section 1. Seal. The Board may, but need not, adopt a form of seal to be used by the Association.

Section 2. Membership Records. The Secretary will establish and keep a Membership Roll which will show the name and address of each member; the name, address and relationship of every person to whom a member has delegated his right to use and an easement of enjoyment in the Common Areas; the name and address of each proxy holder, together with the date of such proxy and the signature of the proxy holder and member giving the proxy; the amount and payment status of the assessments levied against each member's living unit; and any suspension of membership rights showing the duration of suspension. The books, records and corporate documents of the Association will be open for inspection by members, directors, officers and first mortgagees of living units within the Properties, during reasonable business hours.

Section 3. Waiver of Notice. Any notice of meeting required by the Declaration or these By-Laws will be considered given when mailed to the last address shown by the records of the Association or when delivered. Any such notice requirement will be considered waived by any person who waives notice in writing, either before or after the meeting, or by any person who appears at the meeting for any reason other than to contest the validity of the call of the meeting.

Section 4. Indemnity. The Association will defend, indemnify and hold harmless each member, director, officer or committee member of the Association against expenses and liabilities reasonably incurred in connection with any claim or lawsuit in which such member, director, officer or committee member is made a party by reason of the performance of his duties in such capacity; provided, however, that this provision does not apply to gross negligence or willful misconduct by the indemnitee.

Section 5. Amendments. These By-Laws may be amended at any regular or special meeting of the Board by majority vote of the Directors present at such meeting; provided, however, that any provision of these By-Laws which is controlled by the Articles or the Declaration may not be amended except as provided in the Articles of Declaration.

Section 6. Construction. In the case of conflict between the Articles and these By-Laws, the Articles shall control. In the case of conflict between the Declaration and these By-Laws the Declaration shall control.

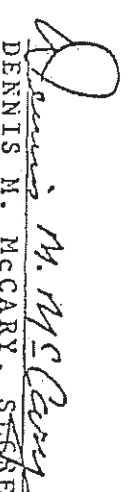
Section 7. Severability. The invalidity of any provision of these By-Laws shall not affect the validity of the remaining provisions of these By-Laws.

CERTIFICATE

IN WITNESS WHEREOF, we, the undersigned, being the President and Secretary of BRIARWOOD TERRACE HOMEOWNERS' ASSOCIATION, a New Mexico non-profit corporation, hereby certify that the foregoing By-Laws were duly adopted as the By-Laws of BRIARWOOD TERRACE HOMEOWNERS' ASSOCIATION on the 21st day of February, 1979, at the first meeting of the Board of Directors of said corporation.



HUGH E. HOOD, PRESIDENT



DENNIS M. MCCARY, SECRETARY

First American Title

Santa Fe 042738

4-1007

PATENT

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

WHEREAS, a Certificate of the Register of the Land Office at Santa Fe, New Mexico, has been deposited in the General Land Office, whereby it appears that, pursuant to the Act of Congress of May 20, 1862, "To secure Homesteads to actual Settlers on the Public Domain," and the acts supplemental thereto, the claim of George D. Ruoff has been established and duly consummated, in conformity to law, for the south half of the north half and the south half of Section four and the southeast quarter of Section five in Township ten north of Range four east of the New Mexico Meridian; New Mexico, containing six hundred forty acres, according to the official plat of the survey of the said land, returned to the General Land Office by the Surveyor General.

NOW KNOW YE that there is, therefore, granted by the United States unto the said claimant the tract of land above described: To have and to hold the said tract of land, with the appurtenances thereof, unto the said claimant and to the heirs and assigns of the said claimant forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes, and rights to ditches and reservoirs used in connection with such water rights as may be recognized and acknowledged by the local customs, laws, and decisions of courts, and there is reserved from the lands hereby granted a right of way thereon for ditches or canals constructed by the authority of the United States. Excepting and reserving, however, to the United States all the coal and other minerals in the lands so entered and patented, together with the right to prospect for, mine, and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916 (39 Stat., 862).

IN TESTIMONY WHEREOF, I Calvin Coolidge, President of the United States of America, have caused these letters to be made patent, and the seal of the General Land Office to be hereunto affixed.

Declaration of Covenants, Conditions and Restrictions

**Briarwood Terrace
Homeowners Association, Inc.**

After recording please return to
JOHNSON AND LAMPHREY, P.C.
Suite 200-W, 6400 Upson Blvd., N.E.
Albuquerque, N.M. 87110

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6482

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

(BRIARWOOD TERRACE, an addition
to the City of Albuquerque, New Mexico)

This Declaration of Covenants, Conditions and Restrictions
is made this 26th day of January, 1979, by HOOD CORPORA-
TION, a New Mexico corporation (hereinafter referred to as
"Developer").

WHEREAS, Developer is the owner of the real property
described in Article II of this Declaration and desires to create
thereon a residential community with private streets, parking
areas, permanent parks, open spaces and other common areas for
the benefit of the community; and

WHEREAS, Developer desires to provide for the preservation of
the values and amenities in the community and for the maintenance
of the private streets, parking areas, permanent parks, open
spaces and other common areas; and, to this end, desires to
subject the real property described in Article II to the covenants,
restrictions, easements, charges and liens hereinafter set forth,
each and all of which is and are for the benefit of the property
and each owner thereof; and

WHEREAS, Developer has deemed it desirable, for the efficient
preservation of the values in the community, to create an agency
to which should be delegated and assigned the powers of main-
taining and administering the common areas, enforcing the covenants
and restrictions hereby created, and collecting and disbursing
the assessments and charges hereby imposed; and

WHEREAS, Developer has incorporated under the laws of the
State of New Mexico, as a non-profit corporation, BRIARWOOD
TERRACE HOMEOWNERS' ASSOCIATION, for the purpose of exercising
the functions aforesaid;

NOW, THEREFORE, the Developer declares that the real property
described in Article II is and shall be held, transferred, sold,
conveyed and occupied subject to the covenants, conditions,
restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I

Definitions

Section 1. The following words, when used in this Declara-
tion, or any Supplemental Declaration, shall have the following
meanings:

(a) "Association" means the BRIARWOOD TERRACE HOMEOWNERS'
ASSOCIATION, a New Mexico non-profit corporation, and its
successors and assigns.

