

**BYLAWS OF THE BELLA VISTA HOMEOWNERS ASSOCIATION, INC.**  
A Corporation Not for Profit under the laws of the State of New Mexico

**Article 1**

IDENTITY. These are the Bylaws of Bella Vista Home Owners Association, Inc., hereinafter called the "Association," a corporation not for profit under the laws of the State of New Mexico, the Articles of Incorporation of which were filed in the office of Sec. of State on the \_\_\_\_ day of \_\_\_\_\_, 1980. The Association has been organized for the purpose of administering a condominium pursuant to Chapter 4, Article 7, New Mexico Statutes, herein called the Building Unit Ownership Act, which condominium is identified by the name Bella Vista, a Condominium Residence Enterprise, and is located upon the following land:

Lot 10, Block H. Angel Fire Village, Unit No.1.

The office of the Association shall be at P.O Box 8, Angel Fire, New Mexico. The fiscal year of the Association shall be the calendar year.

The seal of the Corporation shall bear the name of the Corporation, the words "New Mexico," the words "corporation Not for Profit" and the year of incorporation.

**Article II**

**MEMBERS MEETINGS.**

- (a) The annual members' meeting shall be held at such time and place determined by the Board and shall be convened no less than thirty days prior to the beginning of the fiscal year.
- (b) Special members' meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers.
- (c) Notice of all members' meetings, stating the time and place and the objects for which the meeting is called, shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing to each member either by mail, email or facsimile as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.
- (d) A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. If any meeting of the members cannot be organized

because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting for at least ten days, and adequate notice of the new date shall be given as described in paragraph (c) of this Section.

- (e) In any meeting of members the owners of apartments shall be entitled to cast the number of votes indicated in the attached Schedule A unless the decision to be made is required to be by the owners of a stated percentage of the common elements.

If an apartment is owned by one person his right to vote shall be established by the record title to his apartment. If an apartment is owned by more than one person, or is under lease, the person entitled to cast the vote for the apartment shall be designated by a certificate signed by all of the record owners of the apartment and filed with the Secretary of the Association. If an apartment is owned by a corporation, the person entitled to cast the vote for the apartment shall be designated by a certificate of appointment signed by the President or Vice President and attested by the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the apartment concerned. A certificate designating the person entitled to cast the vote of an apartment may be revoked by any owner thereof.

Members are entitled to a vote only if they are in good standing, i.e. their dues are current with the Association.

- (f) Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated and must be filed with the Secretary before the appointment time of the meeting.
- (g) The order of business at annual members' meetings, and as far as practical at all other members' meetings, shall be:
  - (1) Roll Call
  - (2) Proof of Notice of Meeting
  - (3) Approval of meeting minutes
  - (4) Financial Report
  - (5) Old Business
  - (6) New Business
  - (7) Election of Directors
  - (8) Setting of the next meeting
  - (9) Adjournment

**ARTICLE III  
ADMINISTRATION OF THE PROPERTY**

- 1. Board of Directors.** The Association shall be managed by, elect and act through, a Board of Directors (hereinafter referred to as the "Board"), consisting of three (3) persons. If the mortgage of fifty percent (50%) or more of all the apartments demands representation, the Board shall consist of four (4) persons, one who shall be designated by the mortgage, and three (3) persons, who shall be elected in the same manner set forth herein.

Election of directors shall be conducted at the annual members' meeting. A nominating committee of five (5) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the annual members' meeting. The committee shall nominate one person for each director then serving. Additional nominations for directorships and directors may be made from the floor. The election shall be by ballot (unless dispensed with by unanimous consent) and by the plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

Except as to vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining directors.

Any director may be removed by concurrence of two-thirds of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

Until the Developer has completed and sold all of the apartments of the condominium, or until the Developer elects to terminate its control of the condominium, whichever shall first occur, the first directors of the Association shall serve, and in the event of vacancies the remaining directors; the vacancies shall be filled by the Developer.

The term of each director's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

Two (2) members of the Board, after the expiration of the terms of the members of the initial Board, shall be apartment owners; provided, however, if an Apartment Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any director, officer, partner, beneficiary or trustee, as the case may be, of such an entity shall be eligible to serve as a member of the Board of Directors.

## 2. Directors' Meetings.

- (a) The organization meeting of a newly-elected Board of Directors shall be held within ten (10) days of its election at such place and time as shall be fixed by the directors at the meeting at which they are elected, and no further notice of the organization meeting shall be necessary proving a quorum shall be present.
- (b) Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone, or telegraph at least three (3) days prior to the day named for such meeting.
- (c) Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-third of the directors. Notice of the meeting shall be given personally or by mail, telephone, or telegraph at least three (3) days prior to the day named for such meeting, which notice shall state the time, place, and purpose of the meeting.
- (d) Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.
- (e) A quorum at directors' meetings shall consist of a majority of the entire board of directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of directors is required by the Declaration of Condominium, herein called the "Declaration" the Articles of Incorporation, or these Bylaws. If at any meeting of the Board of Directors less than a quorum is present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.
- (f) The presiding officer of directors' meetings shall be the Chairman of the Board if such an officer has been elected, or if not, the President shall preside. In the absence of the presiding officer, the directors present shall designate one of their numbers to preside.

