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State Corporation Commission

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JUNE 9, 1994

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RE: STARLIGHT CONDOMINIUM ASSOCIATION
SCC#1116516

THIS COMMISSION APPROVED AND FILED THE AMENDED BYLAWS ON JUNE 7, 1994 (REFERENCE #3092996) FOR THE ABOVE CAPTIONED CORPORATION; SUBSEQUENT AMENDED/REVISED/RESTATED BYLAWS MUST BE FILED IN THIS OFFICE BEFORE THEY ARE EFFECTIVE AS REQUIRED BY LAW. FILING FEE OF \$10.00 MUST ACCOMPANY EACH DOCUMENT AND SAID DOCUMENT MUST BE SIGNED BY THE CHIEF OFFICER AND SECRETARY.

THE REFERENCED APPROVAL DOES NOT CONSTITUTE AUTHORIZATION FOR THE ABOVE REFERENCED CORPORATION TO TRANSACT ANY BUSINESS WHICH REQUIRES COMPLIANCE WITH OTHER APPLICABLE FEDERAL OR STATE LAWS, INCLUDING, BUT NOT LIMITED TO, STATE LICENSING REQUIREMENTS. IT IS THE CORPORATION'S SOLE RESPONSIBILITY TO OBTAIN SUCH COMPLIANCE WITH ALL LEGAL REQUIREMENTS APPLICABLE THERETO PRIOR TO ENGAGING IN THE BUSINESS FOR WHICH IT HAS OBTAINED APPROVAL OF THE REFERENCED DOCUMENT.

YOUR CANCELLED CHECK, AS VALIDATED BY THIS COMMISSION, IS YOUR RECEIPT. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CHARTERED DOCUMENT DIVISION AT (505) 827-4511 FOR ASSISTANCE.

CHARTERED DOCUMENT DIVISION
RKG

JUN - 7 1994

CORPORATION DEPARTMENT

AMENDED BYLAWS

OF

STARLIGHT CONDOMINIUM ASSOCIATION

The name of the organization shall be Starlight Condominium Association (hereinafter referred to as "Association").

ARTICLE I.

OBJECT

1. The purpose for which this nonprofit Association is formed is to govern the condominium property which has been or will be submitted pursuant to the provisions of the New Mexico Building Unit Ownership Act by the Recording of the Declaration and any Supplements thereto and Maps and any Supplements thereto bearing the name associated with this Association.
2. All present or future owners, tenants, future tenants, or any other person that might use in any manner the facilities of the project located on the property therein described are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any of the condominium units (hereinafter referred to as "units") or the mere act of occupancy of any said units will signify that these Bylaws are accepted, ratified and will be complied with.
3. All of the terms, conditions and provisions of these Bylaws shall be subject to those of the Condominium Declaration. In case of conflict, the latter shall control.

ARTICLE II.

MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

1. Membership. Ownership of a condominium unit is required in order to qualify for membership in this Association. Any person on becoming an owner of a condominium unit shall automatically become a member of this Association and be subject to these Bylaws. As between the seller and the purchaser under a document of conveyance other than a Deed (such as a Real Estate Contract) the purchaser shall be deemed the "owner" as that word is used in these Bylaws. Such membership shall terminate without any formal Association action whenever such person ceases to own a condominium unit, but such termination shall not relieve or release any such former owner from any liability or obligation incurred under or in any way connected with this Association during the period of such ownership and membership in the Association, or impair any rights or remedies which the unit owners have, either through the Board of Directors of the Association or directly, against such former owner and member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto.

2. Voting. The vote of a unit owner (or owners in the case of time-shared units) shall be cast by one (1) person. If two (2) or more persons

claim the right to cast such a vote, the Board of Directors shall determine which one shall vote. This decision shall be final. Voting shall be based upon the percentage of the undivided interest owned by each unit owner in all of the general common elements. Time-share unit owners of a unit shall determine that unit's assigned vote and any other action to be taken pursuant to the Declaration, or the Articles of Incorporation, or these Bylaws by a majority vote of the time-share owners of a unit who are entitled to vote. The time-share unit owners shall determine also who shall represent them at any and all Association meetings, whether owners' meetings or Board of Directors' meetings, or other meetings by majority vote of the time-share owners of a unit who are entitled to vote. The declarant (as used in these Bylaws "declarant" refers to the Declarant named in this Condominium's Declaration) shall be entitled to cast the same number of votes as equals the number of units unsold. Cumulative voting is prohibited but proxy voting is permitted.

3. Majority of Unit Owners. As used in these Bylaws, the term "majority of unit owners" shall mean a majority of votes cast by those who have voting power pursuant to Article II, paragraph 2, above, and majority shall mean more than fifty percent (50%).

4. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of members holding fifty-one percent (51%) of the votes entitled to be cast shall constitute a quorum. An affirmative vote of a majority of the unit owners present except as otherwise required in these Bylaws or in the Condominium Declaration, whether in person or by proxy, shall be required to transact the business of the meeting.

ARTICLE III.

ADMINISTRATION

1. Association Responsibilities. The owners of the units will constitute the Association of Unit Owners, hereinafter referred to as "Association", who will have the responsibility of administering the project through a Board of Directors, hereinafter referred to as the "Board".

2. Place of Meeting. Meetings of the Association shall be held at such place within or without the State of New Mexico as the Board may determine.

3. Annual Meeting. The first meeting of the Association members shall be held within ninety (90) days following the giving of notice that the development of the entire condominium project has been completed and that eighty-five percent (85%) of the condominium units in the entire condominium project have been sold. Thereafter, the annual meetings of the Association shall be held on December 31st of each succeeding year. At such meetings there shall be elected by ballot of the owners a Board in accordance with the requirements of Section 4 of Article IV of the Bylaws. The owners may also transact such other business of the Association as may properly come before them.

4. Special Meetings. The President may call a special meeting of the owners upon his/her own initiative or as directed by resolution of a

majority of the Board or upon receipt of a petition signed by at least one-third (1/3) of the owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business except as stated in the notice shall be transacted at a special meeting unless by consent of two-thirds (2/3) of the owners present, either in person or by proxy. Any such meetings shall be held at such place and time as the President determines within thirty (30) days after receipt by the President of such resolution or petition.

5. Notice of Meetings. The Secretary shall cause to be mailed or delivered a notice of each annual or special meeting, stating the purpose thereof as well as the time and place it is to be held, to each owner of record, at the registered address of each owner, at least twenty-five (25), but not more than forty-five (45) days prior to such meeting. The mailing of a notice in the manner provided in this section or the delivery of such notice shall be considered notice served, and the Certificate of the Secretary that notice was duly given shall be prima facie evidence thereof.

6. Adjourned Meetings. If any meeting of 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 to a time not less than forty-eight (48) hours from the time the original meeting was called.

7. Order of Business. The order of business at all meetings of the owners of units shall be as follows:

- (a) Roll call and certifying proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of Minutes of preceding meetings.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of managers.
- (g) Unfinished business.
- (h) New Business.
- (i) Adjournment.

8. Performance of Functions by Initial Board of Directors. The rights, duties and functions of the Board of Directors shall be exercised by the persons named as Directors in the Articles of Incorporation until the development of the entire condominium project has been completed and until eighty-five percent (85%) of the condominium units have been sold.

ARTICLE IV.

BOARD OF DIRECTORS

1. Number and Qualification. At the first meeting there shall be elected any three (3) members of the Association to the Board who shall thereafter govern the affairs of this Association until their successors have been duly elected and qualified. The number of Directors may be increased to nine (9) by a vote of the majority of the members at a regular or special meeting, and one-third (1/3) of such board shall be elected annually after the initial election.

2. Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the condominium project as a first-class residential condominium property. Such powers and duties of the Board shall include, but shall not be limited to, the following, all of which shall be done for and on behalf of the owners of the condominium units:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Condominium Declaration submitting the property to the provisions of the Building Unit Ownership Act of the State of New Mexico, the Bylaws of the Association and supplements and amendments thereto.

(b) To establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, rentals, use and occupancy of all of the condominium units with the right to amend same from time to time. A copy of such rules and regulations shall be delivered or mailed to each member upon the adoption thereof.

(c) With the assistance of the Managing Agent (if any), to incur such costs and expenses as may be necessary to keep in good order, condition and repair all of the general and limited common elements and all items of common personal property.

(d) With the assistance of the Managing Agent (if any), to insure and keep insured all of the insurable general common elements and condominium units in an amount equal to the maximum replacement value. To insure and keep insured all of the common fixtures, common equipment and common personal property for the benefit of the owners of the condominium units and their first mortgagees. Further, to obtain and maintain comprehensive liability insurance covering the entire premises.

(e) With the assistance of the Managing Agent (if any), to prepare a budget for the condominium at least annually in order to determine the amount of the common assessments payable by the unit owners to meet the common expenses of the condominium project; allocate and assess such common charges among the unit owners according to their respective common ownership interests in and to the general common elements; and by majority vote of the Board, to adjust, decrease or increase the amount of the quarterly or monthly assessments, and remit or return any excess of assessments over expenses, working capital, sinking funds, reserve for deferred maintenance and for replacement to the owners at the end of each operating year subject to Article XIV, paragraph 2. To levy and collect special assessments whenever in the opinion of the Board it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses or because of emergencies.