(b) "Developer" means HOOD CORPORATION, a New Mexico
corporation, and its successors and assigns.

(c) "Board" means the Board of Directors of the Association.

(d) "The Property" or "the Property" mean all the real property described in Article II, including without limitation all Living Units and Common Areas situate within the legal description set forth in Article II, all of which said property is made subject to the Declaration of Covenants, Conditions and Restrictions, including any amendments hereto.

(e) "Common Areas" mean all portions of the Properties described in Article II, except lots numbered One (1) through Twenty-Two (22), inclusive, as shown and designated on that certain Summary Plat of BRIANWOOD TERRACE, an addition to the City of Albuquerque, New Mexico, which said Summary Plat was recorded in the Office of the County Clerk of Bernalillo County, New Mexico on June 27, 1978, in Vol. D8, page 152. The term "Common Areas" expressly includes, without limitation, all open areas, private streets, parking areas and utility easements located within the Properties described in Article II and shown on the aforesaid plat.

(f) "Building Site" means lots numbered One (1) through Twenty-Two (22), inclusive, as shown on the Summary Plat of BRIANWOOD TERRACE, which said Summary Plat is more particularly identified in subparagraph (e) above, or any numbered lot shown on any replat or supplemental plat of BRIANWOOD TERRACE hereafter recorded by Developer.

(g) "Living Unit" means (1) any portion of a building situated upon the Properties designed and intended for use and occupancy as a family residence, or (2) any building site intended for residential facilities. "Living Unit" includes the term "Building Site", unless otherwise indicated. The use herein of the phrase "Living Unit or Building Site" is for the purpose of clarity and is not intended to limit the meaning of the term "Living Unit".

(h) "Owner" means the record owner of the fee simple title to any Living Unit or Building Site, but does not include any person or entity who holds title merely as security for the payment of a debt or performance of an obligation. Provided, however, that the term "Owner" does include any record owner of fee simple title who acquired such title pursuant to a judicial sale or conveyance in lieu of foreclosure.

(i) "Class I Living Unit" means any Building Site upon which a residence has been constructed and is occupied.

(j) "Class II Living Unit" means any Building Site upon which construction of a residence has been completed, but is not occupied and is still owned by the Developer.

(k) "Class III Living Unit" means any vacant Building Site intended for residential use, but upon which construction of a residence has not been completed.

(l) "Member" means all owners who are members of the Association as provided in Article III hereof, and "member" means any one of the members.

(m) "Declaration" means this Declaration of Covenants, Conditions and Restrictions, including any amendment or modification effected by the filing of a Supplemental Declaration as provided in Article XII hereinafter.

(n) "By-Laws" means the By-Laws of the Association, including any amendments thereto.

(o) "Articles" means the Articles of Incorporation of the Association.

(p) "Regulations" mean the rules and regulations promulgated by the Board of Directors of the Association pursuant to the By-Laws of the Association.

ARTICLE XI

Property Subject to Declaration

The following described real property situate in the City of Albuquerque, County of Bernalillo, State of New Mexico ("the Property" or "the Properties") is hereby made subject to all easements, liens, covenants, conditions and restrictions set forth in this Declaration:

BRIARWOOD TERRACE, an addition to the City of Albuquerque, Bernalillo County, New Mexico, as shown and designated on that certain "Summary Plat of Briarwood Terrace" recorded in the Office of the County Clerk of Bernalillo County, New Mexico, on June 27, 1978, in Vol. D8, page 152. Said "Summary Plat of Briarwood Terrace" is a replat of Tract H-6-A within La Refina De Los Altos, Unit No. Two (2), Albuquerque, New Mexico, recorded in the Office of the County Clerk of Bernalillo County, New Mexico, on March 16, 1976. The tract herein described contains 3.1776 acres, more or less.

ARTICLE XII

Membership and Voting Rights

Section 1. Membership. Every person or entity who is the record owner of a fee simple or undivided fee interest in any living unit or building site subject to the Declaration shall be a member of the Association; provided, that any person or entity holding such interest as security for the payment of a debt or performance of an obligation shall not be a member; provided, however, that any person or entity who acquires such interest at a judicial sale or by conveyance in lieu of foreclosure shall be a member. Membership shall be appurtenant to, and may not be separated from ownership of, any living unit or building site subject to the Declaration.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership:

(n) Class A. Class A members shall be all those members as defined in Section 1 of this Article III with the exception of the Developer. Class A members shall be entitled to one vote for each Living Unit or Building Site in which they hold the interest required for membership as provided in Section 1 of this Article XII. When more than one person or entity holds such interest, all such persons or entities shall be members, but only one vote shall be cast with respect to any Living Unit or Building Site.

(b) Class B. The Class B member shall be the Developer, its successors and assigns. The Class B member shall be entitled to three (3) votes for each Living Unit or Building Site in which it holds the interest required for membership as provided in Section 1 of this Article III, provided that the Class B membership shall cease and become converted to Class A membership upon the first to occur of the following events:

(1) When the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership; or

(2) On January 1, 1984.

Upon the conversion of Class B membership to Class A membership as provided above, the Class B member shall be entitled to one vote for each Living Unit or Building Site in which it holds the interest required for membership by Section 1 of this Article III.

