River Heights Association of Homeowners (RAH) Rules and Regulations

Rule # 1 "Non-natural Materials Placed in Arroyos and Erosion Areas"

Voted affirmative by the Members on October 19, 2014

In accordance with the Dona Ana County Code, RAH covenants, Federal Law and our mutual respect for the environment, using foreign or "non-natural" materials such as concrete truck washouts, building materials or anything else that could be labeled as "non-natural" or non-native are forbidden to be used for fill, erosion control, rain-water diversion, brush/weed control, or traffic control in the arroyos, hillsides or roads of River Heights Properties. However, erosion that threatens the stability of any road or structure may be mitigated by the use of "gabions" or natural stone placement. The "gabion" structures elsewhere on River Heights properties have been successful and were created with railroad ties, wire, rock, and sometimes concrete. If this becomes necessary, the structures must be approved in writing in design, size and location by the RAH Board.

Rule #2 "Daily and/or Short Term Rentals"

Voted affirmative by the Members on December 17, 2021

This Rule is designed to clarify and correct any misunderstandings of the RAH "Third Amended Restrictive Covenants" (2014 Covenants). re: the question "Are 'Daily and/or Short Term Rentals,' such as Airbnb, VRBO, etc. allowed in the River Heights area? The purpose of Rule 2 is to protect the privacy, security, property value, desirability, aesthetics and more for the RAH Membership and is based on the 2014 Covenants which were signed by all current Members. Based on the following quotes from the 2014 Covenants, the RAH decision is that "Daily and/or Short Term Rentals" are EXCLUDED (not allowed) in the River Heights area.

Quotes from RAH Third Amended Restrictive Covenants:

- 1. **Page 1, II. USE** "Each Property in this acreage shall be used for a single-family dwelling to be occupied by the owner and the owner's family and guests or by tenants of owner and guests of such tenants......no use whatsoever except....as the site and grounds of a private residence shall be made." Ie: The framers of the 2014 Covenants did not intend the word "tenants" to mean "Daily and/or Short Term Tenants."
- 2. Consistently and frequently, throughout the 2014 Covenants, the terms *private*, *private residence*, *single family residence* are used. There is no intent to include "Daily and/or Short Term Rentals." **Page 1, F. PRIVATE RESIDENCE** is intended to exclude every form of multi-family dwelling, boarding or lodging house, sanatorium, hospital and the like but is not intended to exclude a proper guest house for the entertainment of social guests....."
- **Page 4, XI. BUSINESS.** "Nothing shall be done to defeat the primary intent and requirement that the Property be used for single family residential purposes."
- **Page 5, XV. NUISANCE.** "No noxious or offensive activity shall be carried on upon this land nor shall anything be done thereon which may be or may become an annoyance or nuisance detrimental to the community."
- **PAGE 5, XIX. PRIVATE PROPERTY.** "Nothing contained in these Covenants shall be deemed to be a gift or dedication of any portion of the Property to the general public or for the public use whatsoever, it being the express intention of the Covenants, that they have been recorded for the exclusive benefit of the Owners of the Property...."

THIRD AMENDED RESTRICTIVE COVENANTS

The undersigned owners in fee simple or purchasers under contract of the property which is the subject matter of these Third Amended Restrictive Covenants, for good and valuable consideration hereby make the following Third Amended Restrictive Covenants which are to be applicable and appurtenant to the real estate shown in Easement Map "AA", which description is hereby referred to and made a part hereof the same as if fully set forth herein. Undersigned covenantors are hereinafter referred to as Members.

Members hereby declare that all of the land described in Easement Map "AA", attached hereto, shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in said property, or any part thereof, their heirs, successors and assigns, and shall inure to the mutual benefit of each owner or purchaser thereof.

- I. STATEMENT OF INTENT. These Third Amended Restrictive Covenants hereinafter referred to as Covenants, have been formulated to conserve the natural beauty of the area described. The privacy of the area, unrestricted views, minimal disturbance of the ecosystem of the area, harmony between man-made improvements with existing natural environment are considered essential. The unique topography of the area has been a primary force behind the intent of these Covenants. For this reason, any criteria herein described are subject to River Heights Association of Homeowners Board of Directors approval for any individual Property, said Property to be dealt with on an individual basis.
- TI. USE. Each Property in this acreage shall be used for a single-family dwelling to be occupied by the owner and the owner's family and guests or by tenants of owner and guests of such tenants. No building other than one detached single-family private residence, a private garage for the use of the occupants of such residence and other usual and appropriate accessory buildings strictly incidental and appurtenant to a private residence shall be erected or maintained on each Property and no use whatsoever except in connection with its use and improvement as the site and grounds of a private residence shall be made.

III. DEFINITIONS.

- A. ASSOCIATION, used herein means the River Heights Association of Homeowners (hereafter referred to as RAH), its successors and assigns.
 - B. BOARD, referred to herein means the Board of Directors of RAH.
- C. EASEMENT MAP AA, referred to herein refers to the map maintained and available from RAH as of the date of the recording of these Covenants and signed by the parties hereto. The map shows the location and general configuration of the Properties but is not intended to show any boundary precisely.
- D. MEMBER, referred to herein refers to a member of RAH unless specified otherwise.
- E. OWNER, referred to herein means the most recent owner of record in the Dona Ana County Clerk's Land Records within the real estate shown on Easement Map AA. Owner may be one or more persons or entities and shall include contract sellers but will exclude those having such interest merely as security for the performance of an obligation. Where more than one Property is owned by one person or entity, that person or entity shall be considered a separate Owner for each Property.
- F. PRIVATE RESIDENCE, is intended to exclude every form of multi-family dwelling, boarding or lodging house, sanitarium, hospital and the like but is not intended to exclude a proper guest house for the entertainment of social guests, or quarters for servants or other employees employed on the premises. Such additional buildings shall be compatible with the architectural style and finish of the main house and shall be subject to the approval of the Board.
 - G. PROPERTY, referred to herein means those Properties shown on Easement Map AA

which is presented to Purchasers by Sellers at time of sale.

