This property is located and governed by 2 separate HOA managers. The Boulders HOA is exclusive to the gated community only and requires a monthly fee for landscape maintenance and use of the pool and clubhouse. Sonoma Ranch South HOA governs the entire subdivision which houses The Boulders. The fee goes towards landscape maintenance for Golf Club Road and office supplies for the board. All documents detailing both HOAs are attached hereto.

- NAME OF MASTER ASSOCIATION. The name of this Corporation shall be Sonoma 1. Ranch South Subdivision Owners Association, Inc., and shall be referred to herein as the "Master Association."
- MASTER ASSOCIATION IS NONPROFIT. The Master Association has been formed 2. pursuant to the New Mexico Non-Profit Corporation Act.
- SPECIFIC PURPOSE. The specific and primary purposes of this Master Association 3. shall be to repair, maintain and manage the Maintenance Areas within the Sonoma Ranch South master planned community, including all subdivisions within Sonoma Ranch South Subdivision, located in the City of Las Cruces, Dofia Ana County, State of New Mexico, to enforce the Declaration of Protective Covenants and the Rules adopted by the Board of Directors, from timeto-time, and to otherwise enhance and promote the use and enjoyment of the Maintenance Areas by the Owners in common.
- DECLARATION. "Declaration" means all of the Declaration of Protective Covenants filed and to be filed for each subdivision within Sonoma Ranch South Subdivision. Declaration filed is that applicable to Cave Creek, Phase I, and is recorded at Book_ pages 322 - 325, in the County Clerk's office, Dofia Ana County, New Mexico.
 - OWNERS' MEETINGS. The Owners shall hold meetings as follows: 5.
- Lot owners in every subdivision (existing and to be created) within Sonoma Ranch South Subdivision are owners for purposes of these By-Laws.
- No Owners' meeting shall be held until such time as the members of Sonoma Ranch Subdivision Ltd., Co., the Developer of Sonoma Ranch South Subdivision, state in writing to all lot owners that control shall pass to the lot owners. The first meeting shall be called by the said members and be held at a place in Las Cruces, New Mexico; or in the subdivision, designated by the members.
- The Annual Owners' Meeting shall be held on the 1st Thursday of November of each year for the purpose of electing Directors and transacting any other business authorized

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to be transacted by the Owners. If that day is a legal holiday, the meeting shall be held at the same hour on the next day which is not a legal holiday.

- Special Owners' Meeting shall be held whenever called by the President of d. Vice President or a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from one-third of the lot owners.
- Notice of all Owners' meetings stating the time and place and the object for which the meeting is called shall be given by the President, Vice President or Secretary unless waived in writing. Such notice shall be in writing to each lot owner at his or her address as it appears on the records of the Association and shall be mailed not less than ten nor more than sixty days prior to the date of the meeting. Proof of such mailing shall be the certificate of the person giving the notice. Notice of meeting may be waived before or after meetings.
- The Owner of each lot shall be entitled to cast one vote. If there are f. multiple owners of one lot, and they are unable to agree upon the casting of one vote, no vote shall be counted for that lot.
- A quorum at lot owners' meetings shall consist of persons entitled to cast twenty percent (20%) of the votes. The owner of each lot is entitled to one vote. If any meeting of the Owners cannot be organized because a quorum has not attended, the Owners who are present either in person or by proxy, may adjourn the meeting for at least ten days and adequate notice of the new date shall be given as described in subparagraph (d) of this section 5. At a subsequent re-scheduled meeting, a quorum shall consist of ten percent (10%).

If a lot is owned by one person, his right to vote shall be established by the record title to his lot. If a lot is owned by more than one person, the person entitled to cast the vote for that lot shall be designated by a certificate signed by all of the record owners of that lot and filed with the Secretary of the Board of Directors. If a lot is owned by a partnership or corporation, the person entitled to east the vote for the lot shall be designated by a certificate of appointment signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Board of Directors. Such certificates shall be valid until revoked, or until superceded by a subsequent certificate, or until a change in the record ownership of the lot concerned. A certificate designating the person entitled to cast the vote of a lot may be revoked by any Owner thereof.

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- Votes may be cast in person or by proxy. Owners may, by written proxy. ħ. authorize others to cost votes on their behalf. A written proxy shall be limited to six months' duration. Proxies should be filed with the Secretary. Owners who have given proxies shall be counted for purposes of a quorum.
- Until the developer of Sonoma Ranch South Subdivision, hereinafter "the Developer," has completed and sold all of the lots in the subdivisions, or until the Developer elects to terminate its control of the subdivision, whichever shall first occur, there shall be no meeting of the owners of the lots unless a meeting is called by the Developer.
- DIRECTORS. The affairs of the association shall be managed by a Board of Directors as follows:
- The Board shall consist of not less than three Directors, the exact number (which shall be an odd number) to be determined by the lot Owners at the time of election of the Directors. The original Board of Directors shall consist of three, as follows: David M. Steinborn, George B. Rawson, and Dale A. Schneller. Directors, other than the original Board of Directors, shall be lot owners. The original Board shall serve at no pay.
- Election of Directors shall be conducted at the Annual Meeting of the Owners. Nominations for Directors shall be made from the floor. The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his/her votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.
- Except as to vacancies provided by removal of Directors by Owners, vacancies in the Board of Directors occurring between annual meetings of Owners shall be filled by the remaining Directors.
- Any Director may be removed by a two-thirds (%) majority vote of the đ. Owners at a Special Meeting of the Owners called for that purpose. The vacancy in the Board of Directors so created shall be filled by the Owners at the same meeting.
- Until the Developer has completed and sold all of the lots in the subdivisions, or until the Developer elects to terminate its control of the Owners Association, whichever shall first occur, the original Directors above-named shall serve, and in the event of

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vacancies the remaining Directors shall fill the vacancies, and if there are no remaining Directors the vacancies shall be filled by the Developer. Thereafter, each Director shall be elected for a term of three (3) years except that the first Board of Directors elected thereafter shall consist of one-third (1/3) of the Directors whose terms expire in one (1) year, one-third (1/3) of the Directors whose terms expire in two (2) years, and one-third (1/s) of the Directors whose terms expire in three (3) years.

Notwithstanding the foregoing, each Director shall serve until his successor f. is duly elected or appointed and qualified, or until he resigns or is removed in the manner elsewhere herein provided.

DIRECTORS' MEETINGS. The Directors shall hold meetings as follows: . 7.

- Regular meetings of the Board of Directors may be held at such times and places as shall be determined, from time-to-time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or otherwise at least three (3) days prior to the date named for such meeting.
- Special Meetings of the Directors may be called by the President and must Ъ. be called by the Secretary at the written request of any Director. Notice of the meeting shall be given personally or by mail, telephone or otherwise, at least three (3) days prior to the date named for such meeting, and shall state the time, place and purpose of the meeting.
- Any Director may waive notice of a meeting before or after the meeting and C. such waiver shall be deemed equivalent to the giving of notice.
- A quorum at Directors' meetings shall consist of a majority of the entire đ. Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of Directors is required by the Declaration or these By-Laws. If at any meeting of the Board of Directors less than a quorum is present, the majority of those present may adjourn from time-to-time until a quorum is present. The joinder of a Director in the action of a meeting by signing and concurring in the Minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

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POWERS AND DUTIES OF THE BOARD OF DIRECTORS. All of the powers and duties R. of the Owners existing under the Declaration and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors, or employees, subject only to approval by the Owners when such approval is specifically required.