Section 3. Suspension of Membership and Voting Rights. The rights of membership, including the right to vote, the right to participate in Association affairs, and the right to use the common areas, are subject to suspension by the Board for: (1) the failure or refusal to pay any assessment levied by the Association for a period of thirty (30) days after the due date of such assessment; or (2) an infraction of, default in, or breach of any provision of the Declaration, the Articles, the By-Laws or the Regulations of the Association.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Members' Estates of Enjoyment. Subject to the provisions of Section 3 of this Article IV, every member shall have the right to use and an easement of enjoyment in the Common Areas, including without limitation the right of ingress and egress over the Common Areas to and from each member's Living Unit, and such easement shall be appurtenant to and shall pass with the title to every Living Unit.

Section 2. Title to Common Areas. The Developer hereby covenants, for itself, its successors and assigns, that it shall, prior to the time the Developer conveys title to the first Living Unit sold by Developer, convey the Common Areas to the Association, free and clear of all liens and encumbrances, except as varied

taxes and special assessments for the year of conveyance provided to the date of conveyance, and except for all patent reservations, easements and rights-of-way of record, if any.

Section 3. Extent of Members' Easements. The rights to use and easement of enjoyment hereby created in the Common Areas is subject to the following:

(a) The right of the Association to take such steps as are reasonably necessary to protect the Common Areas against forclosure.

(b) The right of the Board to suspend rights of membership, including the right to use the Common Areas, as provided in the By-Laws and Article III, Section 3 of this Declaration.

(c) The right of individual members to delegate their rights and easement of enjoyment in the Common Areas as provided in Section 4 of this Article IV.

(d) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes, and subject to such conditions, as may be agreed to by the members; provided, however, that any such action must be approved by two-thirds (2/3) of the membership of each class of membership of the Association who are voting in person or by proxy at a meeting duly called for such purpose after thirty (30) days written notice has been mailed to each member at the member's address as shown by the records of the Association. Provided, further, that the Association shall obtain the prior written consent of the holders of the first mortgages against the living units to the extent such consent is required by Article X, Section 7 of this Declaration.

(e) The right of the Association, acting through its Board to enter into contracts deemed necessary and appropriate for the discharge of its duties regarding the Common Areas, including maintenance and management of the Common Areas and the Association. Provided, however, that the Association's right to enter into such contractual agreements shall be subject to the provisions of Article X, Section 10 of this Declaration.

Section 4. Delegation of Use. Any member may, subject to any applicable provisions of the By-Laws, delegate his rights to use and an easement of enjoyment in the Common Areas to members of his family, his tenants or contract purchasers from him who reside in his living unit. Any member so delegate his rights to use and an easement of enjoyment in the Common Areas shall promptly notify the Association in writing of the names of such persons and the relationship of such persons to the member. Any person to whom such rights to use and an easement of enjoyment in the Common Areas has been delegated shall be subject to the same conditions, restrictions, and limitations as are applicable to the delegating member.

ARTICLE V

Covenants for Maintenance Assessments

Section 1. Creation of Lien and Personal Obligation of Assessment. The Developer hereby covenants, with respect to each Living Unit and Building Site owned by it within the Properties, and each owner of any Living Unit or Building Site by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements, including repair and reconstruction of private streets, parking areas and permanent parks located within the Properties; and (3) special assessments against individual Living Units for the acquisition of adequate fire and extended coverage insurance on each Living Unit. All such annual and special assessments shall be fixed, established and collected as hereinafter provided, such annual and special assessments, together with interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and constitute a continuing lien on the Living Unit against which each such assessment is made. In addition, each such assessment, together with interest and costs of collection as aforesaid, shall also constitute a personal obligation of the owner of the Living Unit at the time the assessment became due and payable.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the owner and residents of the Properties and in particular for the improvement and maintenance of the Properties, services and facilities devoted to this purpose and to the use and enjoyment of the Common Areas, and of the Living Units situated within the Properties, including, but not limited to, the payment of taxes and insurance thereon and repair, maintenance, replacement and addition thereto, and for the cost of labor, materials, management and supervision thereof, and without limiting the generality of the foregoing purposes, the Association may pay out of and from such assessments the following:

- (a) The cost of providing water, sewer, garbage and trash collection, electrical, gas and other necessary utility services for the Common Areas, and, to the extent same are not separately metered or billed, the cost of providing any such utility services to the Living Units.
- (b) The cost of providing fire and extended coverage insurance with respect to the Common Areas, comprehensive public liability insurance, and fidelity insurance, all of which insurance coverage the Association is required to procure and maintain as more particularly provided in Article X, Section 5 of this Declaration.
- (c) The cost of providing fire and extended coverage insurance on any individual Living Unit, the owner of which has failed, neglected or refused to provide same, as provided in Section 6 of this Article V.

- (d) The cost of the services of any person or firm to manage the Common Areas and the Association.
- (e) The cost of providing such legal, accounting or other professional services as may be necessary to the operation of the Common Areas and the Association.
- (f) The cost of maintaining, repairing and landscaping the Common Areas and the cost of any equipment or furnishings deemed necessary by the Board for use with respect to the Common Areas.
- (g) The cost of painting, repair and maintenance of the exterior of any living unit, the owner of which has failed, neglected or refused to maintain, as provided in Section 7 of this Article V.
- (h) The cost of any and all other such materials, supplies, labor, services, maintenance, repair, taxes, assessments, or similar expenditures which the Association is required, by law or otherwise, to pay, or which in the discretion of the Board is deemed necessary and proper for the operation of the Common Areas or the Association.
- (i) Any amount necessary to discharge any lien or encumbrance levied against the property, or any portion thereof, which may, in the opinion of the Board, constitute a valid lien against the Common Areas, rather than against the interest of the owner of any living unit; provided, however, that the payment of any such amount shall subrogate the Association to any rights against the owner of the living unit responsible for such charge or lien.
- (j) The cost of funding an adequately reserve fund for the replacement of any capital improvement, if any, now or hereafter constructed on the Common Areas.

