Bylaws
of
OJITOS FRIOS RANCHES HOMEOWNERS, UNIT 1
A Nonprofit Corporation

COUNTY OF SAN MIGUEL)
STATE OF NEW MEXICO) ss
BY-LAWS
PAGES: 12
I Hereby Certify That This Instrument Was Filed for Record On The 24TH Day Of February, 2010 at 10:39:55 AM And Was Duly Recorded as Instrument #201000683 Of The Records Of San Miguel
Witness My Hand And Seal Of Office
Melanie Y. Rivera
Deputy M. Sena County Clerk, San Miguel, NM

These Bylaws, adopted on the 23rd day of January, 2010 by a two-thirds (2/3rds) majority vote by the property owners of Ojitos Frios Ranches Subdivision, Unit 1, hereby replace in their entirety the previous Bylaws of Corporation Ojitos Frios Ranches Homeowners Association Unit 1, adopted December 1, 2005 by the then existing Board of Directors of said corporation.

ARTICLE I

This Corporation shall be known as:
OJITOS FRIOS RANCHES HOMEOWNERS, UNIT 1.

ARTICLE II
OFFICES

SECTION 1. The principal office and place of business shall be the Ojitos Frios Ranches Subdivision, Unit 1, Las Vegas, New Mexico, and the mailing address of the Corporation shall be 244 Roadrunner Road, Las Vegas, New Mexico, 87701. Service of process may be effected on the current Registered Agent, as set forth in the records of the Public Regulation Commission for the State of New Mexico.

SECTION 2. The Corporation may hold meetings of its members and of the Board of Directors at such places as may be designated from time to time by the Board of Directors as the business of the Corporation may require.

ARTICLE III
DEFINITIONS

All terms as used in these Bylaws shall, unless stated otherwise, be defined as set forth in the Amended Restrictive Covenants for Ojitos Frios Ranches Subdivision, Unit 1, which were recorded on November 5, 1982 in Misc. Book 228 at page 9919, records of San Miguel County, New Mexico as amended on the 14th day of May, 1991 by the Ojitos Frios Ranch Partnership, and further amended on the 11th day of September, 1998 by the Ojitos Frios Ranches Committee (hereinafter the "Committee") and by the Fourth Amendment To Amended Restrictive Covenants For Ojitos Frios Ranches Subdivision, Unit 1, approved by the property owners by written ballot on August 23rd, 2008 (hereinafter collectively the "Amended Covenants"). Any reference to the Committee in the Amended Covenants shall hereafter be understood to refer to the Board of Directors of the Corporation.

ARTICLE IV
PURPOSE AND INCORPORATION BY REFERENCE

These Bylaws incorporate herein by reference thereto the entirety of the Amended Covenants, defined above, and the Corporation hereby expressly assumes the rights and responsibilities of the Committee, as set forth in those Amended Covenants.

ARTICLE V
MEMBERSHIP AND VOTING RIGHTS

SECTION 1. Members. A Member shall be defined as the owner(s) of record of a lot within Ojitos Frios Ranches Subdivision, Unit 1, as platted in the Office of the County Clerk and Recorder of San Miguel County, New Mexico.

SECTION 2. Votes. Members shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be Members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any lot.

ARTICLE VI
MEETINGS OF MEMBERS

SECTION 1. Annual Meeting. The annual meeting of the Members of the Corporation shall be held each year on the 1st day of May at a location designated by the Corporation. The Board of Directors may change the place and time of the Annual Meeting provided that any such change shall be stated in the notice of the Annual Meeting. Written notice of all meetings must be mailed to each Member of record by the Secretary at least twenty (20) days prior to such Annual Meeting.

Nominations for the position of Director will be received by the Corporation when postmarked for the mailing address of the Corporation at least thirty (30) days before the Annual Meeting. Nominations and ballots for election of five (5) Directors shall be mailed to each Member at the address of record for each lot at least twenty (20) days before the Annual Meeting to elect Directors for the coming year. There shall be no cumulative voting for Directors. Absentee voting for Directors shall be allowed by postal mail for all Members who are unable to attend the Annual Meeting.