- H. REGULATIONS, referred to herein means the decisions made by the Board and concurred in by a majority vote of the membership of the Association done in accordance with the By-Laws, Rules, and Regulations and Articles of Incorporation of RAH.
- I. UNIMPROVED PROPERTIES OWNER, Owner of those Properties shown as Unimproved on Easement Map AA.
- IV. DIVISION. The Properties shall not be divided during the lifetime of this Association either by sale, devise or other means. Minor adjustments may be made by the Owners to boundaries but otherwise the Properties will remain intact as shown on Easement Map AA. However, Properties may be combined into larger tracts without affecting voting rights or assessments as specified by these Covenants and the By-Laws of the Association.
- V. MEMBERSHIP. RAH is primarily organized to provide for the maintenance and improvement of the roadway easements herein granted to the Association.
- A. Membership in RAH is mandatory with ownership of each Property shown on Easement Map AA. Each owner will be bound by the Regulations, By-Laws, Articles of Incorporation, these Covenants, and any changes adopted from time to time by a majority of RAH. Membership in the Association shall be appurtenant to and may not be separated from the described land.
- B. Membership in the Association will obligate the members thereof and their respective Property(s) to pay assessments made for roadway maintenance and improvements but may also include any other expenditure deemed appropriate by the Association. All members shall pay full assessments as to each Property owned except the Unimproved Properties Owner shall pay at a rate of 10% of the assessment per Property owned or retained by the Unimproved Properties Owner.
- C. Membership includes one vote per Property except the Unimproved Properties Owner shall have 1 vote total for all Unimproved Properties (as shown on Easement Map AA) held or retained by the Unimproved Properties Owner. Voting rights remain with the current Owner unless specified by the Owner in writing otherwise.
- D. Every Owner has the obligation to fully advise any future purchaser and/or tenant of the Owners Property about the provisions of these Covenants, including the mandatory membership in RHA and applicable assessment obligations as well as the By-Laws, Articles of Incorporation, these Covenants. and Rules and Regulations of RAH.
- VI. ARCHITECTURAL APPROVAL. No building, fence, wall or other structure, (including recreational facilities such as swimming pools and tennis courts) shall be commenced, erected or maintained upon this Property, nor shall any exterior additions to or changes or alterations therein be made, nor excavations or changes be made in the terrain of any kind, until the plans and specifications showing the nature, kind, shape, height, materials and location of same shall have been submitted to and approved in writing by the Board.
- A. In the event any Board member is unable to act in performing his function for any reason or cause, other than temporary absence, then his position is considered vacant and shall be filled by the remaining Board member(s).
- B. The Board will respond within 14 days of the executed receipt for plans, (see VII.D) which receipt is to be signed by the Chairman of the Board. Absolutely no construction or earth moving is to begin prior to written approval by the Board.
- C. Neither the original owner nor the Board, (or its representative), shall incur any liability to anyone who submits plans for approval, or to any owner or owners of property which is subject to these covenants by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval, disapproval or failure to approve any such plans and specifications. Anyone who submits plans for approval, by the act of submitting such plans, and by acquiring title to any of the Property covered hereby, waives his or her claim for any such damages.

- VII. ARCHITECTURAL CRITERIA. In addition, and unless specifically waived in writing by the Board the following rules shall apply:
- A. Architectural styles will blend with and/or utilize the unique topography of the mesa.
- B. Each house shall be specifically designed for the Property being purchased, utilizing the natural contours of the land, while preserving undisturbed as much of the natural vegetation as possible.
- C. House design and plans shall be prepared by an architect, house designer or other person agreed to be qualified by the Board.
- D. Submission to the Board shall include plot plan, building plans, and specifications, location of buildings on the land, four elevations, description of exterior finish, both as to material, color, and approximate starting and finishing dates. Two copies of each of the above are to be submitted, one to be returned to the owner and one to be kept for the records of the Board.
- E. Natural materials such as adobe are preferred, however, other materials suitable to the concept of natural blending into the environment will be considered for approval by the Board.
 - F. Hues for exteriors of houses shall be soft earth tones from light sand to brown.
- G. The natural terrain shall be left as undisturbed as possible with unrestricted natural drainage and the natural vegetation shall be restored as soon as possible upon completion of construction.
- H. All utilities shall be underground except for lower elevation utility poles along or near County road D-13 installed prior to 6-15-80.
- I. No residential structure shall be erected or permitted to remain on any of the described Property having a ground floor area exclusive of open porches and garages of less than 1400 square feet.
- J. No edifice, antenna, tower, shrub or tree will pierce a horizontal plane originating thirteen feet above the highest elevation of the natural contour of each individual Property. i.e.: buildings, trees and all of the above will not be allowed to exceed the height of a standard one story house above the highest elevation of the Property on which built or planted unless specifically approved in writing that such height will not impede the view of other Properties or detract from the harmony of the area.
- K. Air conditioners and other such equipment shall be in unobtrusive side locations and shall not project above the roof line of the house. Alternatively, screening of such equipment shall be compatible with the architecture of the house.
- L. Roofs which are subject to view from other Properties will require finishing with materials and applications so as to harmonize with the overall architecture of the house as a 5th elevation and shall so be treated as such by the Board.
- M. Vegetation exotic to the mesa, (not otherwise found growing except with human assistance) shall not be planted beyond the walls of the residence unless contained within walled yards approved by the Board or receiving specific written approval of the Board.
- N. Due consideration to existing construction and/or adjacent building sites shall be given in locating improvements on any Property, especially in regard to view and access.
- O. No building or projection thereof, shall be located nearer to any Property line than 10 feet.
- P. Construction is to be by a currently licensed contractor or other qualified person as agreed by the Board who shall give assurances to the Board as to the following:
 - 1. quality construction
 - 2. aesthetics
 - 3. technical ability to complete construction
 - 4. financial ability to complete construction
- Q. Any member of the Board shall be disqualified from voting when his/her own house is being reviewed.

- R. A properly executed building permit from Dona Ana County or other governmental regulatory agency having jurisdiction will be required prior to commencement of construction.
- VIII. COMPLETION OF CONSTRUCTION. One year shall be the limit set for the completion of exterior finish of any house or other structure unless specifically waived or enlarged in writing by the Board. Any residence or other building on the Properties, the construction of which has been started, shall be completed without delay, except when such delay is caused by acts of God, strikes, inability of owner to procure delivery of necessary materials, or by interference by other persons or forces beyond the control of owner to prevent completion. Financial inability of the owner or his contractor to secure labor or materials, discharge liens or attachments shall not be deemed a cause beyond the control of the owner.

In the event substantive or meaningful construction of any building ceases for a period of 120 days where such interruption is not excused shall be deemed to be a nuisance and RAH shall have the right to enter upon said premises and remove same or carry such construction to completion and the expense or removal or completion shall become a lien upon the land and improvements upon which such construction is located and which lien may be foreclosed either as a mechanic's lien and/ or a mortgage made on said Property.