OFFICERS. The executive officers of the lot Owners shall be: 9.

- The President, who shall be a director; a Vice President, who shall also hold the office of assistant secretary and who shall be a director; a Secretary, who shall be a Director, and a Treasurer, who shall be a Director, all of whom shall be elected annually by the Owners at their annual meeting and who may be removed by vote of a majority of the votes of the Owners at any meeting called for such purpose. The Board of Directors may, from time-to-time, elect other officers to exercise such powers and duties as the Board may find necessary to manage the affairs of the Association. No compensation of officers shall be paid, unless a decision to pay compensation is made by majority vote of the lot Owners.
- The President shall be the chief executive officer of the lot owners and of ъ. the Board of Directors. He/she shall have all of the powers and duties which are usually vested in the office of President, including, but not limited to, the power to appoint committees from among the lot Owners from time-to-time, as he/she may in his/her discretion deem appropriate to assist in the conduct of the affairs of the Association.
- The Vice President and Assistant Secretary shall, in the absence or disability of the President, notify the owners and perform the duties of the President and, in the absence or disability of the Secretary, exercise and perform the duties of the Secretary. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.
- The Secretary shall keep the Minutes of all proceedings of the Directors and of the Owners. He/she shall attend to the giving, mailing and serving of all notices to the Owners and Directors and other notices required by law. He/she shall keep the records of the Owners and the Board of Directors, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary and as may be required by the Directors or the President.
- The Treasurer shall have custody of all property of the Owners' Association, including funds, securities and evidence of indebtedness. He/she shall keep the books of the

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Owners' Association in accordance with good accounting practices and shall perform all other duties incident to the office of Treasurer.

- Any person may hold more than one office, except that, in all events, the f. President and Secretary shall be two different individuals.
- ACCOUNTING. The funds and expenditures of the Association shall be credited and 10. charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common maintenance expenses:
- "Current expenses" which shall include all funds and expenditures to be made within the fiscal year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each fiscal year shall be applied to reduce the assessments for current expenses for the succeeding year.
- "Reserve for deferred maintenance and replacement," which shall include funds for maintenance items which occur less frequently than annually, and funds for repair or replacement required because of damage, depreciation or obsolescence.
- "Capital Additions and Improvements," which shall include the funds to be C. used for capital expenditures for additional improvements.

11. EXPENDITURES.

- BUDGETS. As soon as insurance rates, utility rates and other expenses can be determined for each fiscal year, the Board of Directors shall adopt a budget for that fiscal year which shall include the estimated funds required to defray common expenses and funds for the accounts listed in Paragraph 10 of these By-Laws. Copies of the budget and proposed assessments shall be transmitted to each lot Owner as soon as practicable. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each lot Owner.
- LIMITS. No expenditure for any capital addition or improvement having a b. total cost in excess of Two Thousand Dollars (\$2,000.00) shall be made without the prior approval of seventy-five percent (75%) of the lot Owners in attendance at a membership meeting, general or special, where a quorum is present. Said approval may also be given in writing.

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NONPROFIT PURPOSE. No Director, officer, member or employee of the Owners' Association, or any other private individual, shall receive at any time, any of the earnings or funds of the Owners' Association; provided that this shall not prevent the payment to any such person of reasonable compensation for services rendered, and no such person shall be entitled to share in the distribution of any of the Owners' Association assets upon the dissolution of the Owners' Association. At dissolution, excess assessments may be refunded to the lot Owners, and all other assets shall be transferred exclusively to charitable, religious, scientific, or educational institutions which would then qualify under the provisions of Section 501 (c)(3) of the Internal Revenue Code as it now exists, or as amended hereafter.

ASSESSMENTS. Assessments shall be made as follows: 12.

- Assessments against each lot Owner for his share of the budget shall be made on or before January 2nd of the year for which the assessment is made. Such assessment shall be due and payable in one increment. The Board of Directors shall have the power to increase or decrease such assessment during the fiscal year for which the assessment is made as expenses may require. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last preceding annual assessment. If the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. If the budget and assessment is increased during a fiscal year, the amount of the increase shall be paid in full within forty-five (45) days of notification of the amended assessment. Increases in excess of fifteen percent (15%) shall be made only by the Owners, by majority vote at a special meeting called for that purpose.
- The depository of the Owners shall be such bank or banks as shall be b. designated from time-to-time by the Directors. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.
- Fidelity bonds may be required by the Board of Directors for all persons handling or responsible for funds of the lot Owners. The amount of such bonds, if required, shall be determined by the Directors and the premiums on such bonds shall be paid by the Directors and shall be common expenses.
 - AMENDMENTS. These By-Laws may be amended in the following manner: 13.

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- Notice of the subject matter of a proposed amendment shall be included in the notice of any Owners' meeting at which a proposed amendment is to be considered.
- A Resolution adopting a proposed amendment may be proposed by either b. . the Board of Directors or by the Owners. Directors and Owners not present in person or by proxy at the meeting considering the amendment may express their approval or lack thereof in writing, either before or after the meeting. All amendments must be approved by a majority of the votes of all the Owners, with the owner of each lot entitled to cast one vote, and the owners of multiple lots entitled to cast the number of notes equal to the number of lots owned...
- No amendment shall discriminate against any Owner, unless the Owner so affected shall consent thereto in writing. No amendment shall change the share in the common areas and facilities appurtenant to any lot (except as provided in the Declaration in the event of expanding the property by adding additional land), nor increase the Owner's shall of the common expenses, nor change the voting rights or members (except as provided in the Declaration in the event of expansion of the property by addition additional real estate) or amend Section 11 (b) hereof, unless the record Owner of lot concerned and all record Owners of liens thereon shall join in the execution of the amendment.
- A copy of each amendment shall be certified by the President and Secretary d. . as having been duly adopted and shall be effective only when recorded in the office of the County Clerk of Doña Ana County, New Mexico, and no modification of or amendment to these By-Laws shall be valid unless set forth in an amendment to the Declaration and the amendment duly recorded in the office of the County Clerk of Doña Ana County, New Mexico.

The foregoing are adopted as the By-Laws of the lot Owners and the Board of Directors of the Sonoma Ranch South Subdivision Owners' Association, by the undersigned sole Owner of all property within said subdivision and shall be attached to and recorded in the office of the County Clerk of Doffa Ana County, New Mexico.

SONOMA RANCH SUBDIVISION LTD., Co.

David M. Steinborn, Member

George B. Rawson, Member

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Dale A. Schueller, Member

STATE OF NEW MEXICO

COUNTY OF DOÑA ANA

The foregoing instrument was acknowledged before me this 20 day of September, 1999, by David M. Steinborn, George B. Rawson, and Dale A. Schneller, members of Sonoma Ranch Subdivision Ltd., Co., a New Mexico limited liability company.

My Commission Expires:

25360

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BY-LAWS OF

SONOMA RANCH EAST II SUBDIVISION OWNERS' ASSOCIATION, INC.