Absentee ballots must be received by the Board of Directors before the Annual Meeting in order to be counted. If the election of directors shall not be held on the day designated herein for said Annual Meeting or if there is an adjournment of such meeting, the Board of Directors shall cause the election to be held at a special meeting of the Members called pursuant to these Bylaws as soon thereafter as said meeting may conveniently by held. The order of business at the Annual Meeting of Members shall be as follows:

(1) Calling meeting to order and proof of Notice.

(2) Reading minutes of previous annual meeting.

(3) Reports by officers and committees.

(4) Counting of ballots and election of directors.

(5) Such miscellaneous business as may come or be properly brought before the meeting.

(6) Election of Officers by the Board of Directors.

SECTION 2. Special Meetings. Special meetings of Members for any purpose or purposes, and unless otherwise prescribed by statute, may be called by the President, or by a majority of the Board of Directors, and shall be called by the President upon the written request of one quarter (1/4) of all Members who are entitled to vote. Business transacted at all special meetings shall be confined to the objects or purposes stated in the notice.

SECTION 3. Notices of Meetings. Notice of the Annual Meeting or special meetings may be written mail and by electronic mail. Notice of any annual meeting shall be deemed satisfactorily given if delivered in person to any Member of record or if mailed to any such Member not less than twenty (20) days preceding the date of the Annual Meeting. Notice of special meetings shall be deemed satisfactorily given if delivered in person or mailed not less than thirty (30) days prior to such meeting. If notice be given by electronic mail, such notice shall be deemed to be delivered when the electronic mail is received. If mailed, such notice shall be deemed to be delivered when deposited in a United States Post Office in Las Vegas, New Mexico, with postage prepaid addressed to the Member's last known mailing address of record.

SECTION 4. Quorum. The presence at the meeting of Members with votes entitled to be cast, or of written ballots cast and received by the Corporation, of one quarter (1/4) of the total Members of record or votes entitled to be cast shall constitute a quorum for the Annual or a Special Meeting. The Members present at a duly organized meeting and who are entitled to vote may continue to transact business until adjournment, notwithstanding the withdrawal of Members to less than a quorum.

SECTION 5. Majority Vote. Business transacted by the Members at the Annual Meeting or in a Special Meeting will be conducted by majority vote of those in attendance, including written votes by absent Members, if any.

ARTICLE VII
BOARD OF DIRECTORS

SECTION 1. General Powers. The management of all the affairs, property and business of the Corporation shall be vested in a Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute, the Certificate of Incorporation, or these Bylaws, directed to be exercised or done by the Members.

SECTION 2. Nomination. Nominations and ballots for election of five (5) Directors shall be mailed to each Member at the address of record at least twenty (20) days before the Annual Meeting to elect Directors for the coming year. Nominations for election to the Board of Directors may be made by Members prior to thirty (30) days before the Annual Meeting, by a Nominating Committee, by write-in spaces provided on written ballots, or from the floor or by self-nomination from the floor at the Annual Meeting of Members. The Nominating Committee shall consist of a Chair, who shall be a member of the Board of Directors, and one or more Directors or Members of the Corporation. The Nominating Committee shall be appointed by the Board of Directors at least sixty (60) days prior to each Annual Meeting.

SECTION 3. Number, Tenure, and Qualifications. The number of directors of the Corporation shall be five (5) persons who shall be elected at the annual meeting of the Members by a plurality vote, wherein the five (5) candidates with the greatest number of votes are chosen, for a term of one (1) year. It shall be a requirement of the office of director that such person be a

Member of this Corporation. Outgoing directors shall hold office until their successors are duly elected, qualified, and accept appointment.

SECTION 4. Election of Officers. The directors shall meet and elect at the conclusion of each Annual Meeting of the Members the following officers of the Corporation for a term of one (1) year or until their successors are chosen even though their tenure of office would thereby exceed one (1) year: a Chairman who shall serve as President, a Vice-President, a Treasurer, a Secretary, and a Road Maintenance Coordinator. An officer must be a member of the Board of Directors.

Any offices authorized hereunder with the exception of President and Treasurer or President and Secretary may be held by the same person. The directors may appoint or elect such other officers and agents as they deem necessary or advisable, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined or assigned from time to time by the Board of Directors. The officers of the Corporation are to have specific control of the affairs, property, business, and operation of the Corporation subject only to general direction and control by the Board of Directors and such matters as are governed by law.

SECTION 5. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of Members for election of Officers. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolution.