(f) To collect delinquent assessments (accelerating the entire balance due without notice or presentment of demand therefore but subject to the notice requirements of Article IX, paragraph 3) by suit or otherwise and to enjoin or seek damages from an owner as is provided in the Declaration and these Bylaws. To enforce a late charge of not more than ten dollars (\$10.00) per month and to collect interest at the rate of twelve

percent (12%) per annum in connection with assessments remaining unpaid more than ten (10) days from due date for payment thereof, together with all expenses, including attorneys' fees, incurred. The Board shall have the duty, right, power and authority to prohibit use of a condominium unit by an owner's tenants and lessees in the event that any assessment made remains unpaid more than thirty (30) days from the due date for payment thereof.

(g) To protect and defend in the name of the Association any part or all of the condominium project from loss and damage by suit or otherwise.

(h) To borrow funds in order to pay for any expenditures or outlay required pursuant to the authority granted by and the provisions of the recorded Declaration and these Bylaws, and to execute all such instruments evidencing such indebtedness, as the Board may deem necessary and give security therefor. Such indebtedness shall be the several obligation of all of the owners in the same proportion as their interest in the general common elements. The persons who shall be authorized to execute promissory notes and securing instruments shall be the President and Secretary or Assistant Secretary.

(i) To enter into contracts to carry out their duties and powers.

(j) To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable.

(k) To make repairs, additions, alterations and improvements to the general common elements consistent with managing the condominium project in a first-class manner and consistent with the best interests of the unit owners. Such duties may be delegated to the Managing Agent (if any).

(l) To keep and maintain full and accurate books and records showing all of the receipts, expenses, or disbursements and to permit examination thereof at any reasonable time by each of the owners. Such duties may be delegated to the Managing Agent (if any).

(m) With the assistance of the Managing Agent (if any), to prepare and deliver annually to each owner a consolidated statement showing receipts, expenses or disbursements since the last such statement.

(n) To meet at least semi-annually at which time the Managing Agent or an employee of the Managing Agent (if any), shall be in attendance.

(o) In general, to carry on the administration of this Association and to do all of those things necessary and reasonable in order to carry out the governing and the operation of this condominium property.

(p) To control and manage the use of all common parking areas, open spaces, common streets and other common property.

(q) To employ for the Association a managing agent who shall have and exercise those duties and powers granted to it by the Board but not those

powers which the Board, by law, may not delegate. Any contract of employment shall be limited to three (3) years and shall be terminable without payment of a termination fee on ninety (90) days or less written notice.

3. No Waiver of Rights. The omission or failure of the Association or any condominium unit owner to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provisions of the Condominium Declaration, the Bylaws or the Rules and Regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board or the Managing Agent shall have the right to enforce the same thereafter.

4. Election and Term of Office. At the first meeting of the Association, the term of office of the Directors shall be fixed at three (3) years for one-third (1/3) of the Directors; two (2) years for one-third (1/3) of the Directors; and one (1) year for one-third (1/3) of the Directors. At the expiration of the initial term of office of each respective Director, his/her successor shall be elected to serve a term of three (3) years. If the number of Directors is increased to nine (9), the newly elected Directors shall serve terms of such duration that the terms of office of one-third (1/3) of the total Board membership will terminate each year.

5. Vacancies. Vacancies in the Board caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until his successor is elected.

6. Removal of Directors. Subject to the provisions of Paragraph 4.3 of the Declaration, at any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of the owners, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at said meeting prior to any vote for removal being taken.

7. Organization Meeting. A meeting of the Board shall follow each annual meeting of the unit owners within ten (10) days thereafter at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, providing a majority of the whole Board shall be present.

8. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time, by a majority of the directors, but at least two (2) such meetings shall be held during each calendar year. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, telephone or telegraph at least seven (7) days prior to the day named for such meeting.

9. Special Meetings. Special meetings of the Board may be called by the President on three (3) days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the

Board shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) or more Directors.

10. Waiver of Notice. Before or at any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him/her of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

11. Board of Directors' Quorum. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

12. Fidelity Bonds. The Board may require that all officers and employees of the Association and the Managing Agent who handle or are responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a common expense.

ARTICLE V.

FISCAL MANAGEMENT

The provisions for fiscal management of the condominium units for and on behalf of all of the unit owners as set forth in the Condominium Declaration may be supplemented by the following provisions:

1. Accounts. The funds and expenditures of the unit owners by and through the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) Current expense, which shall include all funds and expenditures within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to additional improvements.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually.