- IX. VEHICLES. Non-operable, derelict, or abandoned vehicles and conveyances shall be deemed unsightly nuisances and shall not be permitted to remain on the described Property and may be removed, at owner's expense. Powered vehicles configured and/or muffled for off-the-road use shall not be used on this Property except for passage to or from residences over the roadways if such passage is in the opinion of the Board, not specifically degrading to the environment. Garages and/or other suitable enclosures will be provided by the owner for all vehicles, trailers, boats, camper trailers, pickup campers or other major equipment of similar nature used in hobbies or recreation, which shall be stored, maintained and kept concealed from the view from adjacent Properties in a manner not offensive to the neighborhood. All storage facilities shall be subject to the approval of the Board. A camper trailer is herein defined as a mobile camping trailer having an overall length of not to exceed 30 feet. Camper trailers shall not be used as rental units while stored on the Properties nor shall they be connected to sewer or water connections on the Property, nor shall they be used as a storeroom nor made immobile in any way.
- **X. ANIMALS.** No animals, livestock or poultry of any kind shall be raised, bred or kept on this land, except that dogs, cats or other usual household pets may be kept, provided they are not kept bred or maintained for any commercial purpose. Such household pets should be maintained on the premises of the owner in such a way as to not be a nuisance to the neighbors. These household pets and horses are permitted on the roadways and on the Properties of consenting owners during the hours of 6 a. m. to 8 p. m. but no horses are to be stabled on the Properties. Any of the above may be waived only in writing by the Board.
- XI. BUSINESS. No open or general commercial business of any kind shall be conducted upon this land nor shall general consumer products in large quantities be stored or delivered or manufactured in the structures erected upon the land. This restriction is not intended to prohibit any owner from using a portion of his home for a studio, office, for drafting, design, or other quiet use not detrimental to the aesthetic life quality of the community. The Board will have final authority in determining what is permissible in-house business activity, provided that nothing shall be done to defeat the primary intent and requirement that the Property be used for single family residential purposes.
- XII. SIGNS. No sign of any kind shall be displayed to the public view on any Property except one professional sign of no more than one foot square which is compatible with the architecture of the house. One sign of not more than five square feet advertising the Property for sale or rent, or signs used by a builder to advertise the Property during construction and/or sales period will be permitted but such signs shall be removed when the home is sold and occupied.

- XIII. OIL, MINING AND GEOTHERMAL. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any part of this land. No derrick or other structure designed for use for boring for oil or natural gas shall be erected, maintained or permitted upon any part of this land: Any geothermal drilling shall be for private owner's use only with no commercial application. Board approval will be required before such geothermal drilling takes place, however.
- **XIV. TEMPORARY DWELLING.** No trailer, basement, tent, shack, garage, barn, army barracks or other building shall be used as a temporary or permanent residence, nor shall any previously existing residence or other structure be moved onto or reassembled on the above described land from some other location.
- XV. NUISANCE. No noxious or offensive activity shall be carried on upon this land nor shall anything be done thereon which may be or may become an annoyance or nuisance detrimental to the community.
- XVI. EASEMENTS-UTILITIES. Easements for roadways, installation and maintenance of utilities and drainage facilities are reserved as shown on Easement Map AA which is filed with RAH and signed by the parties hereto. Minor easement adjustments may be made by RAH. Specific general easement and right of entry and exit to or from any of the Properties is hereby granted to any and all individuals, corporations or governmental agencies whose responsibility is the preservation or maintenance of health, safety and welfare of persons and/or property in an emergency situation. The above easement shall also include the right of entry of necessary vehicles and equipment used in the performance of their duties. This easement shall not extend the use of the easement to any individual, corporation or governmental agency to pass through or as an on-going access to another activity or land even though the activity may be classed in the public interest.
- **XVII. EASEMENTS-ROAD.** Each Owner shall have a right and easement of enjoyment in and to the roadways which shall be appurtenant to and shall pass with the title to each Property subject to the provisions of the Association By-Laws, Articles of Incorporation and Rules and Regulations.
- **XVIII. LIENS.** The non-payment of assessments may result in a lien against the Property involved but the lien of the assessments provided for herein shall be subordinate to the lien of any recorded first mortgage. Sale or transfer of any Property shall not affect the assessment lien. However, the sale of any Property shall be announced in writing to the Board 30 days in advance of closing the sale. Transfer of any Property pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Property from liability for any assessments thereafter becoming due or from the lien thereof.
- XIX. PRIVATE PROPERTY. Nothing contained in these Covenants shall be deemed to be a gift or dedication of any portion of the Property to the general public or for the public use whatsoever, it being the express intention of the Covenants, that they have been recorded for the exclusive benefit of the Owners of the Property herein described, and no other person other than the Owner of the Property shall have any right or remedies under or by reason of these Covenants.
- XX. TERMS OF RESTRICTIONS. These Covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of 20 years from the date these Covenants are recorded after which time said Covenants shall be automatically extended for successive periods of 10 years.
- XXI. CHANGES. These Covenants may be changed during the initial 20 year period

by an instrument signed by not less than 75% of the voters as designated in Section 5C of these Covenants and thereafter by an instrument signed by not less than 60% of the voters as defined in Subsection V.C of these Covenants.

EXECUTE: The measures and provisions of these Covenants are declared to be severable, and the holding invalid of any one measure or provision shall not affect the validity of any other measure or provision contained herein.

EXECUTE: PURPOSE. The various restrictive measures and provisions of these Covenants are declared to constitute mutual equitable Covenants and servitude for the protection and benefit of each Property in this acreage and failure by the Members or the person or persons entitled so to do, in enforcing any measure or provision upon violation thereof, shall not stop or prevent enforcement thereafter or be deemed a waiver of the right of enforcement.

ENFORCEMENT OF RESTRICTIONS. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any Covenant either to restrain violation or to recover damages. Any individual owner or group of owners may enforce these Covenants.

XXV. PREVIOUS COVENANTS. These Covenants supercede previous covenants filed:

- A. December 20, 1976, in Miscellaneous Records of Dona Ana County, Re: #10285 in Book 118 at pages 137-146
- B. Amended Restrictive Covenants filed July 22, 1980 in Miscellaneous Records of Dona Ana County, Re: #73181 in Book 144 at pages 685-693
- C. Second Amended Restrictive Covenants filed May 18, 1983 in Miscellaneous Records of Dona Ana County, Re: #5241 in Book 171 at pages 191-197

and take precedence over any Association Minutes, Rules and Regulations or By-Laws prior to the date of recording of these Covenants where applicable.