Section 3. Basis of Annual Assessments. The Board shall fix the annual assessment for each year in the following manner: Until the calendar year beginning January 1, 1981, the annual assessment shall be fixed by the Board in an amount not to exceed \$480.00 per living unit. From and after the calendar year beginning January 1, 1981, the Board may increase the maximum annual assessment by an amount of the annual assessment fixed by percent (20%) above the amount of the annual assessment may be taken by the Board for the previous calendar year; such action may be taken by the Board without a vote of the membership of the Association. Should the Board determine, however, that an increase of more than twenty percent (20%) is necessary, the Board must propose the adoption of a resolution by the members of the Association. Any such resolution must be adopted by the affirmative vote of two-thirds (2/3) of the members of each class of membership of the Association who are voting in person or by proxy at a meeting duly called for that purpose. Thirty (30) days' prior written notice of such meeting must be mailed to all members at the address of each member as shown by the records of the Association.

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessment authorized by Section 3 of this Article V, the Association may levy a special assessment in any calendar year, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement, of any capital improvement on the Common Areas. For purposes of this section, the term "Capital Improvements" includes, but is not limited to, private streets, parking areas and permanent parks within the properties or Common Areas. As a precondition to the levy of any such special assessment, the Board shall propose the adoption of a resolution to be adopted by the members of the Association. Any such resolution must be adopted by each class of membership of the two-thirds (2/3) of the members of each class of membership of the Association who are voting in person or by proxy at a meeting duly called for that purpose. Thirty (30) days' prior written notice of such meeting must be mailed to all members at the address of each member as shown by the records of the Association.

Section 5. Quorum Necessary for Actions Permitted Under Sections 3 and 4. The quorum required for any action authorized by Sections 3 and 4 of this Article V shall be as follows: At the first meeting called, the presence of members, in person or by proxy, of at least sixty percent (60%) of the members of each class of membership who are entitled to vote shall constitute a quorum. Should the required quorum not be present at the first meeting, the Board may call a second meeting, subject to the written notice requirements of Sections 3 and 4, and the required quorum at such second meeting shall be thirty percent (30%) of the members of each class of membership who are entitled to vote.

Section 6. Special Assessment for Insurance on Living Unit. The owner of each Living Unit shall procure and maintain fire and extended coverage insurance on his or her Living Unit in an amount sufficient to cover the full replacement cost of the Living Unit. If the property is ever determined to be within a special flood hazard area by the Secretary of Housing and Urban Development, then the owner of each Living Unit shall also procure and maintain flood insurance in an amount equal to the lower of: (1) the outstanding principal balance of any first mortgage against the Living Unit; (2) the current replacement value of the Living Unit; or (3) the maximum amount of flood insurance obtainable. All such insurance shall name the Association as trustee for the owner and the mortgagee, if any, as co-insureds as their interests appear. If the owner of any Living Unit fails, neglects or refuses to procure such insurance and to provide satisfactory proof thereof to the Association, the Association shall have the right, but not the obligation, to purchase such insurance in its name as trustee for the owner of the Living Unit. Should the Association elect to exercise this option, the cost of such insurance shall be levied as a special assessment against the Living Unit covered by such insurance. Said assessment shall be paid within twenty (20) days of written demand for payment made by the Association to the then owner of the Living Unit. Said special assessment shall constitute a personal obligation of the then owner of the Living Unit and a lien against the Living Unit as provided in Section 1 of this Article V. Such special assessment shall be enforced and

collected as provided in Section 11 of this Article V. In the event of damage or destruction of any living unit by fire or other hazard covered by insurance written in the name of the Association as Trustee for the owner of any such living unit, the Association shall, with concurrence of the mortgagee, if any, apply the insurance proceeds to rebuild or repair any such living unit to its original condition as far as practicable.

Section 7. Special Assessment for Exterior Maintenance. Should the owner of any living unit fail, neglect or refuse, for a period of thirty (30) days after receipt of written demand from the Board, to paint, repair or otherwise maintain the exterior of his living unit, the Association shall have the right, but not the obligation, to paint, repair or maintain the exterior of such owner's living unit and to levy a special assessment against such living unit to the cost thereof. Said special assessment shall constitute a personal obligation of the then owner of the living unit and a lien against the living unit as provided in Section 1 of this Article V. Said special assessment shall be enforced and collected as provided in Section 11 of this Article V.

Section 8. Rate of Assessments. Except for the Special Assessments authorized by Section 6 and Section 7 of this Article V, Annual and Special Assessments must be fixed at a uniform rate for all Class I living units. The annual and any special assessments for Class I living units shall be fixed at an amount equal to thirty percent (30%) of the assessments for Class I living units. The annual and any special assessments for Class III living units shall be fixed at an amount equal to ten percent (10%) of the assessment for Class I living units.

Section 9. Commencement of Annual Assessments. Annual assessments as to Class III living units shall commence at such time as the Board determines funds are necessary to perform the obligations of the Association as set forth in this Declaration, the Articles and By-Laws of the Association, but in any event the Articles and By-Laws of the Association, but in any event annual assessments as to Class III living units shall commence not later than the date on which the first annual assessment for a Class I living unit commences. Annual assessments as to each Class I living unit shall commence when construction of a residence thereon is completed and the residence is ready for occupancy. Annual assessments as to each Class I living unit shall commence on the earlier of: (1) the first day of the month immediately following the date on which legal title to the living unit is transferred from the developer to the first purchaser of the living unit, or (2) the first day of the month immediately following the execution of a real estate contract or other binding agreement pursuant to which the developer sells and transfers equitable title to the living unit to the first purchaser of the living unit. The first annual assessment as to each living unit shall be prorated for the balance of the calendar year. Thereafter, annual assessments shall be due and payable in twelve (12) equal monthly installments on the first day of each month during the calendar year.

