

BY-LAWS
OF
SAN BLAS HOMEOWNERS ASSOCIATION

ARTICLE I

NATURE AND PURPOSE

This Association has been formed to permit the residents of San Blas Subdivision located in Bernalillo County, New Mexico, to associate together for the purpose of managing the access easement located in said Subdivision and for the purpose of enforcing the Declaration of Restrictive Covenants, as recorded on the 3rd day of May, 1985 by the Bernalillo County Clerk and Recorder in Book MS 225A, pages 989 through 992. Said Declarations are hereby incorporated by reference. In the event that these By-Laws shall conflict or contradict with the provisions contained in said Declaration, the provisions in the Declaration, as amended, shall prevail.

ARTICLE II

DEFINITIONS

The following terms and their derivatives have the following meanings in these By-Laws:

A. "Association" shall mean the San Blas Homeowners Association, a New Mexico non-profit corporation, located in Albuquerque, Bernalillo County, New Mexico.

B. "Member" shall mean and refer to every owner who owns a lot in the Subdivision.

C. "Subdivision" shall mean the San Blas Subdivision as shown on the plat thereof filed for record on July 20, 1984, in Volume C-24, Folio 132 of the records of Bernalillo County, New Mexico.

D. "Board" shall mean the Board of Directors of the San Blas Homeowners Association.

E. "Officer" shall mean an officer of the San Blas Homeowners Association elected pursuant to the terms of these By-Laws.

F. "Declaration" shall mean the Declaration of Restrictive Covenants, San Blas Subdivision, in Bernalillo County, New Mexico an any Supplemental and/or Amended Declarations.

G. "Owner" means San Blas Partnership, New Mexico general partnership (consisting of Eagle Run Development, Inc., and Bombach Investments & Development, Inc.), its successors and assigns. This term shall include any person or entity which acquires substantially all of the San Blas Subdivision from the original Developer.

ARTICLE III

MEMBERS

A. General. Every person or entity who is a record Owner of any lot in the Subdivision shall automatically be a member of the Association.

B. Suspension of Membership Rights and Voting Rights. The rights of membership are subject to suspension by the Board of Directors of the Association 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 assessments; or (2) an infraction of, default in, or breach of any provisions of these By-Laws or of the Declaration of Restrictive Covenants, or the Rules and Regulations of the Association; however, even though membership, the right to vote and privileges of membership may be suspended, the member shall continue to be liable to the Association for assessments and other charges and shall continue to be bound by the covenants, conditions and restrictions contained in the Declaration, these By-Laws, and the Rules and Regulations of the Board. The suspension procedure shall require only formal resolution of the Board.

ARTICLE IV

MEMBERSHIP MEETINGS

A. Annual Meetings. An annual meeting of the members of the Association shall be held during the month of July of each year beginning with the year 1985 at such hour and place as the Board may designate.

B. Special Meeting. Special meetings of the members of the Association may be called by the President, by a majority of the Board or upon the written requests of voting members representing six (6) lots.

C. Notices. The Secretary shall give not less than fifteen (15) day written notice of all meetings unless any different requirement is mandated by the Declaration.

D. Quorum. A quorum required for any actions of the Association shall be no fewer than fifty-one percent (51%) of the lots, either in person or by proxy.

E. Proxies. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or his duly authorized attorney-in-fact.

ARTICLE V

BOARD OF DIRECTORS

A. Election.

1. General. The government of the affairs and property of the Associations shall be vested in the Board of three (3) directors. The initial term of the Directors who shall be appointed by the Owner, shall be, respectively, 1, 2 and 3 years. Thereafter, each Director shall hold office for one (1) year terms. Each Director shall hold office until his successor shall have been elected and qualified and any vacancy shall be filled by the remaining member of the Board. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

2. Eligibility. Except for the initial Board, only members not subject to any kind of suspension shall be eligible to serve as a Director and may continue to serve as a Director as long as said Director does not have his membership or voting rights suspended and only as long as he continues to be a member in the Association.