- 1. <u>Name of Association</u>. The name of this corporation shall be Sonoma Ranch East II Subdivision Owners' Association.
- 2. <u>Association is Nonprofit</u>. The Association has been formed pursuant to the New Mexico Non-Profit Corporation Act.
- 3. Specific Purpose. The specific and primary purposes of this Association shall be to repair, maintain and manage the Maintenance Areas within Sonoma Ranch East II Subdivision, located in the City of Las Cruces, Doña Ana County, State of New Mexico, to enforce the Declaration of Protective Covenants and the Rules adopted by the Board of Directors, from time-to-time, and to otherwise enhance and promote the use and enjoyment of the Maintenance Areas by the Owners in common.
- 4. <u>Declaration</u>. "Declaration" means all of the Declaration of Protective Covenants filed or to be filed for Sonoma Ranch East II Subdivision.
 - Owners' Meetings. The Owners shall hold meetings as follows:
- a. Lot owners in the Sonoma Ranch East II Subdivision are owners for purposes of these By-Laws.
- b. No Owners' meeting shall be held until such time as the members of Sonoma Ranch Subdivision Ltd., Co., the Developer of Sonoma Ranch East II Subdivision, state in writing to all lot owners that control shall pass to the lot owners. The first meeting shall be called by the said members and be held at a place in Las Cruces, New Mexico, or in the subdivision, designated by the members.
- c. The Annual Owners' Meeting shall be held on the 1st Thursday of November of each year for the purpose of electing Directors and transacting any other business authorized to be transacted by the Owners. If that day is a legal holiday, the meeting shall be held at the same hour on the next day which is not a legal holiday.
- d. Special Owners' Meeting shall be held whenever called by the President or Vice President or a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from one-third of the lot owners.
- e. Notice of all Owners' meetings stating the time and place and the object for which the meeting is called shall be given by the President, Vice President or Secretary unless waived in writing. Such notice shall be in writing to each lot owner at his or her address as it appears on the records of the Association and shall be mailed not less than ten nor more

By-Laws of Sonoma Ranch East II Subdivision

Owners' Association, Inc.

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than sixty days prior to the date of the meeting. Proof of such mailing shall be the certificate of the person giving notice. Notice of meeting may be waived before or after meetings.

- f. The Owner of each lot shall be entitled to cast one vote. If there are multiple owners of one lot, and they are unable to agree upon the casting of one vote, no vote shall be counted for that lot.
- g. A quorum at lot owners' meetings shall consist of persons entitled to cast twenty percent (20%) of the votes. The owner of each lot is entitled to one vote. If any meeting of the Owners cannot be organized because a quorum has not attended, the Owners who are present either in person or by proxy, may adjourn the meeting for at least ten days and adequate notice of the new date shall be given as described in subparagraph (d) of this section 5. At a subsequent rescheduled meeting, a quorum shall consist of ten percent (10%).

If a lot is owned by one person, his right to vote shall be established by the record title to his lot. If a lot is owned by more than one person, the person entitled to cast the vote for that lot shall be designated by a certificate signed by all of the record owners of that lot and filed with the Secretary of the Board of Directors. If a lot is owned by a partnership or corporation, the person entitled to cast the vote for the lot shall be designated by a certificate of appointment signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Board of Directors. Such certificates shall be valid until revoked, or until superceded by a subsequent certificate, or until a change in the record ownership of the lot concerned. A certificate designating the person entitled to cast the vote of a lot may be revoked by any Owner thereof.

- h. Votes may be cast in person or by proxy. Owners may, by written proxy, authorize others to cast votes on their behalf. A written proxy shall be limited to six months duration. Proxies should be filed with the Secretary. Owners who have given proxies shall be counted for purposes of a quorum.
- i. Until the developer of the Sonoma Ranch East II Subdivision, hereinafter "the Developer," has built and sold a house on each lot, or until the Developer elects to terminate its control of the subdivision, whichever shall first occur, there shall be no meeting of the owners of the lots unless a meeting is called by the Developer.
- 6. <u>Directors</u>. The affairs of the association shall be managed by a Board of Directors as follows:
- a. The Board shall consist of not less than three Directors, the exact number (which shall be an odd number) to be determined by the lot Owners at the time of election of the Directors. The original Board of Directors shall consist of three, as follows: David M. Steinborn, George B. Rawson, and Dale A. Schueller. Directors, other than the original Board of Directors, shall be lot owners. The original Board shall serve at no pay.
- b. Election of Directors shall be conducted at the Annual Meeting of the Owners. Nominations for Directors shall be made from the floor. The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each

person voting being entitled to cast his/her votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

- c. Except as to vacancies provided by removal of Directors by Owners, vacancies in the Board of Directors occurring between annual meetings of Owners shall be filled by the remaining Directors.
- d. Any Director may be removed by a two-thirds (2/3) majority vote of the Owners at a Special Meeting of the Owners called for that purpose. The vacancy in the Board of Directors so created shall be filled by the Owners at the same meeting.
- e. Until the Developer has completed and sold all of the lots in the subdivisions, or until the Developer elects to terminate its control of the Owners Association, whichever shall first occur, the original Directors above-named shall serve, and in the event of vacancies the remaining Directors shall fill the vacancies, and if there are no remaining Directors the vacancies shall be filled by the Developer. Thereafter, each Director shall be elected for a term of three (3) years except that the first Board of Directors elected thereafter shall consist of one-third (1/3) of the Directors whose terms expire in one (1) year, one-third (1/3) of the Directors whose terms expire in two (2) years, and one-third (1/3) of the Directors whose terms expire in three (3) years.
- f. Notwithstanding the foregoing, each Director shall serve until his successor is duly elected or appointed and qualified, or until he resigns or is removed in the manner elsewhere herein provided.

7. <u>Directors' Meetings</u>. The Directors shall hold meetings as follows:

- a. Regular meetings of the Board of Directors may be held at such times and places as shall be determined, from time-to-time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or otherwise at least three (3) days prior to the date named for such meeting.
- b. Special Meetings of the Directors may be called by the President and must be called by the Secretary at the written request of any Director. Notice of the meeting shall be given personally or by mail, telephone or otherwise, at least three (3) days prior to the date named for such meeting, and shall state the time, place and purpose of the meeting.
- c. Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.
- d. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of Directors is required by the Declaration or these By-Laws. If at any meeting of the Board of Directors less than a quorum is present, the majority of those present may adjourn from time-to-time until a quorum is present. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

By-Laws of Sonoma Ranch East II Subdivision
Owners' Association, Inc.
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Powers and Duties of the Board of Directors.

- a. All of the powers and duties of the Owners existing under the Declaration and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors, or employees, subject only to approval by the Owners when such approval is specifically required.
- b. The Board of Directors is empowered to adopt rules concerning the Owners' Association and all its assets. This power includes, but is not limited to, the authority to adopt rules allowing the private use of the common areas.