SECTION 6. Special Meetings. Special meetings of the Board of Directors may be called at any time by the President, or in his absence, by any three (3) directors. The person or persons authorized to call special meetings of the Board of Directors may fix the place for holding any special meeting of the Board of Directors called by them.

SECTION 7. Notice. Notice of any special meeting of the Board of Directors shall be given at least ten (10) days previously thereto by written notice delivered either personally or mailed to each director at that person's address of record, or by electronic mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail so addressed, with postage thereon prepaid. If notice be given by electronic mail, such notice shall be deemed to be delivered when the electronic mail is received. Any director may waive notice of any meeting in writing. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 8. Quorum. A majority of the number of directors fixed by Section 3 of this Article shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The acts of the majority of the directors present at a meeting in which a quorum is present shall be the acts of the Board of Directors.

SECTION 9. Vacancies. Any vacancy occurring in the Board of Directors, regardless of the manner in which caused, may be filled by the affirmative vote of a majority of the remaining directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office and until his successor is elected and qualified.

SECTION 10. Compensation. No Director shall receive compensation for any service rendered to the Corporation. However, any Director may be reimbursed for actual expenses incurred in the performance of duties.

SECTION 11. Presumption of Assent. A director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have consented to the action taken unless the director's dissent shall be entered in the minutes of the meeting or unless the dissent be noticed with the person acting as the Secretary of the meeting before the adjournment thereof, or to the Corporation in writing immediately, but not more than five (5) days, after the adjournment of the meeting.

SECTION 12. Standing or Temporary Committees. The Board of Directors shall establish, maintain, and be responsible for a standing Road Committee, chaired by the Road Maintenance Coordinator. The Board may also establish a Nominating Committee to receive nominations and nominate future candidates for directors of the Corporation. The Board may also establish an Architectural Committee to assist the directors in the duties set forth in the Amended Covenants. Additional standing or temporary committees may be appointed by the Board of Directors from time to time, and the Board of Directors may from time to time invest such committees with such powers as it may see fit, subject to such conditions as may be prescribed by the Board.

SECTION 13. Powers. The Board of Directors shall have the power to:
Review all plans for all residential dwellings, related buildings, and structures of any kind, and all placement of said buildings and structures of any kind on each lot, as set forth more fully in the Amended Covenants;

Assess and collect a fee annually for maintenance of all roads within the Ojitos Frios Subdivision, Unit 1 and to contract for such maintenance on the roads as is necessary to maintain the roads in good, workable condition;

Carry out all other duties and obligations of the Committee set forth in the Amended Covenants;
Remove a Director for criminal misconduct, breach of fiduciary duty due the Corporation or its Members, or neglect of duty. Neglect of duty may be presumed in the event a Director shall be absent, without excuse, from three (3) consecutive regular meetings of the Board of Directors;

Interpret the Amended Covenants in the event of any ambiguity in the meaning of the Amended Covenants;

Record a lien against a lot for unpaid assessments in the office of the County Clerk in the nature of a Mechanics and Materialman's lien, against any lot for which assessments are not paid within two years after the due date of the assessment, or to bring an action at law against the Member of record personally obligated to pay same for the assessment and associated legal fees and costs; and adopt and publish rules and regulations setting forth the due process to be accorded the Members in connection with the above powers.

SECTION 14. Other Powers. In addition to the powers and authorities by these Bylaws expressly conferred upon them, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute, or by the Certificate of Incorporation, or by these Bylaws directed or required to be exercised or done by the Members.

SECTION 15. Informal Action by Directors. The Directors shall have the right to take any action in the absence of a meeting which they could take in a meeting by obtaining the written approval of all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

SECTION 16. Duties. It shall be the duty of the Board of Directors to supervise all officers, agents, and contractors employed by the Corporation, and to see that their duties are properly performed.

Article VIII
ASSESSMENTS

SECTION 1. Annual Assessments. As more fully described in the Amended Covenants, each Member is obligated to pay to the Corporation annual and special assessments which are secured by a continuing lien upon the Property against which the assessment is made and may be enforced by the Corporation in the same manner as a Mechanics and Materialman's lien. The annual assessments levied by the Corporation shall be used to maintain the roads in good, workable condition and to cover any expenses of the Architectural Committee.

Special assessments may be made for seasonal expenses incurred in connection with the roads, to cover any governmental assessments, and to cover any costs or legal fees associated with enforcement of the Amended Covenants against a Member or Members.