IN WITNESS WHEREOF, we hereby sign, execute and declare these Covenants as of this day of New 2014.

Alisa Crichton

Sharon Price

Jenny Minter

Carole Mathis

Carole 7//al

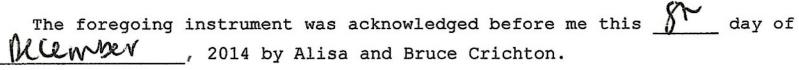
Bruce Crichton

ayton Kuehn

Goodpasture

Neil Mathis

Fatima Ray Allison Smith Jeff Smith	Jimmy Ray J. July Greg Smith Joan Smith Unimproved Properties Owner
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Notary Public

Notary Public



The foregoing instrument was acknowld Document, 2014 by Jenny Minter	•
	Notary Public
	OFFICIAL SEAL LISA CRESPIN NOTARY PUBLIC STATE OF NEW MEXICO My Commission Expires
The foregoing instrument was acknowl 2014 by Carole and N	
OFFICIAL SEAL JENNIFER AL MINITER NOTARY PUBLIC - STATE OF NEW NEXTCO My commission expires: 11-29.15	Notary Public
The foregoing instrument was acknowl Mccwww , 2014 by Fatima and J	
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Notary Public

OFFICIAL SEAL JENNIFER M. MINTER NOTARY PUBLIC-STATE OF NEW MEXICO

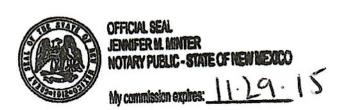
My commission expires: 11-29-15

The foregoing instrument was acknowledged before me this _____ day of _______, 2014 by Alison and Greg Smith.



Notary Public

The foregoing instrument was acknowledged before me this 8 day of DECINOU , 2014 by Jeff Smith.



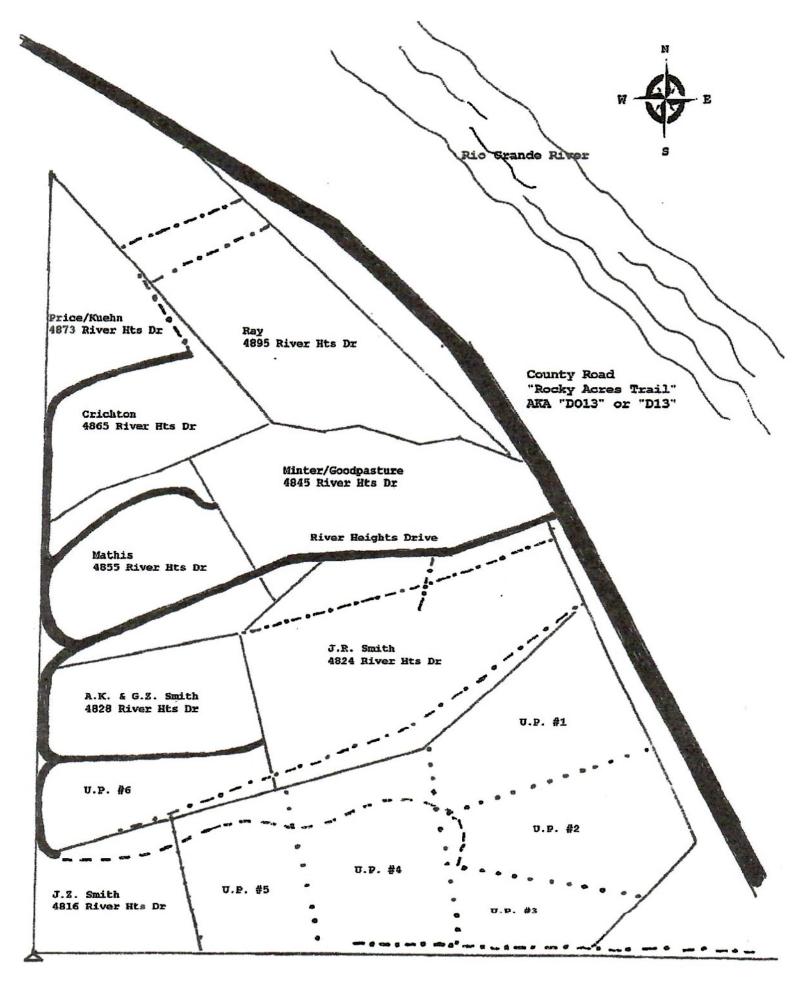
Notary Public

The foregoing instrument was acknowledged before me this _____ day of _______ (2014 by Joan Smith.



Notary Public

EASEMENT MAP AA



SW Corner, NE $^{1}/_{4}$, Township 225, Range 1 East, NMPM

U.P. Unimproved Property

Legend

County Road, AKA Rocky Acres Trail, DO 13. or D13

River Heights Drive is existing paved roadway eased to River Heights Association of Homeowners (AKA "RAH") which includes utility ensements along side of or under this roadway.

Approximate Property Boundaries

Possible Future Roadway

"U.P." or Unimproved Properties

Utility Easements without Roadways

Note - This Easement Map AA is an approximation only, to show general sizes and relationships of Properties, to show roadway and utility easements to River Heights Association of Homeowners. It does not show exact measurements or configurations of Properties. Boundary corrections may be made from time to time and it is possible that Properties can be consolidated into larger pieces than shown. The legal descriptions on the individual documents of conveyance (deeds) shall be considered conclusive as to boundaries.



COUNTY OF DONA ANA STATE OF NEW MEXICO

) ss

COVENANTS PAGES: 11

I Hereby Certify That This Instrument Was Filed for Record On DEC 16, 2014 02:08:50 PM And Was Duly Recorded as Instrument # 1425650 Of The Records Of Dona Ana County



Witness My Hand And Seal Of Office, Lynn J. Ellins, County Clerk, Dona Ana, NM

Deputy

Reena Rodriguez

RIVER HEIGHTS ASSOCIATION OF HOMEOWNERS SECOND RESTATED BY-LAWS

I. DEFINITIONS.

- A. ASSOCIATION, referred to herein, means the RIVER HEIGHTS ASSOCIATION OF HOMEOWNERS.
- B. BOARD, referred to herein, means the Board of Directors of the River Heights Association of Homeowners.
- C. CPI, referred to herein means the "consumer price index" or the "revised Consumer Price Index-Cities 1967=100", being that same index published by the U.S. Bureau of Labor Statistics, United States Department of Labor. The index number located in the column for the City of Albuquerque, New Mexico, entitled "All Items" for the month of September of the years in question, shall be the base index number.
- D. DIRECTOR(S), referred to herein, means Director(s) of the Board of Directors of the River Heights Association of Homeowners.
- E. EASEMENT MAP, referred to herein, means the map attached as Appendix "AA" which shows common roadway and utility easements to the Association. Boundary lines for Properties are not binding in any way but are drawn to show maximum number of potential home sites, their approximate respective locations and sizes.
- F. MEMBER, referred to herein, means the owner of a Property. Members are bound to observe the By-Laws, Rules and Regulations and decisions of the Association.
- 1. Upon purchase of a Property the new owner automatically becomes a Member of the River-Heights Association of Homeowners.