9. Officers. The executive officers of the Owners' Association shall be:

- a. The President, who shall be a Director; a Vice President, who shall also hold the office of assistant secretary and who shall be a Director; a Secretary, who shall be a Director; and a Treasurer, who shall be a Director, all of whom shall be elected annually by the Owners at their annual meeting and who may be removed by vote of a majority of the votes of the Owners at any meeting called for such purpose. The Board of Directors may, from time-to-time, elect other officers to exercise such powers and duties as the Board may find necessary to manage the affairs of the Association. No compensation of officers shall be paid, unless a decision to pay compensation is made by majority vote of the lot Owners.
- b. The President shall be the chief executive officer of the lot Owners and of the Board of Directors. He/she shall have all of the powers and duties which are usually vested in the office of President, including, but not limited to, the power to appoint committees from among the lot Owners from time-to-time, as he/she may in his/her discretion deem appropriate to assist in the conduct of the affairs of the Association.
- c. The Vice President and Assistant Secretary shall, in the absence or disability of the President, notify the owners and perform the duties of the President and, in the absence or disability of the Secretary, exercise and perform the duties of the Secretary. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.
- d. The Secretary shall keep the Minutes of all proceedings of the Directors and of the Owners. He/she shall attend to the giving, mailing and serving of all notices to the Owners and Directors and other notices required by law. He/she shall keep the records of the Owners and the Board of Directors, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary and as may be required by the Directors or the President.
- e. The Treasurer shall have custody of all property of the Owners' Association, including funds, securities and evidence of indebtedness. He/she shall keep the books of the Owners' Association in accordance with good accounting practices and shall perform all other duties incident to the office of Treasurer.

- f. Any person may hold more than one office, except that, in all events, the President and Secretary shall be two different individuals.
- 10. Accounting. The funds and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common maintenance expenses:
- a. "Current expenses" which shall include all funds and expenditures to be made within the fiscal year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each fiscal year shall be applied to reduce the assessments for current expenses for the succeeding year.
- b. "Reserve for deferred maintenance and replacement," which shall include funds for maintenance items which occur less frequently than annually, and funds for repair or replacement required because of damage, depreciation or obsolescence.
- c. "Capital Additions and Improvements," which shall include the funds to be used for capital expenditures for additional improvements.

11. Expenditures.

- a. Budgets. As soon as insurance rates, utility rates and other expenses can be determined for each fiscal year, the Board of Directors shall adopt a budget for that fiscal year which shall include the estimated funds required to defray common expenses and funds for the accounts listed in Paragraph 10 of these By-Laws. Copies of the budget and proposed assessments shall be transmitted to each lot Owner as soon as practicable. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each lot Owner.
- b. Limits. No expenditure for any capital addition or improvement having a total cost in excess of Four Thousand Dollars (\$4,000.00) shall be made without the prior approval of seventy-five percent (75%) of the lot Owners in attendance at a membership meeting, general or special, where a quorum is present. Said approval may also be given in writing.
- c. Nonprofit Purpose. No director, officer, member or employee of the Owners' Association, or any other private individual, shall receive at any time, any of the earnings or funds of the Owners' Association; provided that this shall not prevent the payment to any such person of reasonable compensation for services rendered, and no such person shall be entitled to share in the distribution of any of the Owners' Association assets upon the dissolution of the Owners' Association. At dissolution, excess assessments may be refunded to the lot Owners, and all other assets shall be transferred exclusively to charitable, religious, scientific, or educational institutions which would then qualify under the provisions of Section 501(c)(3) of the Internal Revenue Code as it now exists, or as amended hereafter.

12. <u>Assessments</u>. Assessments shall be made as follows:

- a. Assessments against each lot Owner for his share of the budget shall be set on or before November 30 of the year prior to which the assessment is applicable. Such assessment shall be due and payable in monthly payments with each payment due no later than the second day of the month. The Board of Directors shall have the power to increase or decrease such assessment during the fiscal year for which the assessment is made as expenses may require. If an assessment is not made as required, an assessment shall be presumed to have been made in the amount of \$125.00 per year. If the assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Increases in excess of fifteen percent (15%) shall be made only by the Owners, by majority vote at a special meeting called for that purpose.
- b. The depository of the Owners shall be such bank or banks as shall be designated from time-to-time by the Directors. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.
- c. Fidelity bonds may be required by the Board of Directors for all persons handling or responsible for funds of the lot Owners. The amount of such bonds, if required, shall be determined by the Directors and the premiums on such bonds shall be paid by the Directors and shall be common expenses.

13. Amendments. These By-Laws may be amended in the following manner:

- a. Notice of the subject matter of a proposed amendment shall be included in the notice of any Owners' meeting at which a proposed amendment is to be considered.
- b. A Resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the Owners. Directors and Owners not present in person or by proxy at the meeting considering the amendment may express their approval or lack thereof in writing, either before or after the meeting. All amendments must be approved by a majority of the votes of all the Owners, with the owner of each lot entitled to cast one vote, and the owners of multiple lots entitled to cast the number of notes equal to the number of lots owned.
- c. No amendments shall discriminate against any Owner, unless the Owner so affected shall consent thereto in writing. No amendment shall change the share in the common areas and facilities appurtenant to any lot (except as provided in the Declaration in the event of expanding the property by adding additional land), nor increase the Owner's share of the common expenses, nor change the voting rights or members (except as provided in the Declaration in the event of expansion of the property by addition of real estate) or amend Section 11(b) hereof, unless the record Owner of lot concerned and all record Owners of liens thereon shall join in the execution of the amendment.
- d. A copy of each amendment shall be certified by the president and Secretary as having been duly adopted and shall be effective only when recorded in the office of the County Clerk of Doña Ana County, New Mexico, and no modification of or amendment

By-Laws of Sonoma Ranch East II Subdivision
Owners' Association, Inc.
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to these By-Laws shall be valid unless set forth in an amendment to the Declaration and the amendment duly recorded in the office of the County Clerk of Doña Ana County, New Mexico.

The foregoing are adopted as the By-Laws of the lot Owners and the Board of Directors of Sonoma Ranch East II Subdivision Owners' Association, by the undersigned sole Owner of all property within said subdivision and shall be attached to and recorded in the office of the County Clerk of Doña Ana County, New Mexico.

SONOMA RANCH EAST II SUBDIVISION OWNERS' ASSOCIATION, INC.

David M. Steinborn, President and

Chief Executive Officer

George B. Rawson, Secretary

State of New Mexico
County of Dona Analysis
RECEPTION NO.
I hereby certify that this
instrument was filed for
recording and duly recorded on

at 4-93 o'clock

Brook IIQ Parcy 499

of the provide of the provid

STATE OF NEW MEXICO) ss.

COUNTY OF DOÑA ANA

The foregoing instrument was acknowledged before me this _____ day of January, 2006, by David M. Steinborn, President and Chief Executive Officer, and George B. Rawson, Secretary, of Sonoma Ranch East II Subdivision Owners' Association, Inc.

