

**Restated Bylaws
of
Pueblo Los Cerros
Unit Owners' Association**

A New Mexico Nonprofit Corporation

**As Restated
January 1994**

STATE OF NEW MEXICO } ss	
COUNTY OF SANDOVAL }	
This instrument was filed for record on	
AT: 11:06	JAN 13 1994 A.M. P.M.
Recorded in Vol. <u>MISC. 303</u>	
of : records of said county, folio <u>941-948</u>	
Sally Padilla, Clerk & Recorder	
By: <u>Helen Parley</u> Deputy	

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Restated Bylaws of Pueblo Los Cerros Unit Owners' Association

Pueblo Los Cerros Unit Owners' Association is the former Browood Unit Owners' Association. The Affairs of Pueblo Los Cerros Unit Owners' Association (the "Association") shall be administered and regulated by the following Bylaw articles, all previous Bylaws being of no further force and effect.

I. A Nonprofit Corporation

The Association, under Articles of Incorporation filed with the Corporation Commission of New Mexico, is a nonprofit corporation. Consequently, no Member, director or officer of the Association shall receive, directly or indirectly, any of the net earnings of the Association, or any of the assets of the Association on dissolution, or any other pecuniary benefit from the Association, except that they may be reimbursed for expenses incurred on behalf of the Association, and may receive compensation for services rendered.

The operation of this Association shall be subject to the easements, rights, restrictions and obligations as contained in the "Declaration of Covenants, Conditions And Restrictions For Pueblo Los Cerros Condominium," (hereinafter referred to as the "Declaration"), recorded in the Office of the County Clerk, Sandoval County, New Mexico, to which Declaration a copy of these Bylaws was attached.

II. Exempt Activities and Prohibited Transactions

No Member, Director, Officer, or Committee Member of the Association shall take any action, or carry on any activity, or exercise any corporate power, by or on behalf of the Association, which is not in furtherance of its tax-exempt purposes and permitted to be taken, carried on, or exercised, by an organization exempt under Section 501(c)(7) of the Internal Revenue Code and its regulations as they now or hereafter exist.

III. Construction and Validity

The operations of the Association shall be subject to the restated Declaration of Condominium dated January 1994, and all amendments thereto. In the event of a conflict between the provisions of the Declaration and the Bylaws, the Declaration as amended shall prevail.

IV. Offices and Agents

The Association shall continuously maintain a registered office and an agent for service of process, both with the same address as the Association. The Agent shall be the Secretary of the Association. The Association may have such other agents as the Board of Directors may from time to time determine.

V. Members

1. Membership

Each unit owner is a Member of the Association. If a Unit is owned by more than one person each such person shall be a Member, but there shall be no more than one vote for each Unit.

2. Voting

If only one of the multiple owners of a Unit is present at a meeting of the Association, that Unit Owner is entitled to cast that Unit's vote. If more than one of the multiple owners are present, that Unit's vote may be cast only in accordance with the agreement of a majority in interest of the multiple owners. There is a majority agreement if any one of the multiple owners casts the Unit's vote without protest being made promptly to the person presiding over the meeting by any of the owners of the Unit. If a protest is made and agreement does not ensue, then the vote will be considered as not having been cast.

3. Proxies

Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit owner. If a Unit is owned by more than one person, each owner of the Unit may vote or register a protest to the casting of votes by the other owners of the Unit through a duly executed proxy. If a protest is made and agreement does not ensue, then the vote will be considered as not having been cast. A Unit owner may not revoke a proxy except by actual notice of revocation to the person presiding over the meeting. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates after the meeting for which it was granted. A meeting convened after adjournment, including any adjournment of that meeting, requires a new proxy.

Bylaws of Pueblo Los Cerros Unit Owners' Association**4. Rights of Members**

An owner of a unit in Pueblo Los Cerros, as the same is defined in the Declaration, shall be a Member of the Association and be entitled to all rights and privileges as set forth in the Articles of Incorporation, the Declaration, these Bylaws, and any rules and regulations adopted by the Board of Directors of the Association. Any Member may extend the right of use of the Common Areas to the members of the Member's family who reside in Pueblo Los Cerros, and to tenants residing in Units owned by the Member. The Board may suspend a Member's rights of Membership, and the rights of Membership of all those to whom the Member has extended those rights, during any period in which any assessment payable by the Member remains unpaid, and for a period determined by the Board of Directors for an infraction of the Declaration, the Articles, these Bylaws, and any Regulations.

5. Transfer of Membership

In the event of the sale of any Unit in Pueblo Los Cerros, at the time of settlement the seller ceases to be a Member therein, and the new owner shall automatically become the Member therein. In case one of the joint owners gives up ownership and ceases to be a Member, the remaining joint owner or owners shall continue to be accorded membership.