A Member may be one or more persons or entities.

3. Member includes contract purchasers but excludes those having such interest merely as security for performance of an obligation.

- 4. Where more than one Property is owned by one person, persons or entity, separate Memberships will result for each Property unless the Properties have been combined to form a single Property and that Unimproved Properties (see attached Easement Map AA and definition below) shall have one membership for the entire group of Properties.
- 5. In the event Properties are combined entirely or in part to form a single Property, one Membership shall result, i.e.: one vote etc. Any remaining Properties shall be at least one acre or will comply with current Dona Ana County (NM) law, whichever is the greater acreage.
- 6. Member does not include local, state, national, or international governments.
- 7. Regardless of the number of co-owners of a single Property, only one (1) vote shall accrue to that Property.
- G. PROPERTY, referred to herein, means those individually deeded lands as shown on the attached Easement Map AA which is presented to Purchaser by Seller at time of sale. i.e.: Said lands are located in Lot 7, part of Lots 4 and 6, Section 20, Township 22S, Range 1 E, County of Dona Ana, State of New Mexico.
 - H. PURCHASER, referred to herein, means the buyer of a Property.
 - I. RAH, referred to herein, means River Heights Association of Homeowners.
- J. RULES AND REGULATIONS, referred to herein, means those decisions made by the Board and concurred in by a majority of the Membership, done in accordance with the By-Laws and Articles of Incorporation of the River-Heights Association of Homeowners.
 - K. SELLER, referred to herein, means the seller of a Property.
- L. SHAREHOLDER SUCCESSOR(S) River Heights Corporation was dissolved as a Corporation in November, 1988 and all of its right, title and interest was deeded to its shareholders (as part of its dissolution) who will be referred to hereinafter as "Shareholder Successors(s)". Henceforth, Shareholder Successor will be referred to as Unimproved Properties Owner.
- ${\tt M.}$ UNIMPROVED PROPERTIES, previously named Shareholder Successor Properties (see Easement Map AA).
- II. REGISTERED OFFICE. The registered office shall be at 4824 River Heights Drive, Las Cruces, NM 88007 until changed in writing with the State Corporation Commission. The mailing address is PO Box 786, Dona Ana, NM 88032.

III. MEETING OF MEMBERS.

- A. Annual Meetings. Annual meetings of Members for the election of Directors, for the reading and signing of the By-Laws, Covenants and Easement Map and for such other business as may be stated in the notice of the meeting, shall be held at such place, within the State of New Mexico and at such time and date as the Board, by resolution sets forth in the notice of the meeting. In the event the Board fails to so determine the time, date and place of the meeting, the annual meeting of Members shall be held at the registered office of the Association in New Mexico on the first day of October at 1:00 PM. If the date of the annual meeting shall fall upon a Sunday or legal holiday, the meeting may be held on the next succeeding business day. At each annual meeting, the Members entitled to vote shall elect a Board of Directors to take office the first day of January of the following year.
- B. Other Meetings. Meetings of Members for any purpose other than the election of Directors may be held at such time and place, within the State of New Mexico, as shall be stated in the notice of the meeting.
- C. <u>Special Meetings</u>. Special meetings of the Members for any purpose unless otherwise prescribed by statute or by the Articles of Incorporation, or the Covenants, may be called by the President; and shall be called by the President or Secretary at the request in writing of a majority of the Directors or Members entitled to vote. Such a request shall state the purpose of the proposed meeting.
- D. <u>Notice of Meeting</u>. Written notice, stating the place, date and time of the meeting, and the general nature of the business to be considered, shall be given to each Member entitled to vote thereat at the Member's address as it appears on the records of the Association, not less than 15 nor more than 30 days before the date of the meeting. However, these requirements may be waived if the Members eligible to vote at a given meeting sign a waiver of the above meeting requirements. Email may be utilized with written consent by the Member.
- E. Notice and Waiver of Notice. Whenever any notice is required by these By-Laws to be given, personal notice is not meant unless expressly stated, and any notice so required shall be deemed to be sufficient if given by email or depositing the same in the United Sates mail, postage prepaid, addressed to the person entitled to receive notice of any meetings except as otherwise provided by statute. Whenever any notice is required to be given under the provisions of any law, or under the provisions of the Articles of Incorporation of the Association or these By-Laws, a waiver thereof in writing signed by the person(s) entitled to said notice, whether before or after the time stated therein, shall be deemed proper notice.
- F. Quorum. Except as otherwise required by law, by the Articles of Incorporation, the Covenants, or by these By-Laws, the presence, in person or by proxy, of Members holding a majority of the votes shall constitute a quorum. A majority of votes present in person or by proxy shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until the requisite Membership shall be present. At any such adjourned meeting any business may be transacted which might have been transacted at the originally noticed meeting. Only those entitled to vote at the original meeting shall be entitled to vote at the adjourned meeting.
- G. Membership Lists. The Secretary shall, at least ten (10) days before each Members' meeting, prepare a complete alphabetically addressed list of Members entitled to vote at the next meeting. This list shall be open to the examination of any Member for any purpose germane to the meeting, upon request, for a period of at least ten (10) days prior to the meeting. The Secretary will keep the list available at his home prior to the meeting and will be responsible for having the list available for inspection at the meeting. If the list will be at a different location from the Secretary's residence, this change will be noticed with the meeting notice.
- H. <u>Voting</u>. Each Member entitled to vote in accordance with the terms and provisions of the Articles of Incorporation, the Covenants, or these By-Laws, shall be entitled to vote in person or by proxy, but, no proxy shall be voted after three (3) years from its date unless such proxy provides for a longer period. Upon the request of any Member, the vote for Directors and upon any question before the meeting shall be by ballot. All elections for Directors shall be decided by majority vote except as otherwise provided by the Articles of Incorporation, the Covenants, or the laws of the State of New Mexico. Each Member will be entitled to one (1) vote per Property and the Unimproved Properties Owner will have one (1) vote for the entire Unimproved Property group (see Easement Map AA).