Notary Public

My Commission Expires:

OFFICIAL SEAL
MELISSA LUJAN
Notary Public
State of New Mexico
My Commission Expires 8 9 08

COUNTY COUNTY COUNTY COUNTY

By-Laws of Sonoma Ranch East II Subdivision
Owners' Association, Inc.
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29641

DECLARATION OF PROTECTIVE COVENANTS THE BOULDERS @ SONOMA RANCH SUBDIVISION DOÑA ANA COUNTY, NEW MEXICO

KNOW ALL BY THESE PRESENTS: That The Boulders @ Sonoma Ranch, LLC, a New Mexico limited liability company, developer and owner of The Boulders @ Sonoma Rasch Subdivision in Dolla Ana County, New Mexico, according to the plats thereof on file in Plat Records
Book 20 pages 48-45 and Plat Records Book pages ______, of the County Cleric's office of Dofin Ana County, New Mexico, in consideration of the mutual interest of the owners of real estate in The Boulders @ Sonoma Ranch subdivision covenants and agrees with all future purchasers of lots or building sites in said Subdivision that the following restrictions and obligations shall apply to all lots and building sites in said Subdivisions, and all conveyances of any lot therein shall likewise be subject to said restrictions and obligations as follows:

L ESTABLISHMENT OF COVENANTS

- ADDITIONAL COVENANTS. All owners within the Sonoma Ranch South Subdivision are subject to covenants which relate to the subdivisions within the approximately 395 acres of Sonoma Ranch South. Those covenants burden properties within all of the subdivisions within Sonoma Ranch South, and their owners. The Covenants set forth herein are in addition to, and not in lieu of, the covenants for Sonoma Ranch South. The owners within The Boulders @ Sonoma Ranch are obliged to abide by both sets of covenants, and to pay the assessments due to the Sonoma Ranch South Homeowners' Association as well as the assessments due under these covenants,
- TERM. All of the restrictions, conditions, covenants and reservations set forth in the Declaration shall be covenants running with the land and shall continue and remain in full force and effect at all times until January 1, 2026, and shall thereafter be automatically continued without further notice from that time for successive periods of ten (10) years without limitation, unless there shall be recorded a written instrument, approved by the then-record owners of seventy-five percent (75%) of the lots in the subdivisions and executed by the members of the Design Review Committee, modifying or extinguishing this Declaration in whole or in part.
- ENFORCEMENT. All persons, firms, associations, and corporations who now own, or who may in the future own, property in the subdivisions are specifically given the right to enforce these covenants through any proceeding, at law or in equity, against any person or persons, firms and corporations violating or threatening to violate such covenants, and to recover any damages suffered

DECLARATION OF PROTECTIVE COVENANTS THE BOULDERS @ SONOMA RANCH SURDIVISION PAGE 1 OF 32 by them from any violation thereof. Neither the Declarant nor the Design Review Committee shall be obligated to enforce any covenant through legal proceedings.

SEVERABILITY. Invalidation of any one of these covenants by judgment or court order shall not affect any of the other provisions, which at all times shall remain in full force and effect.

DESIGN REVIEW COMMITTEE. 51

- The Design Review Committee shall initially be composed of three persons to be chosen by the Developer. The Developer has the authority to remove any member of the initial committee, with or without cause. In the event of death, resignation or removal of any member of the initial committee, the above-mentioned Developer shall have full authority to designate a successor or successors. The Design Review Committee may designate one of its members to take any action or to perform any duties for and on behalf of the Committee. The members of the Committee shall not be entitled to any compensation for services performed pursuant to this Covenant. The initial Design Review Committee shall exist until such time as the Developer states in writing to all individual owners of lots in The Boulders @ Sonoma Ranch Subdivision that control shall pass to whomever the majority of those lot owners shall elect. A majority of the lot owners shall determine the means of the continuation and succession of members of the Design Review Committee after notice has been served. Such notice shall be given at the latest after the conveyance by the Daveloper of the last lot in The Boulders @ Sonoma Ranch Subdivision; however, failure to give such notice shall not extend the term of any member of the Committee, nor shall The Boulders @ Sonoma Ranch, LLC, be liable therefore.
- In addition to other powers and authority vested in the Design Review Committee, it shall also: rule upon any questions arising with respect to interpretation of the protective covenants; grant variations from these covenants at its discretion, and, if necessary, may, but shall not be required to, take any action necessary to enforce the same on behalf of all parties having an interest. Such shall not preclude any other person authorized by law from either enforcing or enjoining the enforcement of these restrictive covenants.
- The Design Review Committee shall also serve as an architectural review committee. The Design Review Committee shall issue standards or rules ("Design Standards") relating to the procedures, materials to be submitted and additional factors which will be taken into consideration in commutator with the approval of any proposed improvements to the property.
- The review of any plans submitted to the Design Review Committee, and any approval thereof, is intended and shall be construed solely as review of compliance with these Protective Covenants, and shall not be deemed or construed in any way to include review and/or approval of compliance with applicable laws, codes or regulations, nor of sufety, habitability,

DECLARATION OF PROTECTIVE COVENANTS THE BOULDERS @ SONOMA RANCH SUBDIVISION

stability or any other matter, all of which are the responsibility solely of the architect, builder and/or owner of the improvements for which plans are submitted.

- DESIGN REVIEW. No building, wall or fence shall be erected, placed or altered on any lot until the construction plans and specifications, and a plan showing the location of the structure having been approved by the Design Review Committee as to materials and compliance with these covenants. No exterior portion of a structure (including doors) may be painted until the Design Review Committee has approved the color. Approval shall be as provided in Paragraph 1-6.
- PROCEDURE. Owners shall submit plans and specifications to the Committee, along with forms designated and included in Design Standards. The Committee's approval or disapproval as required in these covenants shall be in writing, and given within ten (10) working days of the submission of all required information. In the event the Design Review Committee fails to act on submitted plans within the 10-working-day review period, then the plans shall be deemed approved.
- NON-LIABILITY. Neither the Developer nor the Design Review Committee shall incur liability to anyone submitting plans for approval, or to any owner or owners of land subject to these covenants by reason of mistake in judgment, negligence or nonfeasance of itself, its agents or employees, arising out of or in connection with the approval, or disapproval, or failure to approve any such plans; anyone submitting plans for approval, by the submitting of such plans, and by acquiring title to any of the property covered hereby, waives his claim for any such damages.
- APPLICABILITY. The conditions and restrictions imposed herein shall apply to all lots within The Boulders @ Sonoma Ranch Subdivision, unless the Design Review Committee as provided herein grants variations.

II. GENERAL RESTRICTIONS

- R-1 ZONED LOTS. The following restrictions as to use shall apply to all Single Family Residential lots within the subdivisions:
- Only one single family dwelling on each lot is permitted. No geodesic dome, cubical, or A-frame structures are permitted as residences or for any other purposes. No mobile homes (single wide or double wide), manufactured housing, prefabricated or modular homes are permitted, whether control they are permanently attached to the land, and whether or not improvements are added to such mobile homes or manufactured housing or modular homes. The temporary sales office of the Developer is not, however, subject to this paragraph.
- No residence shall be erected, altered, placed or permitted to remain on any lot with fully enclosed living area of less than 1,600 square feet of heated living area, exclusive of garages, open porches, accessory buildings or other covered areas, with the exception of a temporary

DECLARATION OF PROTECTIVE COVENANTS THE BOULDERS @ SONOMA RANCH SUBDIVISION PAGE 3 OF 22

sales office placed upon a lot by the Developer, which shall remain only until the sale of the last lot in The Boulders @ Sonoma Ranch Subdivisions.