(g) order of business at directors' meetings shall be:

- (1) Calling of roll;
- (2) Proof of due notice of meeting;
- (3) Reading and disposal of any unapproved minutes;
- (4) Reports of officers and committees;
- (5) Election of officers;
- (6) Unfinished business;
- (7) New business; and
- (8) Adjournment.

### **3. Officers.**

- (a) The executive officers of the Association shall be a President, who shall be a director, a Vice President, who shall be a director, a Treasurer, a Secretary, and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be removed by vote of the directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary or an Assistant Secretary. The Board of Directors may from time to time elect other officers to exercise such powers and duties as the Board shall find to be required to manage the affairs of the Association.
- (b) The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually bested in the office of president of an association including but not limited to the power to appoint committees from among the members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.
- (c) The Vice President shall in the absence or disability of the President exercise the powers and performs the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

(d) The Secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an association and as may be required by the directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

(e) The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices and shall perform all other duties incident to the office of the Treasurer.

**4. General Powers and Duties of the Board of Directors.** The Board shall have in behalf of the Association, the power and duty, for the benefit of all the apartment owners, to acquire or furnish (by purchase order), and, for the fund described in Article IV herein, pay for (payment voucher), the following:

(a) Water, sewer and trash removal, for all apartment owners.

(b) A policy or policies of insurance wherein the building is insured against damage caused by fire, lightning, perils described in the "Extended coverage" endorsement, vandalism and malicious mischief, and such additional perils as may be available through usual insurance markets.

(1) The amount of such insurance shall be 100% of the replacement cost of such building, as determined within 30 days of the end of each fiscal year of the Association, and increased or decreased by the Board from year to year, according to changes in the replacement costs.

(2) The named insured of such policy shall be the Association as Trustee for the apartment owners, acting by and through the Board of Directors of the Association.

(3) Such policy shall contain the following endorsement:

Named Insured and Mortgagee: The named insured for purposed of these insurance, shall be Bella Vista Commons Homeowners Association, Inc., acting by and through its Board of Directors, as Insurance Trustee for all of the apartment owners of the condominium real property. Any loss hereunder shall be adjusted with the Named Insured, and payment for any adjusted loss shall be made to as Trustee for the

named insured, all apartment owners and all mortgagees, as their interests may appear at the time of loss.

- (c) A policy or policies insuring the Association, members of the Board, their agents and employees, and the apartment owners, against any liability to the public or to the owners of the apartments and of the common areas and facilities for a limit of liability not less than One Million Dollars, combined single limit for personal injury liability and property damage liability (such limit to be reviewed at least annually by the Board and Increased in its discretion).
- (d) Workers' Compensation insurance to the extent necessary to comply with any applicable laws: taxes and utilities for the common areas and facilities.
- (e) Landscaping, gardening, snow removal, painting, cleaning, tuck-pointing, maintenance, decorating, repair, and replacement of the limited common elements, common areas and facilities (excluding the items for which Owner is responsible, as itemized in Paragraph 5 of this Article III) and such furnishings and equipment for the common areas and facilities as the Board shall deem necessary and property.
- (f) Any other: Materials, supplies, furniture, labor, services, maintenance, repairs, or structural alterations; insurance or assessments which the Board is required to secure or pay for pursuant to the terms of the Declaration or these Bylaws; as the Board deems necessary for administration, maintenance and operation of the property as a first-class residential condominium or for the enforcement of the Declaration or these Bylaws.
- (g) Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the entire property or any part thereof which may in the opinion of the Board constitute a lien against the property or against the common areas and facilities; provided, however, if such lien is created by an apartment owner, or by the act or omission of apartment owner, the amount of such lien, and any costs relating thereto shall be specifically assessed by the Board, against such apartment owner, as a special expense.
- (h) Any amount necessary to provide maintenance and repair of any apartment, deemed necessary, in the discretion of the Board, to protect the common areas and facilities or any other portion of the buildings, if the apartment owner of such apartment has failed or refused to perform said maintenance and repair within a reasonable time after written notice of the necessity thereof has been delivered by the Board to such apartment owner; provided, however, the cost of such repairs and maintenance shall be specifically assessed by the Board against such apartment owner, as a special expense.

- (i) The services of any person or firm employed by the Board in furtherance of its general powers and duties stated herein.