3. Election Procedure. Persons wishing to run for the Board of Directors shall submit their names to the Board by June 15th of each year. The Board shall cause printed ballots containing the names of those submitting the same for Board vacancies to be mailed to each voting member not less than fifteen (15) days before the annual meeting of members. The ballot must be received in the office of the Association on or before the day of the annual meeting in order to be valid.

4. Other Election Procedures. The Board may promulgate additional rules and regulations regarding the procedures to be followed at Board elections.

5. Removal. Directors may be removed with or without cause by the vote of two thirds (2/3) of the remaining Board.

B. Powers of the Board.

1. General. The Board shall have general charge of the affairs and property of the Association which are consistent with the Articles, Declaration, or these By-Laws. Such grant of power shall be broadly construed.

2. Committees. The Board may create standing and special committees to assist the Board in its duties and may delegate to such committees such power and authority as the Board deems proper. The actions of the committee are at all times subject to review and modification by the Board.

C. Meetings.

1. Annual Meetings. The Board shall have an annual meeting immediately after the annual meeting of the membership.

2. Special Meetings. Special meetings of the Board may be called at the request of the President or any two (2) Board members and shall require at least forty-eight (48) hours written notice.

3. Quorum. A majority of the Board shall constitute a quorum for the transactions of business at any meeting.

4. Voting. Each Director shall have one vote at Board meetings and no proxies will be permitted. The act of majority of the Board members present at a meeting which a quorum is present shall be the act of the Board unless the act requires a greater number by law or by these By-Laws.

ARTICLE VI

OFFICERS

A. General.

1. Number. Officers of the Associations shall be a President, Vice-President and Secretary/Treasurer and such other officers as the Board may determine.

2. Election and Term of Office. The officers of the Association shall be elected annually for one (1) year term by the Board following the annual meeting of the members.

3. Removal. An officer may be removed with or without cause by the vote of two-thirds (2/3) of the Board of Directors.

4. Vacancy. A vacancy in any office may be filled by the Board for the unexpired portion of the terms.

B. Positions and Powers.

1. President. The President will be the chief executive officer of the Association presiding at all meetings of the members and of the Directors. He may, when authorized, execute and deliver documents in the name of the Association. The President must be a Director.

2. Vice President. The Vice-President shall perform the duties of the President during the disability or absence of the President.

3. Secretary/Treasurer. The Secretary/Treasurer shall have the custody of the seal, books and records of the Association, will keep the minutes of all meetings, including directors and membership, will give all notices required, and when authorized, will execute, attest, deliver and seal documents of the Association and will have custody of the funds, securities, property books and accounts of the Association, and will keep strict account of all funds, securities and property received, owned and disbursed by the Association.

ARTICLE VII

MISCELLANEOUS

A. Contracts, Checks, Deposits and Funds. The Board may authorize any officer or agent of the Association to enter into any contracts, or execute and deliver any instrument in the name of the Association; open checking accounts and execute checks, drafts or orders for the payment of money, notes or other evidence of indebtedness or deposit funds of the Association to the credit of the Association in such banks, trusts companies, or other depositories as the Board may direct.

B. Books and Records. The Association shall keep correct and complete books and records of account as well as all minutes of all meetings as well as a directory of all members entitled to vote. Said books and records may be inspected by any member, his agent or attorney or any proper person at any reasonable time.

C. Amendments. The By-Laws may be amended by a majority of the Board of Directors at a regular or special meeting.

D. Notice and Waiver of Notice. Whenever any notice is required to be given under the provisions of these By-Laws a waiver thereof in writing signed by the person or persons entitled to such notice shall be deemed equivalent to the giving said notice. In addition, the attendance of any person at a meeting, unless for the purpose of contesting the adequacy of notice, shall constitute waiver of notice.

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

I HEREBY CERTIFY that the above and foregoing By-Laws of SAN BLAS HOMEOWNERS ASSOCIATION, a New Mexico non-profit corporation, consisting of six (6) pages, this page included, are the By-Laws of this corporation, adopted by the Board of Directors hereof at a meeting on the ____ day of _____, 1985.

Secretary