Section 10. Duties of the Board of Directors. During December of each calendar year, the Board shall enact a resolution fixing the amount of the annual assessment for Class I, Class II

and clause III living Unit pursuant to the provisions of this Article V, which resolution shall determine the amount of the annual assessments for the following calendar year. Upon enactment of said resolution, the Board shall mail written notice of the amount of such annual assessment to every member and owner of each living Unit subject to assessment. Notwithstanding anything to the contrary contained in this Article V, the Board shall have the discretion to delay the commencement of any annual assessment until such time as the Board determines that the expenses of the Association are sufficient to justify the levy and collection of annual assessments. Should the Board take such action, no member shall be liable for annual assessments which would have otherwise occurred had such action not been taken.

Section 11. Effect of Non-Payment of Assessment: The personal obligation of the Owner: The Lien: Remedies of the Association. If any annual or special assessment, or any monthly or other installment thereof, is not paid when due, then such assessment shall, together with interest thereon and costs of collection as hereinafter provided, become delinquent and constitute a continuing lien on the living Unit against which the assessment was levied, which such lien shall be appurtenant to and shall run with said living Unit and shall bind the owner of said living Unit, his heirs, devisees, personal representatives, successors and assigns. If any annual or special assessment, or any monthly or other installment thereof, is not paid within thirty (30) days after its due date, such assessment, or the portion thereof then delinquent, shall bear interest at the rate of ten percent (10%) per annum, until fully paid; and the Association shall have the option to accelerate and declare the entire amount of such assessment then due and payable, without notice or demand. Should the Association exercise its option to accelerate as provided herein, the Association may thereupon bring an action at law against the then owner of the living Unit to foreclose the lien hereby created. Further, the Association may elect to bring a suit to collect a money judgment only without thereby waiving its right to subsequently seek foreclosure of the lien. In any such suit or action at law, the Association shall be entitled to recover interest as aforesaid, costs and a reasonable attorney's fee.

Section 12. Subordination of Lien to Mortgage. Notwithstanding any provision to the contrary contained in this Article V, the Declaration, By-Laws, or Articles of the Association, the lien of any annual or special assessment created by this Article V shall be subordinate to any first mortgage now or hereafter placed on any living Unit within the Property; provided, however, that such subordination shall apply only to assessments which become due and payable prior to the time a first mortgage acquired legal title to the living Unit pursuant to the remedies provided in the mortgage, foreclosure of the mortgage, or a conveyance in lieu of foreclosure. Provided, further, that any such living Unit shall remain subject to the lien of assessments which become due and payable subsequent to acquisition of legal title by the first mortgagee.

Section 13. Holder of Mortgage Entitled to Written Notification from Association of Delinquency by Mortgagor. Upon request, the holder of a recorded first mortgage on any living

Unit within the Properties is entitled to and shall receive written notification from the Association of any default by the Mortgagor of such Living Unit in the performance of such Mortgagor's obligations to the Association, including particularly its failure to pay any assessment when due, which such default is not cured within sixty (60) days. Any first mortgagee making any such request shall provide the Association with such information as is reasonably required by the Association in order to respond to the request.

ARTICLE VI

Party Walls

Section 1. General Rule of Law to Apply. Each wall built as part of the original construction of the Living Units and placed on the dividing line between the Living Units, if any, shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the General rule of law regarding party walls and of liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provisions of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Rights to and Obligations of Contribution Run With the Land. The rights to and obligation of contribution created under this Article VI shall be appurtenant to and run with the Land.

ARTICLE VII

Architectural Control Committee

Section 1. Review by Committee. No building, fence, wall or other structure, or any landscaping shall be commenced, erected or maintained upon the property, nor shall any change to the exterior of any living unit (including the use of a different color or shade of paint, stucco or other exterior surface) be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external

design and location in relation to surrounding structures, land-occupancy and topography by the Architectural Control Committee, which shall consist of a chairman, who shall be a member of the Board, and two or more members of the Association, who need not be members of the Board. All members of the Architectural Control Committee shall be appointed by the Board subsequent to each annual meeting of members and shall serve until the close of the next annual meeting of members.

Section 2. Standards of Review. The Architectural Control Committee shall disapprove any exterior addition or alteration which materially detracts from the architectural design and construction of all living units within the property as a whole or which noticeably detracts from the exterior appearance of the property as a whole. The Architectural Control Committee shall take action on the approval or disapproval of any such exterior additions or alterations within sixty (60) days of submittal of the plans and specifications; provided, however, that an additional period of thirty (30) days upon written notice mailed to the member seeking to make the exterior addition or alteration prior to the expiration of the original sixty (60) day period.

Section 3. Arbitration. In the event of any dispute concerning the construction or application of the provisions of this Article VII, or the validity of any decision of the Architectural Control Committee made pursuant to this Article VII, the parties to such dispute agree to submit the matter to binding arbitration pursuant to the terms of the New Mexico Uniform Arbitration Act, Sections 44-7-1 through 44-7-22, inclusive, N.M.S.A., 1970 Comp., as now or hereafter amended. The method for selection of the arbitrator shall be as follows: The Board, acting on behalf of the Association, shall choose one arbitrator and the member shall choose one arbitrator. The arbitrators chosen by the Board and member shall choose a third arbitrator. The decision of a majority of the arbitrators shall be conclusive and final. All expenses incident to the arbitration must be paid by the party against whom the decision is rendered.