When a contract sale involves a deed held in escrow, Purchaser shall have

the right to cast his Association vote provided his financial obligations to the Seller and the Association are current, otherwise, the voting right to the Property shall be null and void until such time as the deficiencies are corrected. Absent notice from a Seller to the Association of a default by a Purchaser, or absent default in payment of Association assessments, the Purchaser shall have the right to vote the Property in any election or Association matter and such vote will be final. If the Seller corrects the default to the Association, rights of Membership will revert to Seller.

- I. Business Transacted. No amendments of By-Laws, amendments to the Articles of Incorporation or increases in assessments shall be voted at any meeting unless previously noticed to the Membership in writing no more than 30 days or less than 15 days before the date of the meeting.
- J. Action Without Meeting. Except as otherwise provided by the Articles of Incorporation and the Covenants, whenever the vote of Members at a meeting is required in connection with any Association action by any provisions of the statutes or Articles of Incorporation and Covenants, or of these By-Laws, Members who would have been entitled to vote upon the action, if such a meeting were held, shall consent in writing to such Association action being taken. Sixty (60) % of the entitled votes shall be required to pass any such action.
- K. Emergency Action. Emergency Action may be taken by the President or the Chairman of the Board without meeting if it is required to safeguard the welfare of the area. A phone canvas of all Members entitled to vote to obtain a majority vote is required, if possible. The Secretary will prepare a written summary of such action and this summary will be included in the minutes of the next meeting.

IV. DIRECTORS.

- A. <u>Duties.</u> The Board of Directors shall be responsible for setting policy for the Association. The Board of Directors may employ any personnel deemed necessary to carry on the business of the Association and may delegate responsibilities to individual Members subject to the Board's supervision. The Board will coordinate all activities with the appropriate officers and/or committee members as needed. The Board of Directors shall elect the Officers of the Association as provided herein.
- B. <u>Number and Term</u>. The number of Directors shall be a minimum of three (3). The Directors shall be elected by the Members at the annual meeting of Members and each Director shall be elected to serve until his successor shall be elected and take office.
- C. <u>Resignations</u>. Any Director, member of a committee or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, and if no time be specified, at the time of its receipt by the Secretary. The acceptance of a resignation shall not be necessary to make it effective.
 - D. Qualifications. Any member may be a Director.
- E. Vacancies. If the office of any Director, member of a committee or other office becomes vacant, the remaining Directors in office, though less than a quorum by a majority vote, may appoint any qualified person to fill such vacancy, who shall hold office for the unexpired term or until his replacement shall be duly chosen.
- F. Removal. Any Director or Directors may be removed either for or without cause at any time by the affirmative vote of the Membership entitled to vote, at a special meeting of the Members called for that purpose. The vacancies created may be filled, at the meeting held for the purpose of removal, by the affirmative vote of a majority of Members currently entitled to vote.
- G. <u>Compensation</u>. Directors shall not receive any stated salary for their services as Directors or as members of committees. Nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity as an officer, agent or otherwise.
- H. Waiver of Liability (contractors). When contracting with persons or companies for work, improvements or services within the jurisdiction of the Association of Homeowners, the Directors shall require a properly prepared and signed statement from the contractor stating that the business has liability insurance and workman's compensation, if applicable, and/or that the business indemnify and hold the Association and its Directors and officers harmless in

filed with the minutes of the Board or committee.

V. OFFICERS.

- A. General. The officers of the Association shall consist of a President, a Treasurer and a Secretary and shall be elected by the Board and shall hold office until their replacements are elected and take office. In addition, the Board may elect a Chairman, one or more Vice-Presidents and such Assistant Secretaries and Assistant Treasurers as it may deem proper. None of the officers of the Association need to be Directors. The officers shall be elected at the first meeting of the newly elected Board after each annual meeting. More than two (2) offices may be held by the same person except that the President and Secretary must be different people.
- B. Other Officers and Agents. The Board may appoint such officers and agents as it may deem advisable, who shall hold their offices for such terms and shall exercise such power and perform such duties as shall be determined from time to time by the Board.
- C. Chairman. The Chairman of the Board, if one be elected, shall preside at all meetings of the Board and he/she shall have and perform such other duties as from time to time may be assigned to him/her by the Board.
- D. <u>President</u>. The President shall be the chief executive officer of the Association and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation. He/She shall preside at all meetings of the Members if present thereat, and in the absence or no-election of the Chairman of the Board, at all meetings of the Board and shall have general supervision, direction and control of the Association. The President shall not execute any agreement, undertaking or incur any obligation on behalf of the Association unless authorized to do so by the majority vote of the Association's Directors.
- E. <u>Vice President</u>. Each Vice President shall serve at the pleasure of the Board and will perform such duties as delegated by the President or the Board.
- F. <u>Treasurer</u>. The Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate account of receipts and disbursements in books belonging to the Association. He/She shall deposit all moneys and other valuables in the name and to the credit of the Association in such depositories as may be designated by the Board.

The Treasurer shall disburse the funds of the Association as may be ordered by the President, taking proper vouchers for such disbursements. He/She shall render to the President and the Board at the regular meetings of the Board, or whenever they may request it, an account of all of his/her transactions as Treasurer and of the financial condition of the Association. If required by the Board of Directors, the Association will arrange to have the Treasurer bonded at Association expense for the faithful discharge of his/her duties, in such amount and with such surety as the Board shall prescribe.

- G. <u>Secretary</u>. The Secretary shall give, or cause to be given, notice of all meetings of Members and Directors and all other notices required by law, the Covenants, or by these By-Laws and in case of absence or refusal or neglect to do so, any notice may be given by any person thereunto directed by the President, or by the Directors, or Members, upon whose requisition the meeting is called as provided in these by-Laws. He/She shall record all the proceedings of the meetings of the Association and of Directors in a book to be kept for that purpose, and shall affix the seal to all instruments requiring it, when authorized by the Directors or the President, and attest the same. It will be the responsibility of the Secretary to keep the Membership List current.
- H. Assistant Treasurers and Assistant Secretaries. Assistant Treasurers and Assistant Secretaries, if any shall be elected and shall have such powers and shall perform such duties as shall be assigned to them respectively, by the Directors.

VI. ADMINISTRATION,

A. <u>Voting Eligibility</u>. Every Member shall be entitled to one vote in all meetings of Members providing that:

1. Local, State, National or International governments or agencies shall not be Members of the Association and shall have no vote.