SECTION 2. Uniform Rates. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on an annual or monthly basis. The fee to be assessed shall be allocated to the individual lot owners on the basis of the number of acres in their respective lots in proportion to the number of acres in the subdivision.

SECTION 3. Special Assessments against a Member. Special assessments may also be made against individual Members for expenses incurred by the Corporation as a result of a Member's failure to maintain the premises and the improvements on the property, or for any damage to any roadway or utility system caused by a Member, or a third party acting on behalf of a Member.

SECTION 4. Liens. If at any time, fees, dues or assessments assessed by the Corporation against a Member shall be in arrears for two (2) years, the corporation may file a lien against the lot or real property in the subdivision, and record the same in the office of the

County Clerk of San Miguel county, which lien may be foreclosed in a manner provided by the laws of the State of New Mexico for the foreclosure of such liens. All legal fees and costs incurred by the Corporation in connection with any and all efforts to collect such fees, dues or assessments shall also be collectable against the Member(s) who are owners of record of the lot or real property, and such legal fees and costs shall become part of the assessment which shall remain in arrears until all such costs and fees are paid in full.

ARTICLE IX
OFFICERS

SECTION 1. Officers of the Corporation. The officers of the Corporation shall be those designated in Section 4 of Article VII above. If the election of officers shall not be held after the annual meeting of Members, such election shall be held as soon thereafter as conveniently may be. Each officer, whether elected or appointed, shall hold office until his successor has been duly elected, qualified and accepts appointment, or until his death, resignation, or removal in the manner hereinafter provided.

SECTION 2. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise may be filled by the Board of Directors at any regular or special meeting for the unexpired portion of the term and until a successor shall have been duly elected and qualified.

SECTION 3. Chairman of The Board of Directors (hereinafter "Chair"). The Chair shall preside at all meetings of Members and Board of Directors.

SECTION 4. The Chair shall also serve as President. The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all the business and affairs of the Corporation. The President may sign, with the Secretary, or any other proper officer of the Corporation thereunto authorized by the Board of Directors or by law, any deeds, authorizations of accounts, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed from time to time. The President shall be an ex-officio member of standing committees and shall be responsible for carrying into effect all orders and resolutions of the Board of Directors and Members as required or as good business dictates.

SECTION 5. Vice President. The Vice President in the order designated by the Board of Directors shall exercise the functions of the President during the absence or disability of the President and the Chair of the Board of Directors. The Vice President shall have such powers and discharge such duties as may be assigned from time to time by the President or by the Board of Directors.

SECTION 6. Secretary. The Secretary shall: Keep the minutes of the Annual Meeting of the Members and of the Board of Directors meetings in one or more books provided for that purpose; See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; Be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal, is required or authorized; Keep a register of the mailing address of record for each Member, which address shall be furnished to the Secretary and updated as necessary by such Member; In general, perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to the Secretary by the President or by the Board of Directors.

SECTION 7. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall: Have charge and custody of and be responsible for all monies, bonds, and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever and deposit all such monies in the name of the Corporation in such banks, trust companies, or other depositories as shall be authorized by the Board of Directors. The Treasurer shall disburse all funds of the Corporation in payment of the Corporation's debts, retain vouchers for such disbursements, and shall render to the Board of Directors and Members an accounting of transactions and the financial condition of the Corporation at fiscal year end, and shall render such other reports, as from time to time may be required by the Board of Directors. In general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors.

SECTION 8. Road Maintenance Coordinator. The Road Maintenance Coordinator shall be the Chair of the Road Maintenance Committee, shall be responsible for evaluation of the condition and state of the roads in the subdivision, and shall recommend such work as necessary to maintain the roads in good, workable condition. The Coordinator shall be responsible for preparing a plan of action to bring the roads into conformance with the minimum standards as set by San Miguel County for Class C roads. The Coordinator shall be responsible for preparation of plans and specifications for contracts for road maintenance, repair, and improvement. The Coordinator shall further be responsible for bidding and negotiation with Contractors who bid on contracts for work on the roads, and shall formally recommend the engagement of Contractors to the Board of Directors for performance of specific contracts.

SECTION 9. Compensation of Officers. No officer shall receive compensation for any services rendered to the Corporation. However, any officer may be reimbursed for actual expenses incurred in the performance of the duties of the office.