(c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, wear or obsolescence.

ARTICLE VI.

OFFICERS

1. Designation. The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board, and such assistant officers as the Board shall from time to time elect. Such officers need not be members of the Board, but each shall be an owner of a condominium unit in this condominium project, or the Declarant or its representative(s). The office of President and Treasurer may be held by the same person, and the office of Vice President and Secretary may be held by the same person.
2. Election of Officers. The officers of the Association shall be elected annually by the Board at the meeting of the Board first following the annual meeting of the Association members. If for any reason such a meeting is not held or one or more officers are not elected, the prior officers shall continue in his/her office until a successor is elected or until the board terminates that person as that office holder and shall hold office at the pleasure of the Board.
3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and a successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.
4. President. The President shall be the chief executive officer of the Association. She/He shall preside at all meetings of the Associations and of the Board. She/He shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the owners from time to time as she/he may in his/her discretion decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by the members of the Association at any regular or special meetings.
5. Vice President. The Vice President shall have all of the powers and authority and perform all of the functions and duties of the President, in the absence of the President, or his/her inability for any reason to exercise such powers and functions or perform such duties.
6. Secretary. The Secretary shall keep all the minutes of the meetings of the Board and the minutes of all meetings of the Association; she/he shall have charge of such books and papers as the Board may direct; and she/he shall, in general, perform all the duties incident to the office of Secretary.

The Secretary shall compile and keep up-to-date at the principal office of the Association a complete list of members and their registered addresses as shown on the records of the Association. Such list shall also show opposite each member's name the number or other appropriate designation of the unit owned by such member, and the undivided interest in the general common elements. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times

during regular business hours. In addition, a list of all mortgagees of units shall be maintained. The records referred to in this subsection may be maintained by the Managing Agent.

7. Treasurer. The Treasurer shall have the responsibility for Association funds and be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association; provided, however, that when a Managing Agent has been delegated the responsibility of collecting and disbursing funds, the Treasurer's only responsibility shall be to review the accounts of the Managing Agent not less often than semi-annually.

ARTICLE VII.

INDEMNIFICATION OF OFFICERS, DIRECTORS AND MANAGING AGENT

1. Indemnification. The Association shall indemnify every Director, officer, Managing Agent, their respective successors, personal representatives and heirs, against all loss, costs, and expenses, including counsel fees, reasonably incurred by him/her in connection with any action, suit or proceeding to which she/he may be made a party by reason of his/her being or having been a Director, officer or Managing Agent of the Association, except as to matters as to which she/he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by its counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his/her duty as such Director, officer or Managing Agent in relations to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director, officer or Managing Agent may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing contained in this Article VII shall be deemed to obligate the Association to indemnify any member or owner of a condominium unit who is or has been a Director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him/her under and by virtue of the Condominium Declaration.

2. Other. Contracts or other commitments made by the Board of Directors, officers or the Managing Agent shall be made as agent for the unit owners, and they shall have no personal responsibility on any such contract or commitment (except as unit owners), and the liability of any unit owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereof as equals his/her proportionate share of the common interest of all of the unit owners, except that any losses incurred because of any inability to collect such proportionate amount of the total liability owed by an owner shall be shared proportionately by the owners.

ARTICLE VIII.

AMENDMENTS

These Bylaws may be amended by a majority of the members at a duly constituted meeting of the members for such purpose; provided, however, that no amendment shall conflict with or minimize the intended effect of the provisions of the Articles of Incorporation or the Declaration.

ARTICLE IX.

MORTGAGES

1. Notice to Association. An owner who mortgages or otherwise encumbers his/her unit or time-share unit shall notify the Association through the Managing Agent, if any, or the Association Secretary, giving the name and address of his mortgagee or lien-holder. The Association shall maintain such information in a book entitled "Mortgagees of Units".
2. Notice of Unpaid Common Assessments. The Association, whenever so requested in writing by a mortgagee of a condominium unit, shall promptly report any then unpaid common assessments due from, or any other default by, the owner of a mortgaged unit.
3. Notice of Default. When giving notice to a unit owner of a default in paying common assessments or other default, the Board shall send a copy of such notice to each holder of a mortgage covering such condominium unit whose name and address has theretofore been furnished to the Board.
4. Examination of Books. Each unit owner and time-share unit owner and each mortgagee or other lien-holder of a condominium unit or time-share unit shall be permitted to examine the books of account of the condominium at reasonable times on business days, but not more than once each month.

ARTICLE X.

EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS AND DESIGNATION OF VOTING REPRESENTATIVE

1. Proof of Ownership. Except for those owners who initially purchase a condominium unit from Declarant, any person on becoming an owner of a condominium unit or time-share unit shall furnish to the Managing Agent or Board a machine or a certified copy of the recorded instrument vesting that person with an interest or ownership in the condominium unit, which copy shall remain in the files of the Association.
2. Registration of Mailing Address. The owner or time-share owners of an individual condominium unit shall register their mailing addresses to be used by the Association for mailing of statements, notices, demands and all other communications and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address of a condominium unit owner or owners shall

be furnished by such owners to the Managing Agent or Board within fifteen (15) days after transfer of title, or after a change of address, and such registration shall be in written form and signed by the owner or by such persons as are authorized by law to represent the interest of the owner.

3. Designation of Voting Representative - Proxy. If a condominium unit is owned by one person, his/her right to vote shall be established by the record title thereto. If title to a condominium unit is time-shared and is divided among, or is otherwise held by more than one (1) person, or by a firm, corporation, partnership association or other legal entity, or any combination thereof, such owners shall execute a proxy appointing and authorizing one (1) person or alternate persons to attend all annual and special meetings of members and thereat to cast whatever vote the owner or owners might cast if personally present. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law; provided, however, that within thirty (30) days after such revocation, amendment or termination, the owners shall reappoint and authorize one (1) person or alternate persons to attend all annual and special meetings as provided by this Section 3.

The requirements contained in Articles X and XI shall be first met before an owner of a condominium unit shall be deemed in good standing and entitled to vote at any annual or special meeting of members.

ARTICLE XI.

OBLIGATIONS OF THE OWNERS

1. Assessments. All owners shall be obligated to pay the monthly or quarterly assessments imposed by the Association to meet the common expenses. The assessments shall be made pro rata according to fractional interest in and to the general common elements. Assessments shall be due in advance. A member shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of members (or in the case of time-share unit owners to vote on any matter which requires their vote), within the meaning of these Bylaws, if, and only if, she/he shall have fully paid all assessments made or levied against him/her and the condominium unit active-share unit owned by him/her and has complied with Article X.

2. Notice of Lien or Suit. An owner shall give notice to the Association of every lien or encumbrance upon his/her condominium unit or time-share unit, other than for taxes and special assessments, and notice of every suit or other proceeding which may affect the title to his/her condominium unit or time-share unit, and such notice shall be given in writing five (5) days after the owner has knowledge thereof.

3. Mechanic's Lien. Each owner agrees to indemnify and to hold each of the other owners and the Association harmless from any and all claims of mechanic's liens filed against other units and the appurtenant general common elements for labor, materials, services or other products incorporated in the owner's unit or time-share unit. In the event such a lien is filed and/or a suit for foreclosure of mechanics's lien is commenced, then within ten (10) days thereafter such owner shall be

required to deposit with the Association cash or negotiable securities equal to one and one-half (1 1/2) of the amount of such claim plus interest for one (1) year together with a sum equal to ten percent (10%) of the amount of such claim but not less than One Hundred Fifty Dollars (\$150.00) which latter sum may be used by the Association for any costs and expenses incurred, including attorneys' fees incurred for legal advice and counsel. Except as is otherwise provided, such sum or securities shall be held by the Association pending final adjudication or settlement of the claim or litigation. Disbursement of such funds or proceeds shall be made by the Association to insure payment of or on account of such final judgment or settlement. Any deficiency, including attorneys' fees incurred by the Association, shall be paid forthwith by the subject owner, and his/her failure to so pay shall entitle the Association to make such payment, and the condominium unit or time-share unit which may be foreclosed as is provided in Paragraph 6.6 of the Condominium Declaration. All advance-ments, payments, costs and expenses, including attorneys' fees, incurred by the Association shall be forthwith reimbursed to it by such owner(s), and the owner shall be liable to the Association for the payment of interest at the rate of twelve percent (12%) per annum on all such sums paid or incurred by the Association.

4. Maintenance and Repair.

(a) Every owner must perform promptly, at his/her own expense, all maintenance and repair work within his/her own unit or time-share unit which, if omitted, would affect the appearance of or the aesthetic integrity of part or all of the condominium project.

(b) All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephone, sanitary installations, doors, windows, electrical fixtures and all other accessories, equipment and fixtures shall be at the owner's expense.

(c) An owner shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any general or limited common element damaged by his/her negligence or by the negligence of his/her tenants or agents or guests.

5. General.

(a) Each owner shall comply strictly with the provisions of the recorded Condominium Declaration and these Bylaws and amendments thereto.

(b) Each owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which this condominium project was built.