VI. Meetings of Members**1. Annual Meeting**

There shall be an annual meeting of the members, normally to be held on the second Saturday of January in the Pueblo Los Cerros Clubhouse. Any change in date or location shall be designated by written notice delivered to members at least 10 days prior to the meeting date.

2. Special Meetings

Special meetings of members may be called at any time by the President, a majority of the Board of Directors, or by Unit owners having 20 percent of the votes in the Association. Not less than 10 days nor more than 60 days in advance of such a meeting, the Board shall notify all members of the time, location, and date of the meeting.

3. Agenda

Not less than 10 days nor more than 60 days before an Annual or Special meeting, the Board shall send notification to each Member of the agenda for the proposed meeting, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes, or any proposal to remove a Director.

4. Delivery of Notice

Notice of meetings required herein may be hand delivered or sent by US. Mail to the mailing address provided by each Unit Owner, or to the building unit of the owner with respect to which such voting right appertains, if no address has been given to the Board. Failure to receive a notice will not affect the validity of the meeting involved.

5. Quorum

A quorum is present throughout any official meeting of the Association if persons entitled to cast 50% of the votes which may be cast for election of the Board of Directors are present in person or by proxy at the beginning of the meeting. Action may be taken after receiving the affirmative vote of a majority of the votes then present, in person or by proxy. Once a quorum is achieved at a meeting, the quorum shall be deemed to exist for the balance of the meeting.

VII. Board of Directors**1. General Powers**

The affairs of the Association shall be managed by the Board of Directors in accordance with the Declaration, the Bylaws, and the Condominium Act of New Mexico.

2. Additional Powers

In addition, the Board may set restrictions on any requirements of the use and maintenance of the units and the use of the common areas and facilities, not set forth in the Declaration, which are designed to prevent unreasonable interference with the use of units and of common areas and facilities by the several unit owners.

3. Powers Denied by Condominium Act

The Board shall not act on behalf of the Association to amend the Declaration; to elect members of the Board, except as indicated in Article VII, Section 8b, of the Bylaws; or to determine the qualifications, powers and duties, or terms of office of Board members.

4. Performance Requirements

In the performance of their duties, officers and members of the Board are required to exercise ordinary and reasonable care.

5. Qualifications

To be eligible to serve as a member of the Board of Directors, the nominee must be a unit owner in good standing. The Board verifies the eligibility of each nominee. Only one owner of a unit can serve on the Board at once.

6. Number

The Board of Directors shall consist of seven members.

7. Tenure

Each year will start with three Board members serving 2-year terms and four Board members serving a 1-year term. Normally, the newly-elected Board members receiving the most votes will fill the three 2-year positions. But when the voting pattern is inadequate to determine all of the 2-year positions, the new Board will select the remaining 2-year positions from among the newly-elected members, giving preference to those most willing to serve a 2-year term. This method provides continuity.

8. Vacancies

Vacancies on the Board may be filled as follows:

- a. At each Annual Meeting Association members shall, in person or by proxy, elect new Board members to fill positions that have become vacant. The Board shall select a voting procedure which will guarantee a written ballot.
- b. If a position becomes vacant in the interim between Annual Meetings, the remaining members of the Board, by majority vote, shall elect a new Member to serve until the next Annual Meeting of the Association.

9. Removal

Board members may be removed by the following procedures:

- a. Notwithstanding any provisions of these Bylaws to the contrary, the Unit Owners, by a two-third's vote of all persons present and entitled to vote at any official meeting of the Unit Owners at which a quorum is present, may remove any Member of the Board of Directors with or without a cause.
- b. If a Board Member is absent from three consecutive regular meetings, the Board may, by a majority vote, remove the Member without hearing.

10. Quorum

A majority of the Board shall represent a quorum at any Board meeting.

11. Meetings

Meetings of the Board shall be called, held, and conducted monthly in accordance with such regulations as the Board may adopt. A public notice of the meeting and an agenda shall be posted not less than three days prior to the meeting. All official meetings of the Board shall be open to attendance by unit owners.

12. Action

Except as otherwise provided in the Declaration or these Bylaws, the Board shall act by majority vote of those present at its meetings when a quorum is present.

13. Compensation

Board members, as such, will serve without compensation. However, membership on the Board does not preclude remuneration for employment by the Board in some other capacity.

VIII. Officers**1. Officers**

The officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer.

2. Election

The Officers shall be elected annually by a majority vote of the Board, from among the members of the Board, at a regular meeting of the Board to be held within 30 days after the annual election of Board members. Each officer shall hold office until his successor shall be duly elected.

3. Vacancies

Any vacancy in any office due to resignation, removal, or for any other reason, may be filled by a majority vote of the Board at any time for the unexpired portion of the term. The person so elected shall serve until the next Annual Meeting of the Association.