SECTION 10. Reports of Officers. All officers shall render reports of the business transacted by them during the fiscal year last concluded at the Annual Meeting of the Members and at any directors' meeting. Such reports, other than the Treasurer's fiscal year- end report, may be orally given unless the Board of Directors specifies written reports.

ARTICLE X
CONTRACTS, LOANS, CHECKS AND DEPOSITS

SECTION 1. Contracts. The Board of Directors may authorize an officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

SECTION 2. Loans. No loan shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board of Directors. Such authority may be general or confined to specific instances.

SECTION 3. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation, and in such manner as from time to time may be determined by resolution of the Board of Directors.

SECTION 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as may be determined by resolution of the Board of Directors.

ARTICLE XI
BOOKS AND RECORDS

SECTION 1. Maintenance of Books and Records. All books, accounts and records of the Corporation unless otherwise required by law or authorized by the Board of Directors shall be maintained by the Secretary of the Corporation and shall be open to inspection by the directors and Members of the Corporation at any reasonable time and place in the Subdivision. Copies may be purchased at a reasonable cost.

SECTION 2. Annual Members Report. No annual report to Members is required other than the Treasurer's fiscal year end report.

ARTICLE XII
AMENDMENT TO THE BYLAWS

SECTION 1. Amendment by Board of Directors. Except as specifically provided otherwise in the Amended Covenants, the Board of Directors shall have the power to make, amend, alter or repeal the Bylaws of this Corporation by a vote of a majority of the Board of Director, provided that notice of such alteration, amendment, or repeal has been given to all Members in writing at least thirty (30) days prior to the meeting at which such amendment is to be voted on and further provided that the Board of Directors provides an opportunity for Member comment on the new Bylaw or amendment before a vote is taken.

SECTION 2. Amendment by Members. These Bylaws may be altered, amended, or repealed and new Bylaws adopted by vote of the Members representing a majority of the Members entitled to vote, provided that notice of such alteration, amendment or repeal has been given to all Members in writing at least thirty (30) days prior to the meeting at which such amendment is to be voted on and further provided that an opportunity for all Members to comment on the new Bylaw or amendment is given before a vote is taken.

SECTION 3. Limitation on Amendments. Neither the Board nor the Members shall have the power or authority to amend any of these Bylaws in a manner inconsistent with the Amended Covenants. The amendment of any covenants or restrictions set forth in the Amended Covenants may only be done by a two-thirds (2/3) vote of all Members of record in accordance with the terms set forth in said Amended Covenants.

ARTICLE XIII
AMENDMENTS TO THE AMENDED COVENANTS

SECTION 1. Proposed Amendments Submitted In Writing. Proposed changes or amendments to the Amended Covenants shall be submitted in writing to the Board of Directors, who shall have the duty and responsibility to prepare and send copies of such proposed changes and amendments to all Members by mail addressed to the address of record for each Member. The proposed changes and amendments shall be sent within fifteen (15) days of receipt by the Board of Directors.

SECTION 2. Notice. No vote on a proposed change or amendment to the Amended Covenants may be scheduled until at least ten (10) days after all of the Members have been fully informed in writing of the proposed changes or amendments. Deposit of the Notice with the U.S. Post Office in Las Vegas, New Mexico, addressed to the address of record for a Member, shall complete the requirement that the Member be informed in writing.

SECTION 3. No change or amendment to the Amended Covenants may be made without the written vote of two thirds (2/3) of the Members, with each lot entitled to one vote. All Amendments to the Amended Covenants shall be certified by the President or Secretary, acknowledged by a Notary Public, and recorded with the office of County Clerk and Recorder of San Miguel County, New Mexico.

APPROVED AND ADOPTED by the Members of Ojitos Frios Ranches Homeowners, Unit 1, this 23rd day of January, 2010.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Ojitos Frios Ranches Homeowners, Unit 1, a domestic nonprofit corporation.

That the foregoing Bylaws constitute the Amended Bylaws of said corporation as duly approved at a meeting of the Board of Directors thereof held on the 20th day of February, 2010, and formally adopted by a two-thirds (2/3) majority of the Members on the 23rd day of January, 2010.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 24th day of February, 2010.

Mitchell F. Barker
Secretary