2. The Properties shall be as shown on the attached Easement Map AA which shows the maximum number of Properties, general locations and configurations but not exact boundaries. Properties may not be divided during the lifetime of this Association, other than for the purpose of combining with other

existing Properties (see above Section I.F.6).

3. Ownership of Properties for the purpose of Membership shall be determined from the books of the Association. Where a Purchaser is purchasing by deed in escrow or other similar transaction, Purchaser shall have the right to cast his Association vote provided his financial obligations to the Association and Seller are current. If the Seller does not notify the Association in writing of a default by a Purchaser, the Association will assume the Purchaser to be current in his/her financial obligations to the Seller. In the event the assessments due to the Association are in arrears, there will be no voting rights for the delinquent property until the default is corrected. If the Seller corrects the default, the voting rights will pertain to the Seller.

4. Where more than one Property is owned by one person or entity, that person or entity will be considered to be a separate Member (voter) for each

Property.

5. Regardless of the number of co-owners of a single Property, only one (1) vote shall accrue to that Property.

6. If part or all of several Properties are combined into one (1) Property there will be only one (1) Membership for that Property.

7. In the event of dispute as to voting rights, the decision of the Board

shall be final and binding on all parties.

- 8. The Unimproved Properties Member shall have one (1) vote for the entire Unimproved Properties in all matters affecting the Association.
- B. Record Date. In order that the Association may determine the Members entitled to notice of or to vote at any meeting or any adjournment thereof, or to express consent to Association action in writing without a meeting, or entitled to receive payment of any distribution or allotment of any right, or entitled to exercise any rights in respect of any change, or for the purpose of any other lawful action, the Board may fix, in advance, a record date, which shall not be more than sixty (60) nor less than fifteen (15) days before the day of such meeting, nor more than sixty (60) days prior to any other action. A determination of the Members of record entitled to notice of or to vote at a meeting of Members shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for the adjourned meeting.
- C. <u>Seal.</u> The Association may, at its option, have a seal. The Association seal shall be circular in form and shall contain the name of the Association, the year of its creation and the words "Corporate Seal". Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or impressed or otherwise reproduced.
- D. <u>Fiscal Year</u>. The fiscal year of the Association shall be January 1 through December 31 unless otherwise determined by resolution of the Board.
- E. <u>Checks</u>. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by an officer or officers, agent or agents of the Association, and in such manner as shall be determined from time to time by resolution of the Board.

VII. ASSESSMENTS.

- A. <u>Purpose</u>. Every Owner shall have a right and easement of enjoyment in and to the common roadways which shall be appurtenant to and shall pass with the titles to this land subject to the following assessment provisions. The assessments levied by the Association shall be used exclusively to promote the health, safety, welfare and convenience of the Members and their Properties. The assessments are primarily for maintenance and improvement of the Association roads.
- B. Creation of Lien and Personal Obligation. Each owner of a Property shown on the Easement map by acceptance of a deed therefore, whether or not it shall be so expressed in such a deed, is legally bound and agrees to Membership in River Heights Association of Homeowners and agrees to pay annual assessments or charges for operations and maintenance and special assessments for capital improvements. These assessments are to be established and collected as hereinafter provided. The operations and/or special assessments, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the

owner of such Property at the time when the assessment fell due.

- C. Nonpayment Remedies. Any assessment not paid within fifteen (15) days after the due date, January 31 of any given year, shall start and continue to bear interest at the rate of fifteen percent (15%) per annum until the delinquency is corrected. The Association may bring an action at law against the Member personally obligated to pay the same, or bring suit to foreclosure as provided by law. No Member may waive or otherwise escape liability for the assessments and fines provided for herein by non-use of the roads or abandonment of his/her Property. As common procedure, the mortgagee will be advised of the impending lien. Failure to pay any assessment creates a lien against the Property of the non-paying Member.
- D. Capital Roads Assessments/Accounts. These are Special Assessments (contributions to capital as defined by IRS in Publication 588). The Capital Roads Account will be kept in a special bank account separate from the Operations and Maintenance Account with no commingling of the two.

The Capital Roads account is primarily for improvements relating to roads such as surfacing materials and drainage construction. However, this may include such things as retaining walls, mailboxes, gates, signs, or planting screening foliage or for emergency drainage replacement or surfacing. When the road attains a quality level acceptable to a majority of entitled votes, this special assessment may be reduced or terminated. At each annual meeting the Members will vote their recommendation for the amount and goals for the Capital Account for the next year.

- E. Operations and Maintenance Assessments/Accounts. This assessment provides for basic membership in the Association, operations expenses, and road maintenance (such as grading the road or drainage maintenance). The Operations and Maintenance Account will be kept in a separate bank account from Capital Roads with no commingling.
- F. Additional Assessments. In addition to the assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the roads, including fixtures and personal property related thereto, provided that any such assessment shall have assent of sixty percent (60%) of the entitled votes, in person or by proxy, at a meeting duly called for this purpose. Special assessments will not be commingled with operating assessments.
- G. Meetings to Add or Raise Assessments. Written notice of any meeting called for the purpose of taking any action authorized to increase or add assessments shall be sent to all Members not less than fifteen (15) days nor more than thirty (30) days of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all votes of Membership for the Association shall constitute a quorum. If all Members of the Association execute a written waiver of the notice, the Association may take any action deemed appropriate by the Association.
- H. Rate. Both annual and special assessments must be fixed at a uniform rate for all Properties, i.e. one Membership = one assessment, with the following exception: each Unimproved Property is assessed 10% individually, the cumulative amount to be paid by the Unimproved Properties Owner (e.g. if there are six Unimproved Properties the assessment will be 10% for each of the six).
- I. Maximum. The Board will fix the annual assessment. The Board may not increase the assessment more than the increase in the CPI in the immediate past year unless approved by a vote of sixty percent (60%) of the Members who are voting in person or by proxy, at a meeting duly called for this purpose, i.e., The CPI will determine the maximum rate of increase in assessments for one (1) year. CPI issued in September of one (1) year compared to the CPI issued the previous September will establish the allowable rate.
- J. <u>Certificate</u>. The Association shall furnish a certificate signed by the Treasurer of the Association setting forth whether the assessments on a specified Property have been paid. A properly executed certificate of the Association as to the status of assessments of a Property is binding upon the Association as to its information at the date of issuance. An assessment is considered delinquent when not paid in accordance with these By-Laws.
- K. <u>Assessment Dates</u>. At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall fix the amount of the annual assessment by referring to the CPI for September for that year and with consideration for the recommendation from

the Membership, e.g., written notice for 2015 assessments will be sent to Members of record by December 1,2014.