4. Removal

Any officer may be removed by a majority vote of the Board whenever, in its judgment, the best interests of the Association would be served thereby.

IX. Duties of Officers

Officers shall have the authority to perform the following duties and such other duties as may be prescribed by the Board from time to time:

1. President and Vice-President

The President, or the Vice-President during the absence, disability, or failure to act of the President:

- a. shall be the principal executive officer of the Association, and shall in general, supervise and control all of the business and affairs of the Association;
- b. shall preside at all meetings of the Association and of the Board;
- c. may sign, with the Treasurer or Secretary, any deeds, mortgages, bonds, contracts or other instruments which the Board has authorized except in cases where the execution thereof shall be expressly delegated by the Board or by these Bylaws or by Statute to some other officer or agent of the Association;
- d. and may, with the Secretary, prepare, execute, certify, and record amendments to the Declaration and to the Bylaws on behalf of the Association.

2. Secretary

The Secretary, or any acting Secretary during the absence, disability or failure to act of the Secretary:

- a. shall have custody of the Seal, Minute Books, and Membership Roll of the Association;
- b. shall keep the Minutes and the Resolutions of the meetings of the Association and of the Board in one or more books provided for the purpose;
- c. shall cause an abbreviated account of all meetings to be made available to all Unit Owners;
- d. shall see that all notices are given in accordance with provisions of these Bylaws or of the laws of New Mexico;
- e. shall cause a Membership Roll to be kept and maintained which will show the name, address, and delegated rights of each person or entity to which a Member has extended any of the Member's rights of membership, the name and address of each Proxy Holder, the signature of each Member and proxy Holder, the amount and payment status of the assessments levied against the Member's Unit, and any suspension of membership rights showing the duration of suspension;
- f. shall prepare and mail such correspondence as is required by the Board; and
- g. may, with the President, prepare, execute, certify, and record amendments to the Declaration and to the Bylaws on behalf of the Association.

3. Treasurer

The Treasurer, or any acting Treasurer, as may be delegated by the Board:

- a. shall oversee all financial records, funds, and securities of the Association;
- b. shall receive and give receipts for all moneys due and payable to the Association, enter such receipts in an approved ledger, and deposit such moneys in the name of the Association in such banks or other depositories as shall be selected by the Board;
- c. 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 Budget, and enter such disbursement in the ledger;
- d. normally shall be one of the two required signatories on all checks, drafts, or other orders for the payment of money or notes or other evidence of indebtedness issued in the name of the Association;
- e. shall present an Annual Budget and Balance Sheet, monthly financial reports, and such other statements as are necessary for the operation of the Association;
- f. and shall initiate an annual audit of Association books to be made by a qualified accountant at the completion of each fiscal year.

4. Checks, Drafts, and Contracts

All checks, drafts, or other orders for payment of money or notes or other evidence of indebtedness issued in the name of the Association *require two signatures*. One of the required signatures must be an officer of the Association. The other signatory can be another officer or an agent authorized by the Board.

X. Additional Positions

The Board of Directors may create such additional positions as are needed for the efficient operation of the Association, to be filled by members or non-members of the Board.

XI. Additional Meetings

The Board shall announce, in an appropriate time and manner, any additional meetings which shall be open to all Association members, for the purpose of general discussion of matters relating to the operation of the Association.

XII. Administrative Agent

The Board of Directors may, for the good of the Association, appoint an administrative agent for the purpose of:

- a. Hiring and discharging employees, agents, and independent contractors.
- b. Regulating the use, maintenance, repair, replacement, and modification of common elements.
- c. Collecting and receiving any payments, fees, or charges for the use, rental, or operation of the common elements, and for services to the Association.
- d. Collecting charges for late payment of assessments as set by the Board.

XIII. Committees

The Board of Directors, at least two months before each annual meeting, shall form a Nominating Committee, with the Chairman being designated by the Board and other members being selected by the Chairman with approval of the Board. The Nominating Committee will canvass Association members for candidates for vacancies on the Board and will furnish a list of suitable candidates by a time selected by the Board. The Board may form other committees as are necessary.

XIV. Inspection of Books and Records

All books and records of the Association shall be open for inspection by any Owner, or any representative of an Owner duly authorized in writing, at such reasonable time or times during weekdays as may be requested by the Owner.

XV. Fiscal Year

The fiscal year of the Association shall coincide with the calendar year, ending on the 31st day of December of each year.

XVI. Waiver

Whenever any notice whatever is required to be given under the provisions of the laws of the State of New Mexico, or under the provisions of the Article, Declaration or Bylaws of the Association, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

XVII. Amendment of Bylaws

These Bylaws may be amended by an affirmative vote of a majority of eligible Unit owners present, either in person or by proxy, at an announced official meeting of the Association where a quorum is present.