**5. Owner's Responsibility for Repair, Maintenance, Replacement: Each apartment owner shall repair, replace, and maintain:**

- a. All interior areas of the apartment, including but not limited to, interior walls, appliances, hot water heater, electrical fixtures and wiring, switches, plumbing fixtures, pipes and lines, faucets, showerheads, plugs, heating systems and fixtures, which are situated within the apartment, excluding, however, replacement of water and sewer lines necessitated by a cause other than the act or omission of Apartment Owner or occupant.
- b. All glass, windows, doors, vestibules and entryways, which are appurtenances to the apartment.

**6. Reserve for Replacement and Contingencies:** The Board shall also assess, beginning with the second fiscal year, as a common expense, a reasonable amount, annually, as deemed necessary by the Board, in its discretion, to create a reserve for replacements and contingencies, which reserve shall be maintained and increased annually.

**7. Purchases and payments:** All purchases shall be made by purchase order, and payment therefor for payment voucher, on forms adopted by the Board, each of which shall be executed by such officers or agents of the Board as are designated by the Board.

**8. Limitations of the Powers of the Board of Directors.** The Board shall have no power or authority to acquire, or pay for, any capital addition, capital improvement or any structural alteration having a total cost in excess of Two Thousand Dollars (\$2,000.00) (except to replace or restore portions of the common areas and facilities as otherwise authorized by this Declaration), without in each case the prior approval of two-thirds of the voting members of the Association.

**9. Rules and Regulations:** The Board shall adopt such reasonable rules and regulations as it may deem advisable for the maintenance, conservation and beautification of the property, and for the mutual health, comfort, safety and general welfare of the apartment owners, and occupants thereof. Written notice of such rules and regulations shall be given to all apartment owners and occupants, and the Board shall obtain strict compliance with such rules and regulations, by suit for damages or injunctive relief, or both.

**ARTICLE IV  
COMMON EXPENSE FUND AND ASSESSMENTS**

1. **Mutual Covenants to Pay Assessment:** Developer, as owner of the Property, and of the completed by unsold apartments, covenants, and each apartment owner by acceptance of a deed to an apartment, covenants and agrees with each other apartment owner, and with the Association, to pay all assessments levied by the Board, as required in this Declaration, whether or not such covenant is contained in such deed. Provided, however, that Developed shall not be assessed, or pay assessments, on planned but incomplete units.
2. **Creation of Common Expense Fund:** The Board shall establish a "Common Expense Fund", to enable the Association, and the Board, to exercise the powers and perform the duties stated in Article III herein. Such fund shall be funded by assessments as hereinafter provided, to be paid by all apartment owners, including Developer. Such fund shall be administered on a fiscal year basis, beginning on the first day of the month following the date the first apartment is conveyed, and the annual assessment shall be \$31,000.00 for such first year.

The first year's assessment is based upon the existence of 31 condominium units being completed during the first year. If 31 units are not completed, the \$31,000.00 is subject to change to a figure which shall represent the actual number of units completed, on an annual basis. The parties hereto expressly understand that the Developer shall not be available for any difference between the \$31,000.00 and whatever the annual figure may actually be.

3. **Annual Budget:** Each year, at least 30 days prior to the end of such fiscal year, the Board shall prepare an estimate of the total amount it deems necessary, for the ensuing year, to pay the common expenses to be incurred in the administration, maintenance, repair, replacement and improvement of the common areas and facilities, and limited common areas, as a first class residential condominium (hereinafter called "Annual Budget"), and shall furnish each apartment owner an itemized copy thereof 15 days prior to the beginning of such ensuing fiscal year. The budget shall take into account the following items:
  - (a) "Current expense,"
  - (b) "Reserve for deferred maintenance,"
  - (c) "Reserve for replacement,"
  - (d) "Additional improvements,"
  - (e) "Operations," (working fund).

- 4. Assessments:** Effective the first day of each such fiscal year each apartment owner, including Developer, shall be assessed a sum equal his percentage of ownership of the common areas and facilities, multiplied times the total Annual Budget which sum shall be paid by the apartment owner, three-twelfths each quarter, on the first day of each of the quarters of each fiscal year, continuing until a new assessment is made by the Board. Developer's percentage ownership shall be the total percentages of all completed by unsold apartments.

If the amount of the annual budget proved inadequate for any reason, including, without limitation, non-payment of any apartment owner's assessment, the Board may, at any time, levy a further assessment, by increasing the annual budget, and each apartment owner shall be assessed a sum equal to his percentage of ownership of common areas and facilities multiplied times such increase; provided, however, extraordinary expenses omitted from the annual budget, which may become due during the fiscal, year, shall first be paid from the replacement and contingency reserve, and provided further, if inadequate funds exists during a fiscal year, the Association may borrow sufficient funds, from Developer or otherwise, but Developer shall not be obligated to loan any funds to the Association. The Board shall give written notice of any such increase, and the reasons therefor, to each apartment owner, and shall state the date and terms of payments of such increase.