VIII. SALE OF PROPERTIES.

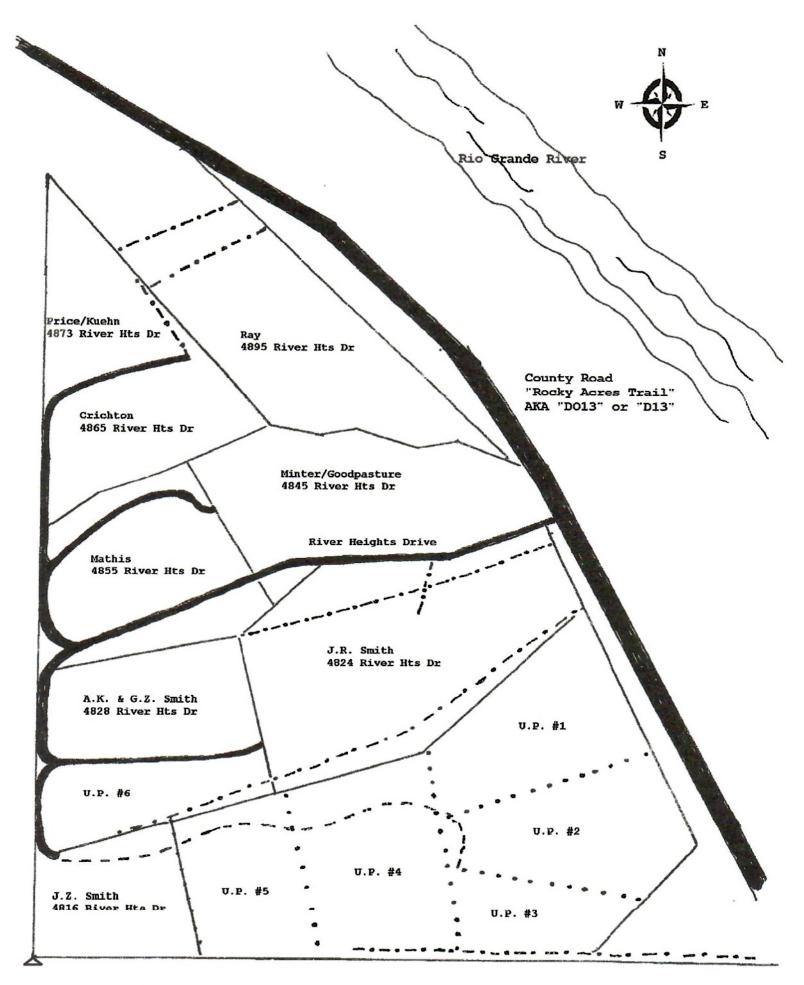
- A. Members shall advise the Board in writing of any sale of their Property prior to closing.
- B. Every Member has the obligation to fully advise any future Purchaser or Tenant of the covenants and By-Laws and Rules and Regulations (including Membership and assessments of the River Heights Association of Homeowners).
- IX. INTERPRETATIONS. Interpretations of the By-Laws and Rules and Regulations shall be the responsibility of the Board of Directors. Any Member may, in writing, solicit an interpretation of the By-Laws or Rules and Regulations from the Board of Directors. Any such interpretation rendered by the Board shall be final and binding on all parties thereto.
- X. RULES AND REGULATIONS. Rules and Regulations for conduct of authorized business of the River-Heights Association of Homeowners may be proposed by the President and the Board of Directors at any regular or special meeting of the Membership and may be adopted, tabled or rejected by a majority vote of a quorum present at such meeting. Any new Rules and Regulations, changes or repeals may be submitted by a qualified Member of the Association, provided such rule, regulation, change or repeal request shall be made in writing to the President at least fifteen (15) days prior to a regular or special meeting. Such properly submitted request shall then be placed upon the agenda of the next regular or special meeting to be acted upon by a majority of the Membership.
- **XI.** AMENDMENTS. Any definition or provision of the Restrictive Covenants or definitions in these By-Laws cannot be changed or amended without compliance with the Rules, Regulations and laws governing amendment of Restrictive Covenants. These By-Laws may be altered and repealed and By-Laws may be made at any meeting of the Members. Any changes in the By-Laws are to be sponsored by the Board and noticed in writing to the Membership at least fifteen (15) and not more than thirty (30) days before such meeting.
- XII. PREVIOUS BY-LAWS. These By-Laws supercede previous By-Laws, Rules and Regulations and Minutes of meetings.
- **XIII.** These By-Laws are binding on present Property owners, their assign(s), devisee(s) or successors in interest.

See Easement Map AA which is attached hereto and made a part hereof by reference.

EXECUTED ON THE _ DAY OF DECEN	NOW OF 2014
Richard	Brichfon
Alisa Crichton	Bruce Crichton
MOUNT Arice Sharon Price	Clayton Kuehn
Jenny Minter	Lew Goodpasture
Carole Wathis	Neil Mathis
Falima Ray	Jimmy Ray

Joan Smith Unimproved Properties Owner

EASEMENT MAP AA



SW Corner, NE 1/4, Township 225, Range 1 East, NMPM

U.P. Unimproved Property

Legend

County Road, AKA Rocky Acres Trail, DO 13, or D13

River Heights Drive is existing paved roadway eased to River Heights Association of Homeowners (AKA "RAH") which includes utility easements along side of or under this roadway.

Approximate Property Boundaries

Possible Future Roadway

"U.P." or Unimproved Properties

Utility Easements without Roadways

Note - This Easement Map AA is an approximation only, to show general sizes and relationships of Properties, to show roadway and utility easements to River Heights Association of Homeowners. It does not show exact measurements or configurations of Properties. Boundary corrections may be made from time to time and it is possible that Properties can be consolidated into larger pieces than shown. The legal descriptions on the individual documents of conveyance (deeds) shall be considered conclusive as to boundaries.

EXECUTED ON THE 8 DAY OF DUCK	NOW OF 2014
Alisa Crichton	Bruce Crichton
Flavor & Price Sharon Price	Clayton Kuehn
Jenny Minter	Lew Goodpastare
Carole Mathis	Neil Mathis
Fatima Ray Allison Smith	Jimmy Ray Gree Smith
Jeff Smith	Joan Smith

Unimproved Properties Owner