- C. No structure on any lot shall exceed one story above grade, with a maximum height of twenty-three (23) feet above the highest finished grade of the lot, except for chimneys of reasonable size. Each dwelling shall have a two car garage, being a minimum size of 400 square feet, and having one 16' by 7' door or two 8' by 7' doors at a minimum.
- D. No building or any part thereof, including garages, shall be erected on any lot closer to the respective property line than as follows:

Front of garage	25 feet
Front of house	15 feet
Side street setback	12 feet
Side yard setback	5 feet
Rose yard setback	15 feet

- E. All buildings erected, placed or permitted to remain on any lot shall be situated only within that portion of said lot not restricted from use by an easement or right-of-way. At street intersections, lots having frontage on two (2) streets shall have one (1) street declared by the Design Review Committee, on approval of structural plans, as the street where the "Front setback" applies. The other street shall have a minimum "Side street setback" which shall apply.
 - F. No variation from the "side yard setback" shall be approved.
- G. Should any residence be constructed on more than one lot, the exterior lines of lot ownership shall be used for determining the front, rear and side lot setbacks subject to existing easements.
- H. All buildings constructed in the Subdivision shall be frame and stucco, adobe, rammed earth or other such surfaces and materials as may be authorized by the Design Review Committee. Brick and wood siding are not acceptable surfaces. Garages, carports and permitted accessory buildings shall conform in material and design to the dwelling to which they pertain. No metal storage buildings shall be allowed on any for. Only exterior surface materials in desert tone colors, in the Boulders' color palette adopted by the Deckmant, shall be used for any residence, accessory structure, wall or fence. The construction of each building must comply with the New Mexico Uniform Building Code or the Building Code enforced by the City of Las Cruces.
- I. No identical front elevations will be allowed side by side. Exterior elevations need to wrap around the house on four sides on all lots that back up to the golf course. Elevations shall be only those in the models in The Boulders @ Sonoma Ranch approved by the Declarant.

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DECLARATION OF PROTECTIVE COVERANTS THE BOULDERS & SUNDMA RANCE SUBDIVISION PAGE 4 OF 22

- A grading plan showing finished elevations in the retention or detention areas has been approved by the City of Las Cruces. No grading, land filling, excavating, or other alterations will be done in the retention or detention areas except pursuant to the approved plan or revision approved by the City of Las Cruces and by the Design Review Committee.
- No manufacturing or commercial enterprise of any kind for profit shall be maintained on, in front of, or in connection with single family residential lots in the subdivisions; except home occupations or professionals in businesses engaged in recognized non-manufacturing professions may be permitted which would be in accordance with the codes of the City of Las Cruces.
- There shall be no fair, exhibition, festival, show or other activity that attracts or is intended to attract, divert, or collect a large number of persons. Such restrictions shall not prevent, however, what is commonly known as "garage sales" or backyard parties conducted by residents or their children living in the subdivisions, provided such are only occasional. Open houses for the purpose of selling a home and model home shows for the same purpose may be held.
- No animals, livestock, including horses, donkeys, and mules, or positry or swine of any kind shall be raised, bred, or kept on any lot. Dogs, cats or other domesticated, household pets may be kept; provided, however, that they are not kept, bred or maintained for any commercial purpose, and further provided they do not disturb other property owners or become a nuisance in any may.
- Use and occupancy of all portions of the subdivisions shall be subject to zoning, building, health, sewage disposal and sanitation laws and regulations and all other applicable laws and regulations of the State of New Mexico and/or all government agencies having jurisdiction; the Declarants, its successors or assigns, may also impose rules and covenants regulating such matters from time-to-time.
- Subdivision lots shall not be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing water, oil, gas or other hydrocarbons, minerals, rocks, stones, gravel or earth, nor shall oil wells, tanks, tunnels or mineral excavations or shafts be permitted upon the surface of any portion of the Subdivisions or within 500 feet below the surface of the Subdivisions.
- P. Each lot owner shall be responsible for removing weeds and other debris lucated on such Owner's lot and for maintaining, repairing and replacing in a good state of repair and in a nest and attractive condition all other improvements to Owner's lot.

DECLARATION OF PROTECTIVE COVERANTS THE BOULDERS @ SCHOMA BANCE SUBDIVISION PAGE 5 OF 22

TEMPORARY USES. 2)

- Any lot or portion thereof may be used temporarily by the Developer as a sales office, model home complex, or storage and construction yard during the construction and sales period, provided that all temporary uses defined lieroin must have the prior written approval of the Design Review Committee.
- No lot shall be used for the storage of any construction or other materials except for a period of up to thirty (30) days prior to the start of construction and during the construction period.

CONSTRUCTION. 3)

- R-1 ZONED LOTS. All construction, whether new construction, alterations, additions or exterior remodeling, shall be completed in accordance with plans approved by the Design Review Committee within six (6) months from commencement of construction. All construction shall commence upon each lot within eighteen (18) months from the date of purchase of said lot from the Developer or at the Developer's option, the Developer may re-purchase the lot at the original purchase price. The Developer must exercise this option within 30 days from the 18-month date or it shall loose the right to exercise this option.
- R-1 ZONED LOTE. No building previously used at another location nor any building or structure originally constructed as a mobile dwelling, except when used as a temporary sales office, may be moved onto a lot, except as expressly approved by the Design Review Committee.

OCCUPANCY OF DWELLINGS WITHIN THE SUBDIVISION. 4)

GENERAL Dwellings on lets within the Subdivision (hereinafter "Dwelling") are intended for the housing of persons 55 years of age or older, although younger persons are not restricted from occupying Dwelling along with a person 55 years of age or older so long as such cooccupancy is in compliance with this Section II.4. The provisions of this Section II.4 are intended to be consistent with, and are set forth in order to comply with, the Fair Housing for Older Persons Act (the "Act") regarding discrimination based on familial status. Declarant, until the last lot within the Subdivision has been sold and conveyed, or the Association, acting through its Board, shall have the power to amend this Section II.4, without the consent of the Members or any person except Declarant, until the last lot within the Subdivision has been sold and conveyed, for the purpose of making this Article consistent with the Act, as it may be amended, the regulations adopted pursuant theseto, and any judicial decisions urising thereunder or otherwise relating thereto, in order to maintain the intent and enforceability of this Section ILA.