All such assessments collected shall be paid and expended for the purposes authorized herein, and (except for such special assessments as may be levied against less than all the apartment owners, and for such adjustments as may be required to reflect delinquent or unpaid assessments) shall be deemed to be held for the benefit, use and account of all the apartment owners in the same percentages as their percentage ownership of the common areas and facilities specified herein.

- 5. Annual Accounting:** Within 20 days of the end of a fiscal year, the Board shall furnish to all apartment owners, for the preceding fiscal year, an itemized account of the common expenses actually incurred, paid, or accrued, together with a statement of the total assessments collected, showing the net operating loss or gain. Any such gain, in excess of the amount required for incurred or accrued expenses and replacement and contingency reserves, shall be apportioned according to each apartment owner's percentage of ownership in the common areas and facilities as a credit to the next monthly assessments, until exhausted; any such loss shall be apportioned according to each apartment owner's percentage of ownership in the common areas and facilities, and added to the next monthly assessments, for the six (6) months succeeding the month of rendering of such accounting.
- 6. Books of Account:** The Board shall maintain current, detailed books of account in accordance with generally accepted accounting principles and procedures, which reflect all receipts, disbursements, assets and liabilities of the Association. Such books, records,

purchase orders and payment vouchers, shall be available for inspection by any apartment owner, or any duly authorized representative of any apartment owner, at reasonable times during the normal business hours. Apartment owner's mortgagee shall be deemed an authorized representative of owner upon ten (10) days' notice to the board and payment of a reasonable fee, any apartment owner, or his mortgagee, may demand and be furnished, a statement of his account, which reflects the amount of any unpaid assessments or other charges due and owing from such apartment owner.

- 7. Delinquencies and Default of Apartment Owner:** The amount of any unpaid assessment, including, without limitation, any assessment for special expenses, together with interest at the highest lawful rate permitted by New Mexico usury laws, from the due date thereof, plus reasonable attorney fees for collection thereof, shall constitute a lien on the apartment until paid. The Board, or manager thereof, may bring suit for collection of such unpaid assessment, and the remaining balance of assessments due for the fiscal year, plus interest at such highest lawful rate, plus costs and attorney's fees, without waiving such lien, or such lien may be foreclosed in the same manner as foreclosure of a mortgage of the apartment owner, ten (10) days prior to any foreclosure of lien. Such lien is inferior to the balance due on any first mortgage of the record, and any real property taxes which constituted a tax lien against the apartment prior to the assessment lien. During foreclosure, the apartment owner shall pay a reasonable rental for the apartment, and a receiver shall be appointed to collect such rent.
- 8. Unpaid Assessment; Disclosure:** The Board shall furnish a statement of the total unpaid assessments to any grantee of an apartment, upon request for same, and, the grantee shall be jointly and severally liable, with the grantor, for the amount so stated, but not in excess of such amount stated, and the apartment shall not be conveyed subject to a lien for any amount in excess of the amount disclosed in such statement.
- 9.** Assessments for common expenses of emergencies which cannot be paid from the annual assessments for common expenses shall be made only after notice of the need therefor to the apartment owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half of the votes of the apartment owners concerned, the assessment shall become effective and it shall be due after 30 days' notice thereof in such manner as the Board of Directors may require.
- 10. Amendments:** Amendments to this Article IV shall be effective only upon the unanimous vote of all apartment owners and their mortgagees.
- 11. Assessments - None Use:** No apartment Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common areas and facilities, by abandonment of the apartment, or by any other means whatsoever.

**ARTICLE V**

**AMENDMENTS.** These Bylaws may be amended in the following manner:

- (a) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
- (b) A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meetings considered the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be at least 75% of the entire membership of the Board of Directors and by not less than 75% of the votes of the entire membership of the Association or by at least 80% of the votes of the entire membership of the Association. Until the first election of directors, all directors must approve any amendment.
- (c) No amendment shall discriminate against any apartment owner or against any apartment or class or group of apartments unless the apartment owners so affected shall consent. No amendment shall change any apartment or the share in the common elements appurtenant to it, nor increase the owner's share of the common expenses, nor change the voting rights of members, unless the record owner of the apartment concerned and all record owners of liens thereon shall join in the execution of the amendment.
- (d) A copy of each amendment shall be certified by the President and Secretary of the Association as having been duly adopted and shall be effective when recorded in the Public Records of Colfax County, New Mexico.

The foregoing was adopted as the Bylaws of Bella Vista Condominium Association, Inc., a corporation not for profit under the laws of the State of New Mexico, at the first meeting of the Board of Directors on January 1, 1980.

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Secretary

APPROVED:

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President