6. Uses of Units - Internal Changes.

(a) All units shall be utilized only for residential purposes as is provided in the Condominium Declaration.

(b) An owner shall not make structural modifications or alterations to his/her unit or installations located therein without the written approval of the Board. The Board shall be notified in writing of the intended modifications through the Managing Agent, or if no Managing Agent is employed, then, through the President of the Board. The Association shall have the obligation to answer an owner's request within thirty (30) days after such notice, and failure to do so within such time shall mean that there is no objection to the proposed modifications or alterations.

7. Use of General Common Elements and Limited Common Elements. Each owner may use the general common elements, the limited common elements appurtenant to his/her condominium unit, sidewalks, pathways, roads and streets and other common elements located within the entire condominium project in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other owners, and subject to the rules and regulations contained in these Bylaws and established by the Board as is provided in Section 9 of this Article.

8. Right of Entry.

(a) An owner shall and does grant the right of entry to the Managing Agent or to any other person authorized by the Board in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

(b) An owner shall permit other owners, or their representatives, to enter his/her unit for the purpose of performing installations, alterations or repairs to the mechanical, electrical or utility services which, if not performed, would affect the use of other units, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In the case of an emergency, such right of entry shall be immediate.

9. Rules and Regulations.

(a) The initial rules and regulations, which shall be effective until amended or supplemented by the Board are contained in the Declaration and in Schedule "A" attached hereto.

(b) The Board reserves the power to establish, make and enforce compliance with such additional rules and regulations as may be necessary for the operation, use and occupancy of this condominium project with the right to amend same from time to time. Copies of such rules and regulations shall be furnished to each unit owner prior to the date when the same shall be effective.

Notwithstanding any other provision in this Declaration, no rule or regulation or bylaw or Article of Incorporation, or any amendment thereof, shall be made by the Association which shall unreasonably impair or restrict the use of or enjoyment of or value of the Units, Common Elements, and Common Areas and Facilities to which the owners of time-share units have rights as owners, unless such rule or regulation or bylaw or Article of Incorporation or any amendment thereof shall apply with like effect to all owners and is made in good faith; and

Any rule or regulation, or bylaw, or Article of Incorporation, or any amendment thereof, which shall materially and substantially adversely affect said use, enjoyment, or value and the impact of which falls more preponderantly on the time-share unit owners of units than on other owners shall require a two-thirds (2/3) vote of those entitled to vote of time-share unit Owners in order to become effective.

10. Destruction and Obsolescence. Each owner, upon becoming an owner of a condominium unit, thereby grants his/her power of attorney in favor of the Association, irrevocably appointing the Association his attorney-in-fact to deal with the owner's condominium unit upon its damage, destruction or obsolescence, all as is provided in the Condominium Declaration.

ARTICLE XII.

ABATEMENT AND ENJOINMENT OF VIOLATIONS BY UNIT OWNERS

The violation of any rule or regulation adopted by the Board, or the breach of any Bylaw, or the breach of any provision of the Declaration, shall give the Board or the Managing Agent the right, in addition to any other rights set forth therein, to: (i) enter the unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner (including time-share unit owner), any person, structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions thereof, and the Board or Managing Agent shall not be deemed guilty in any manner of trespass; (ii) expel, remove and put out, using such force as may be necessary in so doing, any such person, structure, thing or condition without being liable to prosecution or in damages therefor; (iii) enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

ARTICLE XIII.

COMMITTEES

1. Designation. The Board may, but shall not be required to, appoint an executive committee, and it may designate and appoint members to standing committees.

2. Executive Committee. The executive committee shall consist of two (2) persons who are members and who shall be appointed by the Board from the members of the Board. One (1) member shall be the President. The executive committee shall supervise the affairs of the Association and shall regulate its internal economy, approve expenditure and commitments, act and carry out the established policies of the Association and report to the Directors at each meeting of the Board. The executive committee may hold regular meetings, monthly or as it may in its discretion determine. Special meetings may be called at any time by the Chairman of the committee or by any of its members, either by telephone, telegraph, mail or personally, and a special meeting may be held by telephone.

3. Nominating Committee. Before each annual meeting, the Board may appoint a committee of three (3) members who shall nominate candidates for the Board. The names of the candidates shall be submitted on or before thirty (30) days before the election. Members may submit names of candidates other than those submitted by the nominating committee at least fifteen (15) days prior to the election. Unless such names are submitted, either by the nominating committee or by the members, no person shall be elected whose name is not so submitted unless no nominations are made, in which event the names of candidates shall be submitted at the election by the members.

4. Vacancies. A vacancy in any committee shall be filled by the President until the next meeting of the Board.

ARTICLE XIV.