> DECLARATION OF PROTECTIVE COVERANTS THE BOULDERS @ SONOMA RANCH SUBDIVISION PAGE 6 OF 22

B. RESTRICTIONS ON OCCUPANCY.

- Except as may otherwise be permitted pursuant to Section IL4(B)(iv), each occupied Dwelling on a lot within the Subdivision shall at all times have as a permanent occupant at least one person who is 55 years of age or older (the "Qualifying Occupant"), except that in the event of the death of a person who was the sole Qualifying Occupant of a Dwelling, the spouse of such Qualifying Occupant may continue to occupy the Dwelling provided that the provisions of the Act and the regulations adopted thereunder are not violated by such occupancy. For purposes of this II.4(B), an occupant shall not be considered a "permanent occupant" unless such occupant considers the Dwelling to be his or her legal residence and actually resides in the Dwelling for at least six months during every calendar year or such shorter period as the dwalling is actually occupied by any person.
- Except as may otherwise be permitted pursuant to Section II.4(B)(iv), no Dwelling shall be occupied by any person under the age of 18, For purposes of this Section II.4(B), a Dwelling shall be deemed to be "occupied" by any person who stays overnight in the Dwelling more than 21 days in any 60-day period or more than 30 days in any 12-month period.
- (iii) Nothing in this Section II.4 is intended to restrict the ownership of or transfer of title to any Dwelling; however, no Owner may occupy the Dwelling unless the requirements of this Section II.4 are met, nor shall any Owner permit occupancy of the Dwelling in violation of this Section II.4. Owners shall be responsible for (i) including a statement that the Dwellings within the Community are intended for the housing of persons 55 years of age or older, as set forth in Section IL4(A), in conspicuous type in any lease or other occupancy agreement or contract of sale relating to such Owner's Dwelling, which agreements or contracts shall be in writing and signed by the tenant or purchaser, and (ii) clearly disclosing such intent to any prospective tenant, purchaser, or other potential occupant of the Dwelling. Every lease of a Dwelling shall provide that failure to comply with the requirements and restrictions of this Section II.4 shall constitute a default under the lease.
- (iv) The Board of Directors retains the right to allow exceptions to section II.4, to the extent allowed by the Housing for Older Persons Act of 1995, [which (at the time these covenants are adopted) allow for up to twenty percent (20%) of the occupied units to deviate from the age requirements] and any other applicable law. +Any Owner, in writing, may request that the Board of Directors make an exception to the requirements of this section IL4 with respect to his or her Dwelling. And Hourd of Directors may, but shall not be obligated to, grant exceptions in its sole discretion, provided that the requirements for exemption from the Act would still be met.
- CHANGE IN OCCUPANCY; NOTIFICATION. In the event of any change in occupancy of any Dwelling as a result of a transfer of title, a lease or sublease, a biath or death, change in marital status, vacancy, change in location of permanent residence, or otherwise, the Owner of the Dwelling shall immediately notify the Board in writing and provide to the Board the

DECLARATION OF PROTECTIVE COVERNITS THE BOULDERS @ SONOMA RANCH SUBDIVISION PAGE 7 OF 22

names and ages of all current occupants of the Dwelling and such other information as the Board may reasonably require to verify the age of each occupant. In the event that an Owner fails to notify the Board and provide all required information within 10 days after a change in occupancy occurs, the Association shall be authorized to levy monetary fines egainst the Owner and the Dwelling for each day after the change in occupancy occurs until the Association receives the required notice and information, regardless of whether the occupants continue to most the requirements of this Section II.4, in addition to all other remedies available to the Association under this Declaration and New Mexico law.

MONITORING COMPLIANCE; APPOINTMENT OF ATTORNEY-IN-FACT. D.

- The Association shall maintain age records on all occupants of Dwellings. The Board shall adopt and publish policies, procedures, and rules to monitor and meintain compliance with this Section II.4, including policies regarding visitors, updating of age records, the granting of exemptions pursuant to Section II.4(B)(iv), and enforcement. The Association shall periodically distribute such policies, procedures, and rules to Owners and make copies available to Owners, their tenants, and Mortgagees upon reasonable request.
- The Association shall have the power and authority to enforce this Section II 4 in any legal manner available, as the Board decree appropriate, including, without limitation, conducting a cansus of the occupants of the Dwellings, requiring copies of hirth certificates, or other proof of age for each occupant of the Dwelling to be provided to the Board on a periodic basis, and taking action to evict the occupants of any Dwelling which is not in compliance with the requirements and restrictions of this Section II.4. EACH OWNER HEREBY APPOINTS THE ASSOCIATION AS ITS ATTORNEY-IN-FACT FOR THE PURPOSE OF TAKING LEGAL ACTION TO DISPOSSESS, EVICT, OR OTHERWISE REMOVE THE OCCUPANTS OF HIS OR HER UNIT AS NECESSARY TO ENFORCE COMPLIANCE WITH THIS SECTION II.4. Each Owner shall fully and truthfully respond to any and all requests by the Association for information regarding the occupancy of his or her Dwelling that, in the judgment of the Board, are reasonably necessary to monitor compliance with this Section II.4.
- (III) Each Owner shall be responsible for ensuring compliance of its Dwelling with the requirements and restrictions of this Article and the rules of the Association adopted berounder by itself and by its tenants and other occupants of its Lot. EACH OWNER, BY ACCEPTANCE OF TITLE TO A DWELLING, AGREES TO INDEMNIFY, DEFEND, AND HOLD THE ASSOCIATION HARMLESS FROM ANY AND ALL CLAIMS, LOSSES, DAMAGES, AND CAUSES OF ACTION THAT MAY ARISE FROM FAILURE OF SUCH OWNER'S DWELLING TO SO COMPLY.

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LANDSCAPING.

Landscaping is required on all lots.

DECLARATION OF PROTECTIVE COVENANTS THE BOULDERS @ SONOMA RANCH SUMMYISION PAGE SOF 22

The Declarant will install the original landscaping in the front yard of each house within in the subdivision. The Boulders @ Sonome Ranch Homoowners Association is responsible for the maintenance of the front yard, to include mowing, weeding, fertilizing, pruning and replacing plants that are damaged or destroyed. The Homeowners Association, however, may seek reimbursement for costs essociated with such maintenance from any homeowner whose negligenee has caused it to incur maintenance expenses.

Other than replacing landscaping items which have been damaged or destroyed or need to be replaced as a result of wear or tear, homeowners may not make changes in the landscaping in the front yard without first seeking and obtaining permission from the Design Review Committee.

Each lot owner must landscape the back yard of their lot. The landscaping in the back yard must be completed within ninety (90) days of closing when the lot owner purchase the lot.

- A. R-1 ZONED LOTS. Typical desert carvironment and drought resistant landscaping is encouraged. However, a sufficiently visible amount of foliage must be present on each building lot to comply with the landscaping requirements herein established or subsequently animated. The Design Review Committee shall be the final authority as to acceptability and the following criteria shall be used as a guideline for the required landscaping:
- One (1) two inch (2") caliper broadleaf tree which when mature will reach a minimum height of 20 feet. (Two required if the side yard abute a street.) Should a second tree be required by FHA or other Governmental regulation, such tree can be a 1" caliper broadlest, unless it is in the side yard tree on an abutting street, then it must be as required above. Examples are: seedless locust, ash, red leaf maple, and similar varieties.
- One (1) intermediate size simub-brush planting which, when mature will reach a minimum height and width of 8 foot. (Two required if the side yard abuse a stoot.) Examples are Photinia, Texas sage, oleander, India Hawthoma, pyracantha, forsythia, spirca, sumac, and similar varieties.
- Mix (6) lower foundation plantings which when mature will reach a beight of 2 - 3 feet (eight required if the side yard abuts a street). Examples are: Most of the above shrubs, plus nandina, rosemary, mock orange, tain jumpers and similar varieties, however, no more than 2 of the shown required 5-plantings shall be a jumper variety.
- An assortment of other hardy, drought-resistant broad leaf plantings, including eactl, yucca, cholle, agave, century plant, ocotillo and similar plantings are acceptable and encouraged in addition to or instead of the above required plantings.