ARTICLE VIII

Maintenance

Section 1. Living Units. Each Owner shall be responsible for the upkeep and maintenance of the exterior and interior of his living unit and for the upkeep and maintenance of individual patios and garages, all other areas, features, or other parts of his living unit and property not otherwise maintained within a Association. All fixtures and equipment installed within a living unit, commencing at a point where the utility lines, pipes, wires, conduits or systems enter the exterior walls of a living unit, shall be maintained and kept in repair by the owner thereof. Terminate control shall be the responsibility of the owner. An owner shall do no act nor any work that will impact any easements or right hereunder, nor do any act nor allow any condition to exist which will adversely affect the value of the other living units or the property as a whole.

Section 5. All clotheslines, equipment, garbage cans, service yards, woodpiles, or storage piles shall be kept screened by adequate planting or fencing so as to conceal them from the view of neighboring living units and streets. All rubbish, utility trash or garbage shall be regularly removed from each living unit and shall not be allowed to accumulate thereon. All clotheslines shall be confined to patio areas.

Section 6. No fences, hedges or walls shall be erected or maintained upon the properties except such as are installed in accordance with the initial construction of the living units located thereon or as approved in accordance with Article VII of this Declaration.

Section 7. Without prior written approval and the authorization of the Board of Directors, no basketball backboard or hoops shall be placed on the exterior of any building on the front side thereof.

Section 8. No trucks of greater than three-quarter (3/4) ton shall be permitted longer than one (1) day on any lot or on the Common Areas. No trailers or boats shall be permitted to remain within public view longer than one (1) day near any living unit or within the Common Areas, other than in an area provided by the Developer or the Association for parking or storage of same. The rights and duties of all owners regarding any parking area provided for trailers, boats, campers and other recreational vehicles in all things subject to regulation and management by the Board of Directors of the Association. Nothing in this section shall be construed as limiting the Developer's use of the Common Areas during the construction and sale phase of the development of the properties.

ARTICLE X

General Provisions

Section 1. Duration. The properties, including any living unit or portion thereof, will be owned, and, if transferred, shall be transferred, subject to the Declaration, whether or not any deed or other conveyance thereof shall expressly so state. All of the provisions of the Declaration are and shall be considered as "covenants running with the land". All of the provisions of the Declaration will run with and bind the land and the property, the members and owners and will inure to the benefit of, and will be enforceable by and against the Association. Any owner, or any member, and each of their respective legal representatives, heirs, successors and assigns, for a term of fifty (50) years from the date upon which this Declaration is filed and shall be automatically extended for successive periods of ten (10) years each unless a Supplemental Declaration duly signed and acknowledged by the then owners of two-thirds (2/3) of the living units has been recorded in the office of the County Clerk of Bernalillo County, New Mexico, amending, modifying or terminating the Declaration.

Section 2. Enforcement. The Declaration, and the Articles, By-Laws and Regulations of the Association, including all

Section 2. Common Areas. The Association shall have the responsibility for all maintenance of the Common Areas for the mutual benefit of the members, including but not limited to, maintenance of all landscaping, maintenance of streets, parking areas, drainage ditches and utilities, and maintenance of capital improvements, if any, now or hereafter constructed on the Common Areas.

ARTICLE IX

Use Restrictions

Section 1. All living units and building sites within the properties are hereby restricted to residential dwellings for single family residential use. All construction upon any building site must be new construction and no existing building or structure may be moved from another site to a building site within the properties. No structures of a temporary character, including any trailer, basement, tent, shack, garage, barn or other out-building, shall be used on any portion of the properties at any time as a residence either temporarily or permanently.

Section 2. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for the Developer to maintain during the period of construction and sale of the living units, upon such portion of the properties as the Developer may choose, such facilities as in the sole opinion of the Developer may be reasonably required, convenient or incidental to the construction and sale of the living units, including, without limitation, a business office, storage area, construction yards, signs, model units and sales office.

Section 3. No animals, livestock or poultry of any kind shall be raised, bred or kept on any living unit or building site except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose.

Section 4. No advertising signs (except one of not more than five square feet "for rent" or "for sale" sign per living unit) billboards, unightly objects, or nuisances shall be erected, placed or permitted to remain on the properties which shall the properties be used in any way or for any purpose which may endanger the health or unreasonably disturb the owner of any living unit or any resident thereof. Further, no business activities of any kind whatsoever shall be conducted in any unit or on any portion of the properties. Provided further, however, the foregoing covenants shall not apply to the business activities, signs and billboards, or the construction and maintenance of buildings, if any, of the Developer, its agents and assigns, during the construction and sale period, and of the Association, its successors and assigns, in furtherance of its power and purposes as herein set forth.

By-Laws and Regulations of the Association, including all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions thereof, may be enforced by the Association or by any member, except then-suspended members, in any proceeding in law or equity, against any person or entity, including without limitation, the Association, any member (whether or not then suspended), and any Owner violating or attempting to violate any provision, restriction, condition or covenant now or hereafter contained in the Declaration, Articles, By-Laws or Regulations of the Association, either to restrain such violation or to specifically enforce any such provision, restriction, condition or covenant, breach or non-performance of any such provision, restriction, condition or covenant, and against any living unit to enforce any lien, easement or charge now or hereafter levied against such living unit by the Association pursuant to the Declaration. The failure by the Association or any member to enforce any provision, restriction, condition or covenant contained in the Declaration, Articles, By-Laws or Regulations of the Association, shall not constitute a waiver of the right to do so thereafter.

Section 3. Severability. Invalidation of any one or more of the provisions, restrictions, conditions or covenants of the Declaration by judicial determination or otherwise shall in no way affect any other provisions of the Declaration which shall remain in full force and effect.