ASSOCIATION - NOT FOR PROFIT

1. General. This Association is not organized for profit. No member, member of the Board, officer or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the Board, officer or member; provided, however, always (1) that reasonable compensation may be paid to any member, Director or officer while acting as an agent or employee of the Association, for services rendered in effecting one or more of the purposes of the Association, and (2) that any member, Director or officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association. The provisions herein are not applicable to the Managing Agent, who shall perform the manager's duties and functions according to written agreement for the compensation stated therein.

2. Excess Assessments. To the extent that assessments or non-assessment income collected in any year by the Association exceeds the expenses of managing, operating, maintaining, and replacing the common elements and facilities, such excess shall be applied against the expenses for the following year and assessments in said following year shall be reduced accordingly. If any applicable taxing law, rule, or regulation shall require such expenditures to be made within a different time period, this provision shall be deemed automatically amended to conform thereto. Any excess assessments not spent within such periods shall be returned to the owners in the same proportion as paid.

ARTICLE XV.

MORTGAGEES AS PROXIES

Each condominium unit owner shall have the right to irrevocably constitute and appoint the beneficiary of a Deed of Trust or the mortgagee of a first mortgage or the legal owner under a Real Estate Contract on the appointing owner's property the true and lawful attorney to vote the vote to which he

is entitled in this Association at any and all meetings of the Association and to vest in such mortgagee, beneficiary or the legal owner under a Real Estate Contract, or the nominee of either any and all rights, privileges and powers that the owner has as owner under the Certificate of Incorporation and Bylaws of this Association or by virtue of the recorded Condominium Declaration. Such proxy shall become effective upon the filing of a notice by the beneficiary or mortgagee or the legal owner under a Real Estate Contract with the Secretary of the Association at such time or times as the beneficiary shall deem its security in jeopardy by reason of the failure, neglect or refusal of the Association, the Managing Agent or the unit owner to carry out their duties as set forth in the Condominium Declaration. A release of the beneficiary's Deed of Trust or the mortgagee's mortgage or title under a Real Estate Contract shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve owners, as mortgagors, or obligors under a Deed of Trust or Real Estate Contract, of their duties and obligations as owners or to impose upon the beneficiary of a Deed of Trust or the mortgagee of a mortgage or the legal owner under a Real Estate Contract the duties and obligations of a unit owner.

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

I hereby certify that the above and foregoing Amended Bylaws of Starlight Condominium Association, a New Mexico corporation, consisting of sixteen pages, this page included, are the Bylaws of this corporation, adopted by the Board of Directors thereof at a meeting held on the 22nd day of December, 1982.

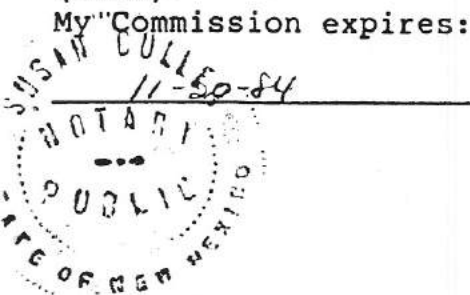
Shirley L. Dwyer
Assistant Secretary

SUBSCRIBED AND SWORN to before me this 27 day of December, 1982.

Susan Cullen
Notary Public

(SEAL)

My Commission expires:



**CERTIFICATE AS TO BYLAWS OF
STARLIGHT CONDOMINIUM ASSOCIATION**

Keith Schinke, President of Starlight Condominium Association, states:

1. I am the duly appointed and qualified President of the Starlight Condominium Association appointed by the Board of Directors on December 22, 1993.
2. To the best of my knowledge and based on the information and circumstances set forth in Attachment "A" hereto and incorporated herein by reference:
 - a. Attachment "1" hereto represents a copy of bylaws that purport to have been adopted as the initial bylaws of Starlight Condominium Association on or about February 5, 1982 (the "Initial Bylaws");
 - b. Attachment "2" hereto represents a copy of amended bylaws that purport to have been adopted as the amended bylaws of the Starlight Condominium Association on or about December 22, 1982 (the "Amended Bylaws");
 - c. The undersigned has no knowledge of any changes or amendments to the Amended Bylaws since their purported adoption.

STARLIGHT CONDOMINIUM ASSOCIATION

By _____

Keith Schinke, President

Dated: June 6, 1994

**CERTIFICATE AS TO BYLAWS OF
STARLIGHT CONDOMINIUM ASSOCIATION**

Michael Landy, Vice President and Secretary of Starlight Condominium Association,
states:

1. I am the duly appointed and qualified Vice President and Secretary of the Starlight Condominium Association appointed by the Board of Directors on December 22, 1993.