DECLARATION OF PROTECTIVE COVENANTS 1062 THE BOULDERS @ BOMOMA RANCH SUBDIVISION PAGE 9 OF 22

- No grass shall be used to cover shose areas of the front yard not planted or covered otherwise. In no event is the natural sandy surface to be left exposed and un-landscaped. Examples of materials which can be used to cover the natural sandy surface are: crashed rock, crusher fines, brick, crushed brick, paving stone, and similar materials. A minimum of 6 mrs. black plastic shall be used under any inorganic material in the front and side yards. The landscaping material shall cover the plastic in such quantity that the underlying plastic shall not show through the surface material.
- Any variation in use or placement of materials as prescribed above must first be approved by the Design Review Committee.
- At any time a substantial change, alteration or modification is made to the front yard or side yard of a lot relative to landscaping, the Committee must approve such substantial change, modification or alteration. Excluded shall be the instance where plants, trees, shrubbary or other landscaping materials may die, be destroyed, removed or similarly caused to be reduced in quantity and as such require replanting or replacement according to the same rules an apply to the initial planting requirements set forth above.

FENCING AND WALLS.

Any fence, wall, building or structure placed on the lot shall be in compliance with the set back and zoning requirements of the City of Las Cruces, and shall not impair the drainage function of the ponding areas, as shown on the plat. All perimeter and/or retaining walls and fencer shall be placed on the dividing lines between lots, except that all lots that me immediately adjacent to and bounded by land not in the The Boulders @ Sonoma Ranch Subdivisions shall have walls or fences along said perimeter lines completely within the perimeter lot lines, and mid perimeter wall shall not be party walls. All walls or fences adjoining the golf course property must be built within the perimeter lot line of said lots. Retaining walls shall be party walls if placed on the common property line between two (2) lots, and shall not be removed by either property owner. without the written consent of the other party and the Design Review Committee.

All R-1 zoned lots are required to have perimeter walls or fences constructed. Such required walls must extend along the side lot lines from the rear most point of the dwelling to the rear lot line, and along the rear lot line in its entirety. Other walls and fences are optiones. The party walls shall be a minimum of forty-two (42) inches in height, except where otherwise physically limited to a lower height. Zist party walls shall be no more than six (6) feet in height except remining walls that ere party walls.

All fences, perimeter walls, and retaining walls in view from at least one side, shall be constructed of rock or stone in conformance with what is known as "Las Craces Rock Walls' standards, materials and styles, and shall be of a yellow, reddish or tan color, rather than gray

DECLARATION OF PROTECTIVE COVENANTS OUS THE BOULDERS @ SONOMA RANCH SURDIVISION PAGE 10 OF 22

in color. However, those wells, forming the "return" from the residence, or courtyard and patio wells fied to the residence, may be of the same material used in the residence construction.

- Decorative wrought iron may be used for well accents, gates and such, subject to Design Review Committee approval.
- Tim or other sheet metal, chain link, wire and barbed wire are specifically prohibited, except wire fences may be constructed for dog runs when located within and enclosed by a permitted exterior fance. The fence height for such runs shall be a maximum of one (1) foot taller in height than the exterior feace.
- Perimeter fences shall be six (6) feet in height or less, when measured directly from the highest adjacent ground surface, and may be erected on that portion of a lot situated to the rear of the front wall of the main building except retaining walls which may be higher.
- Pences which are adjacent to the golf course may not pennit direct access by means of gates or openings.

BOATS, TRAILERS, CAMPERS, AND RECREATIONAL VEHICLES.

Boats, campers, other tmilers, recreational and similar vehicles or equipment may not be parked or stored on any lot, street, or common area. Notwithstanding the foregoing, such a vehicle may be temporarily parked on a lot or on the street in front of a lot owner's property solely for the purposes of loading or unloading the vehicle. The vehicle shall remain there for no longer than is reasonably necessary to load or unload but, in no circumstances, more than 24 hours. If a lot owner's guest is driving a recreational vehicle, that recreational vehicle may be parked on the lot owner's property for a period not to exceed three (3) days.

GARBAGE AND TRASH.

No refuse, garbage, trash, collection container, humber, grass, shrub or tree clippings, plant waste, compost, metal, bulk materials, scrap, junk cars, paint cans, oil, flammable objects, concrete tailings, rock wall residue, refuse or debris of any kind shall be kept, stored or allowed to accumulate on any lot except within an enclosed structure or area appropriately acreened from view. Rubbish and garbage must be kept in suitable containers provided by the City of Las Cruces and removed from loss by such in accordance with ordinances, rules and regulations of the City of Las Cruces, and all regulations promulgated thereunder. No rubbish or garbage may be burned or dumped on lots or elsewhere in the subdivisions.

LU: DECLARATION OF PROTECTIVE COVENANTS THE BOULDERS @ SONOMA RANCH SUBDIVISION PAGE 11 OF 22

ANTENNAE, EQUIPMENT, PIPES, UTILITY LINES, AND TRANSMITTERS.

Pipes for water, gas, sewer, drainage, or other purposes, and wires, poles, aerials, antennae, satellite dishes and other facilities for the transmission or reception of audio or visual signals or electricity, and utility means or other utility facilities, such as solar equipment, shall be kept and maintained, to the extent reasonably possible, underground or within an enclosed structure and shall not be visible from the street. Any items that can not meet these requirements shall be subject to the approval of the Design Review Committee. No transmission towers, or microwave equipment shall be erected or placed on the property.

Evaporative or refrigerated air cooler(s), if erected or maintained on the roof of any premises, shall be effectively screened or otherwise hidden from view from any public place or adjoining lot as determined by the Design Review Committee.

10) SIGNS.

No biliboards or advertising signs of any character shall be accound, placed, permitted, or maintained on any scaldental lot or on any building erected thereon, other than one (1) name plate of the occupant of any maidence upon which his or her professional or occupational title may also be added, and provided no such sign or name plate shall exceed a size of one square foot, and no such sign shall be lighted. Provided, however, that permission is granted for the crection and maintenance of not more than one signboard to each lot, during the course of its resale, which signboard shall not exceed forty-eight (48) square feet. Notwithstanding anything herein contained to the contrary, nothing herein shall be construed to prevent the Developer from erecting, placing, or maintaining sign structures and offices as may be determined necessary by the Developer to promote sale and development of lots or properties within the subdivision.

Notwithstanding the foregoing paragraph, until a dwelling has been erected on each lot within The Boulders @ Sonoma Ranch, and each such dwelling sold, the only sign which shall be used to advertise that the property is either for sale or for reat shall be the signed approved by Boulders, with an appropriate place to identify either the lot owner or the broker, in the form shown in Exhibit A attached herato.

FLAGS/FENNANTS

No flags or pennants may be used in the subdivisions on homes or lots without approval of the Design Review Committee.

SITE TRIANGLE AT INTERSECTIONS.

There is required an area of unobstructed vision at street intersections, entrances/exits, which permits a vehicle driver to see approaching vehicles to the right or left. Nothing over three (3) feet in

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