Section 4. Actions by Owners and by Members. Any action required or permitted to be taken by the Owners of the living units or the Members of the Association may be taken at a meeting duly called for such purpose. At least thirty (30) days prior written notice of any such meeting shall be mailed to each Owner or Member at their address as shown by the records of the Association, and such notice of meeting shall state the purpose thereof. A quorum for any such meeting shall consist of sixty percent (60%) of the Owners or Members entitled to vote who may be present in person or by proxy. A majority vote of the Owners or Members present in person or by proxy shall be sufficient to authorize any such action, unless the particular action being considered requires a higher percentage pursuant to the provisions of the Declaration, By-Laws or Articles of the Association.

Section 5. Association Insurance Requirements.

(a) Fire and Extended Coverage. The Association shall procure and maintain fire and extended coverage insurance in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement costs) of all buildings, structures and other capital improvements, if any, now or hereafter constructed on or within the Common Areas (excluding private streets, parking areas and vegetation or plantings). Upon demand, the Association shall furnish proof of such insurance to the holder of any first mortgage against any living unit. If the Association fails to procure or maintain such insurance, then such first mortgagees, either jointly or singly, may (but shall not be obligated to) pay any overdue premium or procure such insurance subject to the right of immediate reimbursement from the Association as provided in Article X, Section 6 below. The

Association shall not, without the prior written approval of two-thirds (2/3) of all first mortgages (bound on one vote for each first mortgage) do any of the following:

(1) Decrease the amount of fire and extended coverage insurance required by this provision; or

(11) Use the proceeds from any fire and extended coverage insurance for purposes other than the repair, replacement or reconstruction of capital improvements within the Common Areas to their original condition immediately prior to loss or damage as far as practicable.

(b) Comprehensive Public Liability Insurance. The Association shall procure and maintain comprehensive public liability insurance in amounts not less than \$50,000.00 for property damage and \$1,000,000.00 for personal injury and death per occurrence. Such policy must contain a clause or endorsement precluding the insurer from denying a claim by reason of any negligent act of the Association or another owner of a living unit and must further provide for waiver of subrogation rights against the Association, its members, agents, servants and employees or against the owners of the living unit.

(c) Fidelity Coverage. The Association shall procure and maintain fidelity coverage insuring against dishonest acts by directors, employees, managers, agents or servants of the Association in an amount at least equal to one hundred fifty percent (150%) of the estimated annual operating expenses and reserves of the Association. Such insurance must also cover dishonest acts by volunteers or any person who handles Association funds without compensation.

Section 6. Waiver of First Mortgage Advance Lien.

Upon the failure of the Association to perform its obligations under this Declaration or the Articles and By-Laws of the Association, any holder of a first mortgage against a living unit, either singly or jointly with other first mortgages, shall have the right, but not the obligation, to perform the Association's obligations as aforesaid, including without limitation the maintenance and repair of the Common Areas or the exterior of the living units, the procurement of any of the insurance coverage required pursuant to Article X, Section 5 above, the collection of annual assessments as required by Article V hereof, and the payment of any tax, special assessment, lien or other charge against the Common Areas. Should any first mortgagee advance funds to cure a default of the Association with respect to its obligations as aforesaid, such first mortgagee shall be entitled to immediate reimbursement from the Association with interest at the rate of ten percent (10%) per annum and the amount of any such advances with interest as aforesaid shall constitute a lien against the funds of the Association, including all future assessments collected by the Association from the owners of the living units until the advance and interest thereon is paid in full.

Section 7. Rescissions on Acts of Association Without Prior Written Approval of Holders of First Mortgages on Living

Unit. Unless at least two-thirds (2/3) of the first mortgagee having liens against the living Unit within the Property (banned upon one vote for each first mortgage) have given their prior written approval, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas, directly or indirectly; provided, however, that the granting of easements for public utilities or for other purposes consistent with the intended use of such property shall not be deemed a transfer within the meaning of this clause.

(b) Change the method of determining the obligations, assessments, dues or other charges which may be levied by the Association against the owner of any living Unit.

(c) By act or omission, change, waive or abandon any scheme of regulation, or the enforcement thereof, pertaining to architectural design or exterior maintenance, maintenance of party walls or upkeep of lawns and vegetation as set forth in Articles VII and VIII of this Declaration.

Section B. Examination of Books and Records. Upon reasonable notice, any first mortgagee of a living Unit shall have the right to inspect, examine and copy the books and records of the Association, including, but not limited to, the minutes of any meetings of the Board of Directors and any minutes of any meetings of the members.

Section 9. Replacement of Capital Improvements on Common Areas. In the event the Association should construct on the Common buildings, structures or other capital improvements on the Common Areas, the Association shall allocate a portion of the annual assessments authorized by Article V of this Declaration to a reserve fund for the replacement of capital improvements located on the Common Areas. For purposes of this Section, the term "capital improvements" does not include private streets, parking areas or landscaping and plantings within the perimeter of the Common Areas. The amount of such allocation shall be fixed by the Board of Directors of the Association at a sum which shall be adequate to replace such improvements at the end of their respective useful lives and shall be adjusted annually by the Board of Directors of the Association to cover new capital improvements, if any, which the Association may elect to construct on the Common Areas.

Section 10. Association Contracts. The Association shall not enter into any professional management contract with respect to the operation of the Association or the maintenance of the Common Areas for a term in excess of three (3) years. Any such contract must be terminable without cause upon not more than ninety (90) days prior written notice and shall not provide for the payment of a termination or similar fee by the Association. This provision shall not apply with respect to contracts between the Association and Developer.