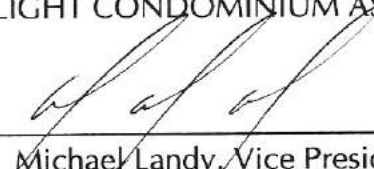
2. To the best of my knowledge and based on the information and circumstances set forth in Attachment "A" hereto and incorporated herein by reference:

a. Attachment "1" hereto represents a copy of bylaws that purport to have been adopted as the initial bylaws of Starlight Condominium Association on or about February 5, 1982 (the "Initial Bylaws");

b. Attachment "2" hereto represents a copy of amended bylaws that purport to have been adopted as the amended bylaws of the Starlight Condominium Association on or about December 22, 1982 (the "Amended Bylaws");

c. The undersigned has no knowledge of any changes or amendments to the Amended Bylaws since their purported adoption.

STARLIGHT CONDOMINIUM ASSOCIATION

By 
Michael Landy, Vice President
and Secretary

Dated: JUNE 6, 1994

Attachment "A"

**Background and Explanatory Statement Regarding
STARLIGHT CONDOMINIUM ASSOCIATION
(Such Statement was filed With the Non-Profit Corporate Reports
for the years 1981-1992, which were recently filed
with the New Mexico State Corporation Commission)**

ATTACHMENT "A"

TO NONPROFIT CORPORATE REPORT

OF STARLIGHT CONDOMINIUM ASSOCIATION

FOR YEARS 1981 - 1992

The undersigned, Keith Schinke and Michael Landy, President and Secretary, respectively, of Starlight Condominium Association (the "Corporation") state as follows:

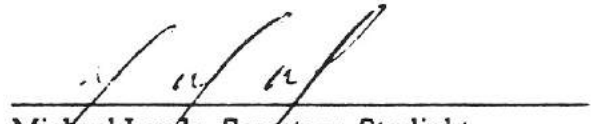
1. The Corporation is a nonprofit corporation incorporated for the purpose of serving as the condominium association for the Starlight Condominiums, Angel Fire, New Mexico. The Corporation was incorporated in 1981 in connection with the development of the Starlight Condominiums property (the "Property").
2. In 1992, the Resolution Trust Corporation, as Receiver for First American Federal Savings Banks, Santa Fe, New Mexico (the "RTC"), succeeded to the development and special declarant rights related to the Property and thereby acquired control of the Corporation. As amplified in this statement, the undersigned believe that the Corporation was inactive during the years 1981 through 1982. In October, 1993, the RTC began to sell individual condominium units in the Property to homeowners. However, contemporaneous with the RTC's efforts to sell individual condominium units in the Property, the RTC took steps so that the Corporation could begin to operate as the homeowners' association for Starlight Condominiums. In December, 1993, the RTC appointed a three-member board of directors for the Corporation (the "Current Board"), which includes the undersigned. The Current Board, in turn, appointed the undersigned to serve as officers of the Corporation. Neither the RTC nor the Current Board were involved in the affairs of the Corporation prior to the appointment of the Current Board.
3. The RTC was recently advised by the State Corporation Commission ("SCC") that the SCC's records reflect no filings of Nonprofit Corporate reports for the Corporation for the years 1981 through 1992. The accompanying Nonprofit Corporate reports for each of the missing years (the "Accompanying Reports") are now being filed in order to bring the Corporation into good standing.
4. In order to prepare the Accompanying Reports, the RTC caused a search to be made of the records of the Corporation within the control of the RTC and its agents. That search provided no evidence of any corporate activity by the Corporation for the years 1981 through 1992, except for secretarial certifications stating that the Corporation adopted bylaws on February 5, 1982 and amended bylaws on December 22, 1982. That search produced no corporate minutes or resolutions that reflect the election or appointment of any directors or the appointment or change of the registered agent subsequent to the appointment of the initial board and initial registered agent as shown in the Corporation's Articles of Incorporation filed with the SCC in 1981.

5. Based on the search of the Corporation's records described in paragraph 4, Items 8 and 9 of each of the Accompanying Reports list the initial registered agent/office and the initial board of directors, respectively, as documented in the Articles of Incorporation. Officers listed in Item 10 are those officers who are referenced in the secretarial certificates described in paragraph 4 above. The undersigned have no knowledge whether any of the officers, directors or initial registered agent so listed continued to serve in those positions at any time after their appointments in 1981 or 1982.



Keith Schinke, President, Starlight
Condominium Association

Date: 3-8-94, 1994



Michael Landy, Secretary, Starlight
Condominium Association

Date: 3-7-94, 1994