Section 11. Assignment. The Developer shall have the right to assign its rights under this Declaration, and any such assignment shall be binding upon and inure to the benefit of the successors and assigns of the Developer.

ARTICLE XI

Arbitration

Any dispute concerning the construction or application of any provision of this Declaration arising between the Association, or any provision of a Living Unit or member of the Association, or any Owner of a Living Unit or member shall be submitted to and binding arbitration pursuant to the terms of the New Mexico Uniform Arbitration Act, Sections 44-7-1 to 44-7-22, inclusive, N.M.S.A., 1978 Comp., as now or hereafter amended. Each party shall select one arbitrator and such chosen arbitrators shall choose a sole arbitrator. The decision of a majority of the arbitrators shall be conclusive and final. All expenses incident to any such arbitration shall be paid by the party against whom the decision is rendered.

ARTICLE XIIAmendments

Section 1. Prior to the transfer of legal title or sale of any Living Units by Developer, this Declaration may be amended, modified or terminated by an instrument entitled "Supplemental Declaration" executed and acknowledged by the Developer and filed of record in the Office of the County Clerk of Bernalillo County, New Mexico.

Section 2. After the transfer of legal title or sale of any Living Unit by Developer, this Declaration may only be amended, modified or terminated (except as provided in Section 3 of this Article XII below) by an instrument entitled "Supplemental Declaration" duly executed and acknowledged by two-thirds (2/3) of the owners of Living Units. If at the time of such amendment, modification or termination, Clause B membership has not been converted to Clause A membership pursuant to Article III, Section 2 of this Declaration, the Developer must also execute and acknowledge such "Supplemental Declaration". provided, however, that as to any amendment, modification or termination which requires the prior written consent of the holders of first mortgages against the Living Units as elsewhere provided in this Declaration, no such "Supplemental Declaration" shall be effective unless such prior written consent is obtained. Any such "Supplemental Declaration" shall be invalid unless such prior written consent is obtained. Any "Supplemental Declaration" made and executed pursuant to this provision shall not be valid until recorded in the Office of the County Clerk of Bernalillo County, New Mexico.

Section 3. It is the intent of Developer that this Declaration and the Articles and by-laws of the Association shall meet all requirements of the Federal Home Loan Mortgage Corporation (herein "FHLMC") and the Federal National Mortgage Association (herein "FNMA") necessary for the purchase or participation by either unit agency with respect to first mortgage loans against the Living Units. Developer, therefore, expressly reserves the right and power to unilaterally amend this Declaration, so long

no Developer owns more than twenty-five percent (25%) of the Living Unit, to comply with any requirements imposed by either FHLBC or FHNA which, in the opinion of either said agency, are necessary to qualify first mortgages against the Living Unit or for sale to or participation by FHLBC or FHNA. Each owner of a Living Unit and each holder of a mortgage against a deed or Unit, whether or not a first lien, by acceptance of a deed or encumbrance of a Living Unit, consents and agrees to the provisions of this Section 3 and agrees to be bound by any amendment or modification made to this Declaration by Developer at the insistence of FHLBC or FHNA. Any amendment or modification pursuant to this Section 3 shall become valid and effective when Developer executes and records such a "Supplemental Declaration" in the Office of the County Clerk of Bernalillo County, New Mexico, containing same and records such a "Supplemental Declaration".

IN WITNESS WHEREOF, the undersigned, being the Developer, has caused its name to be signed and its seal to be hereunto affixed, this 26th day of January, 1979.

HOOD CORPORATION
A New Mexico Corporation

By Hugh E. Hood
President

ATTEST:

Deane M. Hood
SECRETARY

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss.

The foregoing instrument was duly acknowledged before me this 26th day of January, 1979, by HUGH E. HOOD, President of HOOD CORPORATION, a New Mexico corporation, on behalf of said corporation.

Robert A. Connolly
NOTARY PUBLIC

My Commission expires:
March 19, 1981

State of New Mexico) SS
County of Bernalillo

This instrument was filed for record on

2:31 JAN 26 1979

At 2:31 o'clock pm, Recorded in Vol. 666

of records of said County Folio 75-93

JERRY G. CULP Clerk & Recorder

Robert A. Connolly Deputy Clerk

SUPPLEMENTAL DECLARATION TO BRIARWOOD TERRACE
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

REGULATION 1-85, adopted April 10, 1985

Effective May 1, 1985, any Briarwood Terrace homeowner who becomes thirty (30) days in arrears in paying the monthly assessments due the Briarwood Terrace Homeowners Association, shall be liable for a late payment penalty of \$25.00 for each month for which the arrearage continues. Additionally, such assessment arrearages and penalties shall bear interest at the rate of twenty percent (20%) per annum, until fully paid. The association shall have the option to accelerate and declare the entire amount of such assessment, penalties, and interest then due and payable, without notice or demand.

REGULATION 2-85, adopted April 10, 1985

Effective May 1, 1985, any Briarwood Terrace Homeowner who, through deliberate action, negligence, or non-payment of utility charges, allows either the electricity or water to their unit(s) to be turned off, shall be subject to a fine of \$100.00. Should such fine not be paid within fifteen (15) days of demand being made by the Association, the fine shall bear interest at the rate of twenty percent (20%) per annum, and the Homeowner shall become liable for all attorney's fees and other costs of collection.

REGULATION 3-85, adopted April 10, 1985

Any Briarwood Terrace Homeowner who damages Briarwood Terrace common Area property or any element of the sprinkler system, or whose tenant damages said common area property or sprinkler system, shall immediately repair same, or pay to the Association treasurer, the cost of such repairs. Failure to either make such repairs, or to pay for same within ten (10) days of each occurrence shall subject the homeowner to all attorney's fees and other costs of collection.

Forms

Briarwood Terrace
Homeowners Association, Inc.